

Our Vision

World leader in Thai restaurant business
Thailand leader in bakery business
Thailand most innovative food business & product creation.



Our Missions

Extensive network of Thai Restaurant world-wide/Restaurant & Bakery shops in Thailand
Successful & High-impact concept, process and product innovation.
High quality and cost competitive bakery and packaged food products.
Rapid growth and strong market position in retail business domestically/internationally.
Strong and sustainable financial returns.
Create happy workplace where people work with passion and develop their full potentials.
Do good for our community and our world.

Board of Directors : คณะกรรมการบริษัท

01 { Mrs. Patara Sila-On
นางภัทรา ศิลาอ่อน

02 { Lt. Varakorn Raiva
ร้อยโท วรากร ไรวา

03 { Mr. Kachorndej Raiva
นายขจรเดช ไรวา

04 { Mr. Pravesvudhi Raiva
นายประเวศวุฒิ ไรวา



05 { Mrs. Kessuda Raiva
นางเกษสุดา ไรวา

06 { Ms. Sophavadee Uttamobol
นางสาวโสภาวดี อุตตโมบล

07 { Mr. Dusit Nontanakorn
นายดุสิต นนทะนาคร

08 { Ms. Cattleya Saengsastra
นางสาวคัทลียา แสงศาสตรา



09 { Mr. Pote Videtyontrakich
นายพจน์ วิเทตยนตรกิจ

10 { Mr. William Ellwood Heinecke
นายวิลเลี่ยม เอ็ลล์วู้ด ไฮเน็ค

11 { Mrs. Pratana Mongkolkul
นางปรารถนา มงคลกุล

12 { Mr. Vitoon Sila-On
นายวิทูร ศิลาอ่อน




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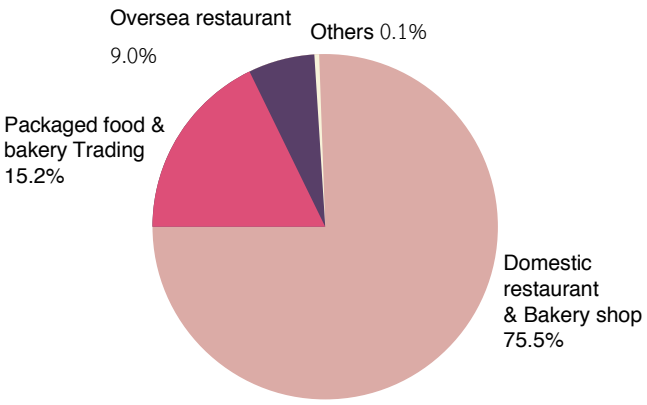
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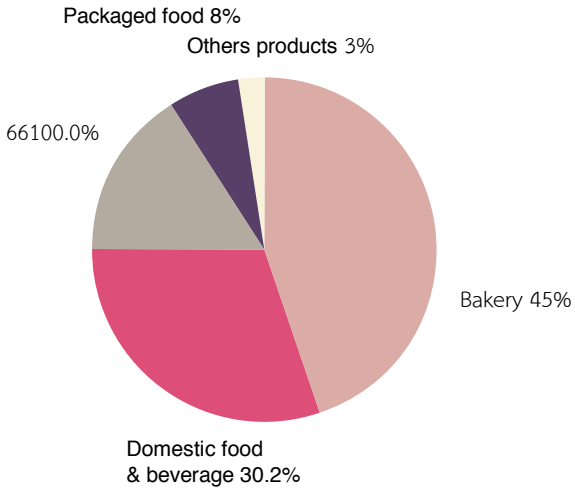
Financial Highlight

