

S. Khonkaen Foods Public Company Limited  
and its subsidiaries

Review report and interim financial information

For the three-month period ended 31 March 2022

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of S. Khonkaen Foods Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of S. Khonkaen Foods Public Company Limited and its subsidiaries as at 31 March 2022, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of S. Khonkaen Foods Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 12 May 2022

**S. Khonkaen Foods Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 March 2022**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		121,433	103,375	68,771	48,488
Trade and other receivables	2, 3	428,012	432,427	324,479	327,656
Inventories		288,122	276,891	171,948	163,867
Current biological assets	7	78,395	111,618	-	-
Other current assets		22,025	14,664	15,380	12,396
<b>Total current assets</b>		<b>937,987</b>	<b>938,975</b>	<b>580,578</b>	<b>552,407</b>
<b>Non-current assets</b>					
Restricted bank deposits		1,510	1,510	-	-
Long-term loans to subsidiary	2	-	-	73,000	113,000
Investments in subsidiaries		-	-	536,612	536,612
Investment properties	4	632,007	628,600	367,835	364,428
Property, plant and equipment	5	1,092,304	1,084,099	506,286	504,811
Right-of-use assets	6	109,514	103,770	91,522	88,442
Non-current biological assets	7	10,085	9,602	-	-
Intangible assets		8,642	9,141	5,026	5,702
Deferred tax assets		328	328	-	-
Other non-current assets		7,968	9,008	6,300	6,697
<b>Total non-current assets</b>		<b>1,862,358</b>	<b>1,846,058</b>	<b>1,586,581</b>	<b>1,619,692</b>
<b>Total assets</b>		<b>2,800,345</b>	<b>2,785,033</b>	<b>2,167,159</b>	<b>2,172,099</b>

The accompanying notes to interim financial statements are an integral part of the financial statements.

**S. Khonkaen Foods Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 March 2022**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions		491,802	515,000	426,000	450,000
Trade and other payables	2	312,969	301,790	196,601	188,606
Current portion of lease liabilities		11,915	9,345	9,673	7,853
Current portion of long-term loans	8	125,337	108,296	69,983	57,289
Income tax payable		21,504	11,582	691	679
Other current liabilities		20,255	20,969	13,303	12,409
<b>Total current liabilities</b>		<b>983,782</b>	<b>966,982</b>	<b>716,251</b>	<b>716,836</b>
<b>Non-current liabilities</b>					
Lease liabilities, net of current portion		99,953	95,419	83,654	81,305
Long-term loans, net of current portion	8	342,257	371,100	275,774	283,986
Deferred tax liabilities		31,289	35,452	19,312	19,689
Provisions for long-term employee benefits		92,570	90,206	61,044	59,510
Other non-current liabilities		1,956	1,957	1,891	1,682
<b>Total non-current liabilities</b>		<b>568,025</b>	<b>594,134</b>	<b>441,675</b>	<b>446,172</b>
<b>Total liabilities</b>		<b>1,551,807</b>	<b>1,561,116</b>	<b>1,157,926</b>	<b>1,163,008</b>

The accompanying notes to interim financial statements are an integral part of the financial statements.

**S. Khonkaen Foods Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>31 March 2022</b>	<b>31 December 2021</b>	<b>31 March 2022</b>	<b>31 December 2021</b>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
323,400,000 ordinary shares of Baht 1 each	323,400	323,400	323,400	323,400
Issued and paid-up				
323,400,000 ordinary shares of Baht 1 each	323,400	323,400	323,400	323,400
Share premium	50,281	50,281	50,281	50,281
Share premium on treasury stock	37,552	37,552	-	-
Retained earnings				
Appropriated - statutory reserve	32,340	32,340	32,340	32,340
Unappropriated	626,655	602,000	471,168	471,026
Other components of shareholders' equity	176,471	176,596	132,044	132,044
Equity attributable to owners of the Company	1,246,699	1,222,169	1,009,233	1,009,091
Non-controlling interests of the subsidiaries	1,839	1,748	-	-
<b>Total shareholders' equity</b>	<b>1,248,538</b>	<b>1,223,917</b>	<b>1,009,233</b>	<b>1,009,091</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,800,345</b>	<b>2,785,033</b>	<b>2,167,159</b>	<b>2,172,099</b>
	-	-	-	-

The accompanying notes to interim financial statements are an integral part of the financial statements.