	2009	2008	2007	2006	2005
Income Statement (Unit: Thousand Baht)					
Sales and Services Income	4,700,144	4,378,167	4,013,841	3,727,256	3,361,307
Total Income	4,763,701	4,436,617	4,076,775	3,799,995	3,415,112
Gross Profit	2,058,781	1,860,714	1,696,261	1,606,538	1,428,276
Net Profit	293,040	225,149	181,774	226,793	203,601
Balance Sheet and Cashflow (Unit: Thousand Baht)					
Current Assets	1,461,843	1,212,737	1,100,004	1,001,717	777,585
Current Liabilities	692,419	554,272	554,852	504,988	509,960
Fixed Assets	997,218	1,021,325	1,137,998	1,090,448	1,022,587
Total Assets	2,754,049	2,521,823	2,517,514	2,398,461	2,084,535
Total Liabilities	710,032	555,931	556,829	507,309	511,853
Shareholders' Equity	2,044,017	1,965,892	1,960,685	1,891,153	1,572,682
Paid-up Capital	523,431	523,431	523,431	502,303	434,769
Retained Earnings	762,223	694,259	652,310	652,423	604,269
Net operating Cashflow	579,844	489,923	473,088	421,267	415,630
Financial Ratio					
Liquidity (Times)	2.1	2.2	2.0	2.0	1.5
Profitability Ratio					
Gross Profit Margin	43.8%	42.5%	42.3%	43.1%	42.5%
Net profit margin	6.2%	5.1%	4.5%	6.0%	6.0%
Return on Equity	14.6%	11.5%	9.4%	13.1%	14.2%
Operating efficiency					
Return on Assets	11.1%	8.9%	7.4%	10.1%	10.6%
Return on Fixed Assets	29.0%	20.9%	16.3%	21.5%	21.3%
Debt to Equity Ratio (Times)	0.3:1	0.3:1	0.3:1	0.3:1	0.3:1
Growth Rate					
Sales and Services Income Growth	7.4%	9.1%	7.7%	10.9%	12.2%
Gross Profit Growth	10.6%	9.7%	5.6%	12.5%	13.6%
Total Income Growth	7.4%	8.8%	7.3%	11.3%	12.2%
Net Profit Growth	30.2%	23.9%	-19.9%	11.4%	11.1%
Total Assets Growth	9.2%	0.2%	5.0%	15.1%	19.2%
Per Share Data (Unit: Baht per Share)					
Book Value per Share	18.78	18.78	18.73	18.82	18.09
Earnings per Share	2.80	2.15	1.75	2.58	2.68
Dividend per Share	2.50	2.15	1.50	2.00	2.10
Dividend Payout Ratio	89%	100%	86%	86%	87%
Share Capital					
Par Value (Baht per Share)	5	5	5	5	5
Registered Share (Unit: Thousand shares)	104,686	104,686	105,000	105,000	105,000
Paid-up Share (Unit: Thousand shares)	104,686	104,686	104,686	100,461	86,954
Registered Share (Unit: Thousand shares)	104,686	104,686	103,633	87,825	75,941

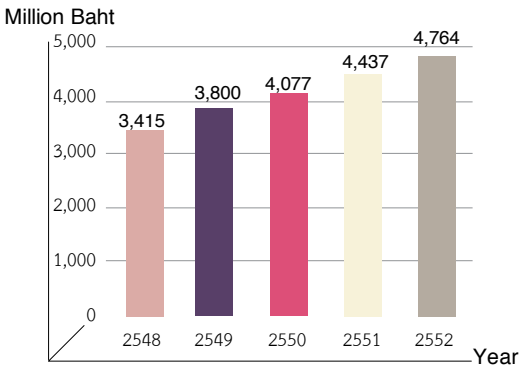
Revenue breakdown by Distribution Channel 2009