Director

Director

(Unaudited but reviewed)

**S. Khonkaen Foods Public Company Limited and its subsidiaries****Income statement****For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Revenues					
Sales		748,178	655,235	388,297	357,528
Revenue from rental and service		2,320	2,730	2,320	2,730
Dividend income		-	-	-	15,575
Other income		5,888	7,622	2,512	3,242
Gain on changes in fair value less cost to sale of biological assets	7	-	8,533	-	-
Total revenues		756,386	674,120	393,129	379,075
Expenses					
Cost of sales		555,892	489,462	295,118	265,855
Cost of rental and service		5,222	6,363	5,222	6,363
Selling and distribution expenses		73,279	52,855	44,586	34,172
Administrative expenses		65,005	77,970	43,441	54,424
Loss on changes in fair value less cost to sale of biological assets	7	19,078	-	-	-
Total expenses		718,476	626,650	388,367	360,814
Operating profit		37,910	47,470	4,762	18,261
Interest income		9	41	838	1,191
Finance cost		(7,287)	(7,682)	(5,727)	(5,552)
Profit (loss) before tax expense		30,632	39,829	(127)	13,900
Tax income (expense)		(5,886)	(5,301)	269	931
Profit for the period		24,746	34,528	142	14,831
Profit attributable to:					
Equity holders of the Company		24,655	34,420	142	14,831
Non-controlling interests of the subsidiaries		91	108		
		24,746	34,528		
(Unit: Baht)					
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.0762	0.1064	0.0004	0.0459

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

**S. Khonkaen Foods Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
<b>Profit for the period</b>	<u>24,746</u>	<u>34,528</u>	<u>142</u>	<u>14,831</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss</i>				
<i>in subsequent periods:</i>				
Exchange differences on translation of				
financial statements in foreign currency	<u>(125)</u>	<u>21</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>(125)</u>	<u>21</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u><u>24,621</u></u>	<u><u>34,549</u></u>	<u><u>142</u></u>	<u><u>14,831</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u>24,530</u>	<u>34,441</u>	<u><u>142</u></u>	<u><u>14,831</u></u>
Non-controlling interests of the subsidiaries	<u>91</u>	<u>108</u>		
	<u><u>24,621</u></u>	<u><u>34,549</u></u>		

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

## S. Khonkaen Foods Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to the owners of the Company													
Other components of equity holders													
Other comprehensive income													
Exchange differences													
on translation of													
Surplus on													
Surplus on changes													
components of													
Total other													
Total equity													
Equity attributable													
to non-controlling													
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(Unaudited but reviewed)

**S. Khonkaen Foods Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid up share capital	Share premium	Retained earnings		Other components of equity holders	
					Other comprehensive income	
					Surplus on revaluation of assets	
	Statutory reserve	Unappropriated				
<b>Balance as at 1 January 2021</b>	323,400	50,281	32,340	463,414	132,044	1,001,479
Profit for the period	-	-	-	14,831	-	14,831
Total comprehensive income for the period	-	-	-	14,831	-	14,831
<b>Balance as at 31 March 2021</b>	323,400	50,281	32,340	478,245	132,044	1,016,310
<b>Balance as at 1 January 2022</b>	323,400	50,281	32,340	471,026	132,044	1,009,091
Profit for the period	-	-	-	142	-	142
Total comprehensive income for the period	-	-	-	142	-	142
<b>Balance as at 31 March 2022</b>	323,400	50,281	32,340	471,168	132,044	1,009,233
	-	-	-	-	-	-
	-	-	-	-	-	-