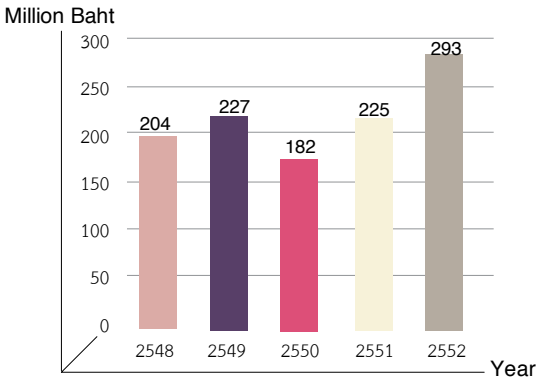
Revenue breakdown by Product 2009



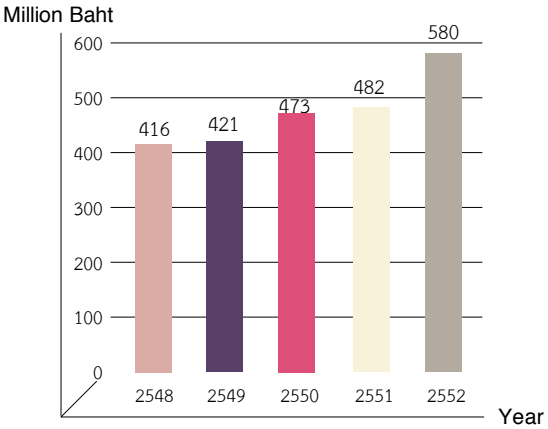
TOTAL INCOME



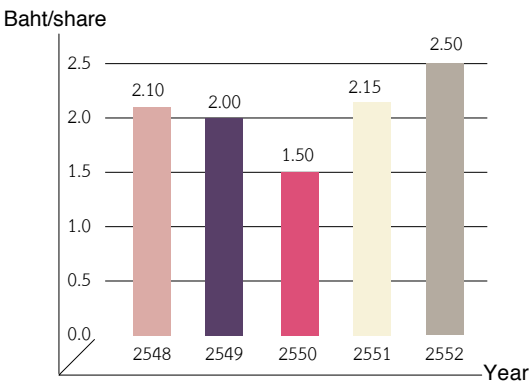
NET PROFIT



OPERATING CASHFLOW



DIVIDEND PER SHARE



“Message from the Chairman”



Last October, S&P Syndicate PCL. celebrated its 36th Anniversary in food and restaurant business. The Company's success is clearly illustrated in its ability to maintain an annual revenue growth of 7.4% or THB 4,700 million in total sales amid global recession and local political uncertainty, which resulted in the overall economic slowdown and sluggish consumer's spending.

Globally, S&P together with its joint venture companies opened another Siam Kitchen store in Singapore and a flagship Patara Fine Thai Cuisine in Beijing, China.

Locally, the company opened 42 S&P restaurants and bakery outlets last year, focusing on major provinces in Thailand in order to reach out to all potential customers.

On product development, S&P worked harder to bring more varieties to existing line of frozen meal, bakery, and meat products. Organic, natural and locally available ingredients are introduced to create a wider range of menu offers. Thus is the Company's goal to provide a modern lifestyle that is more conscious to health and environmental friendly products.

Throughout the past year, S&P continued to improve food safety standard in all its facilities, receiving HACCP, ISO/ IEC 17025:2005, ISO 9001:2000, ISO 22000:2005, BRC, IFS for production facilities as well as GMP standard in 5 restaurant branches, and will eventually expand the practice to all outlets.

At the same time, the company is concerned for community welfare and puts strong emphasis on supporting projects to improve community's nutrition and hygiene.

S&P continually supports charitable foundations and provides funding for underprivileged children's organizations. Certified by the Bangkok Educational Service Area Office 2, Ministry of Education, S&P Learning Centre grants scholarships and provides free regular vocational classes in retailing business and home economics for its staff and outside students. Therefore, opening opportunities to those who lack the means to further their education and career.

I thank our shareholders, for being a part in our success for the past 36 years. Together we will move forward to prosperity and maintain our established reputation for many years to come.

P. Sila-On

Yours Sincerely,
(Patara Sila-On)
Chairman

Nature of Business

History and important developments

S&P restaurant was founded in 1973. From food, ice cream and desserts restaurants in Soi Prasarnmit Sukhumvit 23, the Company introduced its bakery line and become the leader in custom-made cake decoration and cartoon-designed cake in Thailand. S&P food and bakery are well-accepted by customers which support store expansions in major areas in Bangkok and upcountry.

In 1989, S&P Company Limited was listed in the Stock Exchange and changed its name to S&P Syndicate Public Company Limited. The Company has invested in both restaurant and bakery businesses under the brand "S&P." There were S&P restaurants and S&P bakery shops to respond to customers' requirement. Moreover, the company has been very successful in introducing new brands such as Patara, Patio, Blue Cup, Vanilla; Thai sweets brand SimplyThai; and moon cake brands S&P and Golden Dragon.

For the overseas business, the Company opened its first Thai restaurant under the name Patara Fine Thai Cuisine in London, England, 1990. The restaurant was well-accepted and improved popularity of Thai food in overseas market. The Company opened more Thai restaurants later. As of 31 December 2009, the Company has 20 overseas restaurants under the brands Patara, Patio, THAÏ, Siam Kitchen and Bangkok Jam. The Company permits Strategic Brands Network to operate a Thai restaurant under brand Thai-Patio in Manila, Philippines.

For ready-meal business, the Company has introduced frozen ready-to-eat food and sausage products to accommodate changing consumer's preference and lifestyle. While the businesses are still small, they have high growth potential in the future. The Company has continued to invest in ready-meal research and development to respond to customer's demand by focusing on food quality, taste and menu variety. Moreover, S&P Group is the leader in catering business under the brand Caterman, and food delivery service (Delivery: 1344).

The Company constructed its first bakery factory in Sukhumvit 62 in 1984 and later in Chiang Mai, Phuket and Bangna Trad Road. The Company also constructed frozen-food and sausage factory in Lad Krabang Industrial Estate.

Presently, the Company is the leading restaurant and bakery operators. The policies that the Company has maintained over the last 36 years are to offer good service and quality products as well as continuously develop and innovate new products to best respond to customer's needs.

Business overview of the Company and subsidiaries

The Company's operation can be divided into 4 key areas 1) domestic restaurant and bakery 2) overseas restaurant 3) manufacturing and trading food products and 4) other food services.

Domestic restaurant and bakery business

As of 31 December 2009, the Company operates 330 restaurants and bakery stores under S&P brand. When combined with subsidiaries, the Company operates a total of 362 branches nationwide, contributing most to the Company's revenue. The Company position each store-type differently to better serve different groups of customers. S&P restaurants and bakeries store will focus on mass market, while other specialty restaurant brands will target more specific target customers. Details of various restaurant and bakery brands of the Company and subsidiaries are as followed.

	Operated by	% holding by S&P	Branches
S&P Bakery	S&P		229
S&P Restaurant	S&P		91
Vanilla Restaurant	S&P		5
Patio Restaurant	S&P		3
Patara Restaurant	S&P		1
Grand Seaside Seafood Restaurant	S&P		1
Total stores operated by S&P 100%	S&P		**330**
Pizza**Patio** Restaurant	S&Pizzanotti	100%	6
Häagen Dazs Café	HD Distributors	47%	26
Total			362

Remark: The Company operates 184 Bluecup coffee shops in S&P restaurants and bakery shops.

S&P Restaurant & Bakery: Simply Delicious

S&P restaurant offers a variety of food, ice cream, coffee, beverage and bakery targeting middle-class family, teenagers and working people. The restaurant provides Eat in, Take away and delivery services. The customer can buy tasty frozen ready-to-eat meal, cookies, and Thai sweets. It is a family restaurant for everyone, everything and everywhere.

S&P Bakery Shop : Fresh Baked Everyday

The Bakery shops offer all kinds of bakery products, sandwich, coffee and ready-to-eat meal to customers in general community areas, such as supermarkets, department stores and offices to offer customers access to the company's drinks, coffee, cake, cookie, sandwich, bread and ready-to-eat meal. The branches are mainly located in Bangkok and major cities in Thailand.