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

**S. Khonkaen Foods Public Company Limited and its subsidiaries****Cash flow statement****For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	30,632	39,829	(127)	13,900
Adjustments to reconcile profit (loss) before tax expenses to net cash provided by (paid from) operating activities				
Depreciation	31,069	27,551	14,150	13,208
Depreciation of biological assets	1,097	1,380	-	-
Amortisation of intangible assets	824	787	711	684
Allowance for expected credit losses of trade and other receivables (reversal)	(353)	(652)	130	(496)
Reduction of inventories to net realisable value (reversal)	(932)	(47)	(1,275)	61
Reversal of allowance for doubtful account of loan to unrelated company	-	(5,000)	-	(5,000)
Loss on impairment of equipment (reversal)	(233)	4,978	(233)	4,978
Reversal of impairment of computer software	(35)	-	(35)	-
Gain on sales of investment property	-	(1,138)	-	-
Loss (gain) on sales of equipment	10	(20)	-	(58)
Write-off building and equipment	54	-	54	-
Gain on sale of stud swine	(2,117)	(2,639)	-	-
Transfer of long-term employee benefit	-	-	-	240
Long-term employee benefit expenses	2,364	2,472	1,534	1,611
Unrealised loss (gain) on exchanges	46	(304)	46	(304)
Loss (gain) on changes in fair value less cost to sale of biological assets	19,078	(8,533)	-	-
Gain on changes in fair value of interest rate exchanges	(325)	(591)	(325)	(591)
Interest income	(9)	(41)	(838)	(1,191)
Dividend income from subsidiary	-	-	-	15,575
Finance cost	7,287	7,682	5,727	5,552
<b>Profit from operating activities before changes in operating assets and liabilities</b>	<b>88,457</b>	<b>65,714</b>	<b>19,519</b>	<b>48,169</b>
Operating assets (increase) decrease				
Trade and other receivables	4,722	39,355	3,566	4,314
Inventories	(10,299)	(6,979)	(6,806)	(2,363)
Biological assets	12,229	(3,532)	-	-
Other current assets	(7,036)	(2,063)	(2,659)	(2,874)
Other non-current assets	1,040	172	397	(59)
Operating liabilities increase (decrease)				
Trade and other payables	(921)	(70,471)	5,458	(41,397)
Other current liabilities	(714)	(3,526)	894	(2,793)
Other non-current liabilities	(1)	81	209	(50)
Cash paid for long-term employee benefit	-	(168)	-	(168)
<b>Cash flows from operating activities</b>	<b>87,477</b>	<b>18,583</b>	<b>20,578</b>	<b>2,779</b>
Cash paid for corporate income tax	(127)	(19)	(96)	(18)
<b>Net cash flows from operating activities</b>	<b>87,350</b>	<b>18,564</b>	<b>20,482</b>	<b>2,761</b>

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

**S. Khonkaen Foods Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
<b>Cash flows from investing activities</b>				
Decrease in loans to subsidiaries	-	-	40,000	-
Acquisition of investment properties	-	(1,582)	-	(1,582)
Acquisition of building and equipment	(26,749)	(23,025)	(13,211)	(12,753)
Acquisition of stud swine and raising cost	(612)	-	-	-
Acquisition of computer software	(290)	(1,200)	-	(1,200)
Proceeds from sales of investment properties	-	2,910	-	-
Proceeds from sales of equipment	13	121	-	85
Proceeds from sales of stud swine	3,065	3,210	-	-
Cash received from interest income	9	41	273	499
<b>Net cash flows from (used in) investing activities</b>	<b>(24,564)</b>	<b>(19,525)</b>	<b>27,062</b>	<b>(14,951)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(23,198)	38,993	(24,000)	48,993
Cash received from long-term loans	36,586	-	18,179	-
Cash paid for long-term loans	(48,388)	(19,721)	(13,697)	(11,081)
Cash paid under lease agreements	(2,121)	(3,398)	(1,932)	(3,049)
Cash paid for interest expenses	(7,482)	(7,641)	(5,811)	(5,473)
<b>Net cash flows from (used in) financing activities</b>	<b>(44,603)</b>	<b>8,233</b>	<b>(27,261)</b>	<b>29,390</b>
<b>Net increase in cash and cash equivalents</b>	<b>18,183</b>	<b>7,272</b>	<b>20,283</b>	<b>17,200</b>
Translation adjustments	(125)	21	-	-
Cash and cash equivalents at beginning of period	103,375	160,841	48,488	59,526
<b>Cash and cash equivalents at end of period</b>	<b>121,433</b>	<b>168,134</b>	<b>68,771</b>	<b>76,726</b>
	-	-	-	-
<b>Supplemental cash flow information</b>				
Non-cash item transaction				
Payable from acquisition of equipment	12,295	18,904	2,621	13,195
Lease liabilities	(9,225)	(2,109)	(6,101)	(2,109)
Dividend receivable	-	-	-	15,575
Dividend payable	-	105	-	-
Transfer property, plant and equipment to investment properties	(4,287)	10,714	(4,287)	10,714
Transfer right of use assets to property, plant and equipment	-	1,095	-	1,095

The accompanying notes to interim financial statements are an integral part of the financial statements.

## **S. Khonkaen Foods Public Company Limited and its subsidiaries**

### **Notes to interim financial statements**

**For the three-month period ended 31 March 2022**

#### **1. General information**

##### **1.1 The Company's general information**

S. Khonkaen Foods Public Company Limited (“the Company”) is a public company limited incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of processed food products from meat and seafood, restaurants and swine farm.

The registered office of the Company is at 259/13 Soi Pridi Banomyong 13, Sukhumvit 71 Road (Pridi Banomyong), Phrakonong Nuer, Vadhana, Bangkok.

##### **1.2 Basis of preparation of interim financial information**

These interim financial information are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial information.

##### **1.3 Basis of consolidation**

The interim consolidated financial statements include the financial statements of S. Khonkaen Foods Public Company Limited (“the Company”) and its subsidiary companies (“the subsidiaries”) (collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021, with no change in shareholding structure of subsidiaries during the current period

## 1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

## 2. Related party transactions

During the period, the Group had significant business transactions with related parties. Such transactions were conclude on commercial terms and based agreed upon between the Company, subsidiaries and related parties.

Significant business transactions with related parties could be summarized as follows.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	Consolidated		Separate		
	financial statements		financial statements		
	2022	2021	2022	2021	Pricing Policy
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of goods	-	-	3,180	3,589	Cost plus margin
Service income	-	-	404	184	As stipulated in agreements
Dividend income	-	-	-	15,575	As declared
Interest income	-	-	838	1,191	Average cost of debt 3.25% per annum
Purchases of goods	-	-	18,318	23,240	Cost plus margin
Other expenses	-	-	-	86	Cost plus margin

Balances of the accounts as at 31 March 2022 and 31 December 2021 between the Group and related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
<u>Trade and other receivables (Note 3)</u>				
Subsidiaries	-	-	1,199	1,551
<u>Trade and other payables</u>				
Subsidiaries	-	-	3,361	744

Loans to the subsidiaries

As at 31 March 2022 and 31 December 2021, the balances of loans to the subsidiaries and the movements are as follows:

(Unit: Thousand Baht)

	Separate financial statements					
	Balance as at 31 December 2021	Increase during the period	Decrease during the period	Balance as at 31 March 2022	Less: Short-term loan to subsidiaries	Long-term loan to subsidiary
Loans to subsidiaries						
S. Pasusat Co., Ltd.	113,000	-	(40,000)	73,000	-	73,000
Total	113,000	-	(40,000)	73,000	-	73,000

Those loans bear interest at rates of 3.25% per annum. The due date for repayment of principal and interest by 7 October 2026.

Directors and management's benefits

During the three-month periods ended 31 March 2022 and 2021 the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short-term employee benefits	16,345	12,572	13,210	7,408
Post-employment benefits	450	1,081	234	693
Total	16,795	13,653	13,444	8,101

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as discussed in Note 10.2 (2).

### 3. Trade and other receivables

Balances of trade and other receivables as at 31 March 2022 and 31 December 2021, aged on the basis of due dates, are summarised below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	831	1,061
Total trade accounts receivable - related parties	-	-	831	1,061
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	415,993	420,916	313,780	316,874
Past due				
Up to 3 months	8,684	10,131	6,536	8,025
3 - 6 months	97	533	69	27
6 - 12 months	13	60	9	45
Over 12 months	2,692	512	2,201	-
Total	427,479	432,152	322,595	324,971
Less: Allowance for expected credit losses	(2,940)	(1,137)	(2,401)	(115)
Total trade accounts receivable - unrelated parties, net	424,539	431,015	320,194	324,856
Total trade accounts receivable, net	424,539	431,015	321,025	325,917
<u>Other receivables</u>				
Other receivables - related parties	-	-	368	490
Other receivables - unrelated parties	2,120	2,914	1,733	2,751
Others	1,785	1,086	1,785	1,086
Total	3,905	4,000	3,886	4,327
Less: Allowance for expected credit losses	(432)	(2,588)	(432)	(2,588)
Total other receivables - net	3,473	1,412	3,454	1,739
Total trade and other receivables - net	428,012	432,427	324,479	327,656

### 4. Investment properties

Movements of investment properties account during the three- month period ended 31 March 2022 are summarised below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
Net book value at the beginning of the period	628,600		364,428	
Transfer from property, plant and equipment	4,287		4,287	
Depreciation for the period	(880)		(880)	
Net book value at the end of the period	632,007		367,835	

The Group has pledged investment properties with a total net book value of Baht 400 million as at 31 March 2022 (The Company only: Baht 334 million) as collateral for credit facilities granted by bank.

## 5. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2022</b>	1,084,099	504,811
Acquisitions during the period - at cost	39,044	15,832
Disposals during the period - net book value at disposal date	(23)	-
Write-off during the period - net book value at write-off date	(54)	(54)
Transfer to investment properties	(4,287)	(4,287)
Depreciation for the period	(26,708)	(10,249)
Allowance for impairment	233	233
<b>Net book value as at 31 March 2022</b>	<b>1,092,304</b>	<b>506,286</b>

The Group has mortgaged land and building constructed thereon and machinery with a total net book value of Baht 357 million as at 31 March 2022 (The Company only: Baht 258 million) as collaterals against credit facilities received from financial institutions.