Vanilla Group

Vanilla Group is a brand targeting the stylish, confident teenagers and the young professional customers. The restaurants under Vanilla Group offer high-quality food in the distinct environment.

(1) Vanilla Industry: Tea Cake / D.I.Y. bakery / Cooking Workshop

Trendy restaurants for teens. This restaurant's design combines modern and classic styles. It serves spaghetti, soup, salad, pastry. The restaurant also offers a wide variety of culinary courses.

(2) Vanilla Restaurant: Breakfast / Lunch / Afternoon Tea / Dinner

Gathering place in English pub environment, the restaurant is decorated in modern-vintage style. The restaurant serves all day meal and a variety of classic European food.

(3) Vanilla Brasserie: Café / Patisserie Salon de the Creperie / Chocolatier / Confiserie

Inspired by French Café, the restaurant is designed to fit modern lifestyle customers who come to shop at luxurious department store Paragon Shopping Mall. The restaurant offer creative menu, such as crepe, salad, sandwich, chocolate, French sweets, and souvenir.

(4) Vanilla Café: Japanese Style Café

Italian-Japanese restaurant designed in Japanese Retro style emphasizing on simplicity. The restaurant offers privacy and a variety of Japanese dishes.

(5) Royal Vanilla: Tea room-Dimsum

Decorated in traditional Chinese restaurant, serving good and simple Dimsum and Chinese dishes.

(6) Sauce: Art literature cookbook

A lofty-style contemporary book store selling books about arts, literature, and cookbooks and S&P and related products.

(7) Teppan Ice: Japanese-style Teppan ice-cream

The Japanese-style Teppan ice-cream on the ice-cold pan, making in front of you low fat ice-cream in different flavors, including soy milk, fruit yogurt, dango, and wasabi.

Patio: Joy of eating

The customers can enjoy a real good food in the warm, stylish environment. The restaurant serves Thai and international cuisine all day round.

Patara: Fine Thai Cuisine

The restaurant offers stylish Thai cuisine for business gatherings and special occasions.

Grand Seaside: Great Seafood…Good View

Offers seafood and Thai fusion food at Leam Farn, Sriracha.

PizzaPatio: The Unique Italian Taste

The real Italian Pizza for delivery. The chain currently operate 6 branches.

Häagen Dazs Café: Super Premium Ice Cream

The world's super-premium ice-cream. With the finest ingredients from around the world, Häagen Dazs ice-cream is crafted to be the best, rich ice-cream. The customers can feel the special moment at 24 Häagen Dazs Cafés and more than 200 outlets in hotels, restaurants, hypermarket and leading supermarkets.

Bluecup Coffee & Tea: Brewing New Ideas

Bluecup, S&P blue chip coffee brand, currently operates 184 counters in S&P outlet. The brand won 2 times "Thailand Best Barista" in 2007 and 2008, and "Thailand Best Latte Art" in 2008. Bluecup is proud to develop good coffee brewers over the last nine years and will continue to grow and become the leading coffee brand of Thailand.

Overseas Restaurant Business

The company proudly represents Thai culture on cuisine aspect in the foreign countries. The Group currently operates 19 restaurants and a franchise in six countries.

	England	Switzerland	Singapore	Taiwan	China	The Philippines	Total
Patara	4	1	1		1		7
THAÏ		1					1
Patio				4			4
Siam Kitchen			6				6
Bangkok Jam			1				1
Thai-Patio*						1	1
Total	4	2	8	4	1	1	20

*Licensed brands

Patara: *Fine Thai Cuisine*

Authentic Thai cuisines in modern and elegant environment, Patara restaurant chain has four restaurants in England, one in Switzerland, one in Singapore and one in Beijing.

THAÏ: *Contemporary Cuisine*

THAÏ Contemporary Cuisine restaurant serves Thai food and drinks. The interior combines Western and Eastern designs to deliver the best dining experience. The currently operate one Thai Geneva.