## 6. Right of use assets

Movement of right of use assets for the three-month period ended 31 March 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2022</b>	103,770	88,442
Increase during the period	9,225	6,101
Depreciation for the period	(3,481)	(3,021)
<b>Net book value as at 31 March 2022</b>	<b>109,514</b>	<b>91,522</b>



**7. Biological assets**

Movements of the biological assets during the three-month period ended 31 March 2022 are as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
<b>Balance as at 1 January 2022</b>	121,220
Increase due to feeding costs	69,367
Decrease due to sales	(81,932)
Depreciation for the period	(1,097)
Loss on changes in fair value less cost to sale of biological assets	(19,078)
<b>Balance as at 31 March 2022</b>	<b>88,480</b>

**8. Long-term loans**

Movements in the long-term loan account during the three-month period ended 31 March 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2022	479,396	341,275
Add: Additional borrowings	36,586	18,179
Less: Repayments	(48,388)	(13,697)
Balance as at 31 March 2022	<b>467,594</b>	<b>345,757</b>

The long-term loans of the Company is secured by the mortgage of land and building constructed thereon and investment properties of the Company.

The long-term loans of the subsidiaries are secured by the mortgage of land, machinery of subsidiaries and guaranteed by the Company.

The loan agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements. Also, the Group has to maintain shareholding proportion in the parent prescribed in the agreement.

As at 31 March 2022, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 181 million (The Company only: Baht 181 million).

## **9. Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group are organised into business units based on its products and services. Their operating segments are classified into four reportable segments as follows:

1. Processed food from pork
2. Processed seafood
3. Restaurants
4. Swine farm

(Unaudited but reviewed)

The revenue and profit information regarding the Group operating segments for the periods of three-month ended 31 March 2022 and 2021 is presented below.

(Unit: Thousand Baht)

For the three-month periods ended 31 March 2022 and 2021	Processed food		Processed seafood		Restaurants		Swine farm		Total segments		Elimination entries		Total	
	from pork													
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from external customers	356,945	325,038	265,667	242,090	14,452	17,884	111,114	70,223	748,178	655,235	-	-	748,178	655,235
Inter-segment revenue	3,180	3,589	18,317	23,240	-	-	-	-	21,497	26,829	(21,497)	(26,829)	-	-
Total sales	360,125	328,627	283,984	265,330	14,452	17,884	111,114	70,223	769,675	682,064	(21,497)	(26,829)	748,178	655,235
Gross operating profit	82,339	80,635	68,147	63,674	7,370	10,296	34,430	11,168	192,286	165,773	-	-	192,286	165,773
Loss from rental and service													(2,902)	(3,633)
Other income													5,897	7,663
Gain (loss) on changes in fair value less cost to														
sale of biological assets													(19,078)	8,533
Selling and distribution expenses													(73,279)	(52,855)
Administrative expenses													(65,005)	(77,970)
Finance cost													(7,287)	(7,682)
Income tax expenses													(5,886)	(5,301)
<b>Profit for the period</b>													<b>24,746</b>	<b>34,528</b>

## **10. Commitments and contingent liabilities**

### **10.1 Capital commitments**

As at 31 March 2022, the Group had capital commitments in respect of construction of building and acquisition of assets of approximately Baht 14 million, (The Company only: Baht 7 million).

### **10.2 Guarantees**

- (1) As at 31 March 2022, the subsidiaries pledged their bank deposit to secure against a fuel credit card of Baht 1 million.
- (2) As at 31 March 2022, the Company had obligations in respect of guarantees provided to banks for loan facilities of the subsidiaries of Baht 323 million.
- (3) As at 31 March 2022, there were outstanding bank guarantees of approximately Baht 8 million issued by the banks on behalf of the Group to guarantee utility charges (The Company only: Baht 6 million).

## **11. Events after the reporting period**

On 28 April 2022, the Annual General Meeting of the Company's shareholders approved the annual dividend payment to the Company's shareholders by cash at the rate of Baht 0.15 per share or totaling of Baht 48.51 million. The Company scheduled to pay such dividend on 27 May 2022.

## **12. Approval of interim financial information**

These interim financial information were authorised for issue by the Company's Board of Director on 12 May 2022.