Patio: *Thai contemporary*

A Thai restaurant concept designed to suit the local Taiwanese market. There are 4 Patio Restaurants in Taipei.

Siam Kitchen: *Authentic Thai Restaurant*

Siam Kitchen chain is well-accepted in Singapore. The Halal certified chain is now operating 6 outlets.

Bangkok Jam: *Thai and Pan-Asian cuisine*

Bangkok Jam offers new Thai cuisine targeting young and active life style professional group in Singapore.

Products and services

Bakery Products

Delio: *Cookies for everyone*

Introduced as an alternative for consumers, Delio, premium but affordable cookies, are available at S&P outlets, hypermarkets, supermarkets, and convenience store such as 7 Eleven, Family Mart including several minimarts around Thailand

Moon Cake: *The mid-autumn Cake*

S&P has long been a leader in the Moon Cake market. S&P and Golden Dragon Moon Cakes not only are delicious and charming, but also possess cultural and artistic designs. Our Moon Cakes are offered in various favors and delicate packages, suitable as gifts for mid-autumn festival.

SimplyThai: *Thai sweet delicacies*

A variety of both traditional and contemporary Thai sweets in irresistible packages. SimplyThai offers some indigenous and rarely found Thai desserts as well as a refined blend of Thai and western flavors.

Food Products

Frozen Food (Quick Meal): *It's like having a chef at home*

A pioneer in the frozen-prepared food industry, S&P has consistently sought to invest in R&D and innovate new products to better meet customers' demands. S&P frozen food impressively possess a subtle flavor of restaurant-cooked dishes. Offering not only impressive varieties, Quick Meal is also carefully cooked to ensure tastiness and healthiness. Let Quick Meal make your meals great dishes.

Our products also include Salad dressing and frozen soup under Patio brand.

S&P Sausage : *Love it at first taste*

Various types of sausage, ham, and bacon to meet diverse demands of middle-to-upper group customers. S&P Sausages are distributed through modern trade channels nationwide. With our exclusive formula, we select the finest quality of meat and delicately produce it under high standards to ensure excellent quality products.

Jelio Jelly : *Sweet caragenan jelly full of Vitamin C*

Seeking to innovate a new product line, we offer caragenan jelly in the forms of both ready-to-eat fruit jelly in cups and ready-to-drink fruit juice in bottles high of vitamin C.

Royallee

Food additive products awarded with the Certified International Quality Standards. Our products include food coloring, custard powder, etc.

Other Services

Delivery : *"Just Call 1344"*

S&P Group provides home and office delivery services for its products through 1344 "hotline". We deliver you not only food and services but also value and convenience.

Caterman : *Leave the details to us*

Ideal catering service for any functions or special events. Our arrangements are completely professional and overseen by a team of specialists. The catering menu, including Thai and international cuisine, is constantly revised with new selections to offer clients more varieties.

Foodhouse Catering : *Institutional Catering*

Specializing in catering services for institutions such as hospital, school, as well as factory. Foodhouse Catering is a joint venture between S&P Syndicate Co., Ltd. and Property care Services (Thailand) Co., Ltd., a subsidiary of OCS Co., Ltd. (UK)

Audit Committee's Report

The Audit Committee comprises 3 independent directors, who are Miss Cattleya Saengsastra as the Audit Committee Chairman and Mr. Dusit Nontanakorn and Miss Sophavadee Uttamobol as Audit Committee members. Each of them is not an executive officer or employee of the Company. The Manager of the Operational System Support and Inspection Department is the Audit Committee Secretary. The Audit Committee has been appointed by the Board of Directors to perform the duties for the examination of information relating to financial reports, internal audits and audits performed by certified public accountants, as well as compliance with laws, rules and requirements of the Stock Exchange, in accordance with the scope of performance, duties and responsibilities stipulated in the Audit Committee Charter approved by the Board of Directors Meeting and conforming to the requirements of the Stock Exchange of Thailand.

In 2009, the Audit Committee held 4 meetings to perform the duties under the scope of responsibilities entrusted by the Board of Directors. These duties included the examination of both quarterly and annual financial reports and statements and the inspection of the internal control system. The Committee met with the external auditor, the Internal Audit Department, the Deputy Vice President for Accounting and Corporate Plan, the Law Office Manager, and the Management concerned, to ensure that the Company's financial reports and statements had been prepared in conformity with accounting standards accepted and that information had been correctly and sufficiently disclosed, and to make improvements in order that the internal control system became more efficient; that there would be a system for the management of risks and other factors that might produce significant effects on the business operations of the Company; that pertinent laws were complied with; that principles of good corporate governance were observed; and that discussions were made and opinions exchanged regarding audit results, quality assessments on various aspects and the sufficiency of the internal control system. To this, the Audit Committee endeavored to encourage and push the Company to comply with the good practices of a listed company. Its duties performed are in summary as follows:

Approval of the 2009 Annual and Quarterly Financial Statements of the Company and the Consolidated Financial Statements Verified and Audited by the Auditor – The Audit Committee asked questions and acknowledged explanations from the Management regarding the accuracy and completeness of the financial statements and the sufficiency of the disclosure of information to ensure that the Company had complied with generally accepted accounting standards and that information had been disclosed in the financial statements sufficiently and in time, and the auditor was invited to be present at all meetings at which the annual and quarterly financial statements were considered. Whereupon the auditor was asked about the correctness and completeness of the financial statements and the sufficiency of the disclosure of information or events after the date entered in the financial statements or account adjusting entries producing significant effects on the financial statements, and the auditor's recommendation on the internal control system was considered and a guideline for solution was proposed to the Board of Directors. The Audit Committee's opinion was consistent with the auditor's: the Company had a proper, sufficient, up-to-date and reliable process for the preparation and disclosure of information in the financial statements and they can be reasonably trusted in essence in conformity with generally accepted accounting standards.

Examination of Risk Management – The Audit Committee examined information on operation and the internal control system against the Internal Audit Department, which is an independent unit and reports audit results directly to the Audit Committee. The Internal Audit Department examined business risks and defects in the internal control of the Company by means of a quarterly inspection of the accounting and performance processes of the Company and by following up the result after the internal audit process. In addition, the Audit Committee made recommendations on significant plans for operation and risk management to the Internal Audit Department so that they would serve as a guideline for laying down audit plans.

Examination of Internal Control Assessment – The Audit Committee, in association with the Internal Audit Department, made a quarterly examination and review of the internal control system so as to be assured that the Company has an internal control system sufficient for the conduct of its business and that the objective of the internal control would be achieved in terms of effectiveness and efficiency of the conduct of business and the use of resources. In addition, the Audit Committee also made recommendations on audit planning so that it would cover important business systems of the Company, such as, inventory, accounting and finance as well as sales systems, etc. According to the result of the examination in 2009, no material weak points or defects were found.

Examination of Interrelated Transactions and Compliance with the Law - The Audit Committee examined interrelated transactions and compliance with the law so as to be assured that the Company had followed an ordinary course of business and that transactions that had occurred were necessary and reasonable for the maximum benefit of the Company, and for compliance with the law, rule and requirements of the Stock Exchange and laws relating to the conduct of business, especially the disclosure of connected transactions and the acquisition and disposal of significant assets of the Company and its subdiaries the Audit Committee is of the opinion that the Company has complied appropriately with the pertinent laws and requirements.

Proposal for the Auditor Appointment – The Audit Committee, having taken into consideration the independence, performance and services of the auditor including the appropriateness of its remuneration, deemed that the auditor had given opinions and recommendations beneficial to the preparation of the financial reports and the internal control. It was deemed expedient to propose via the Board of Directors that the meeting of shareholders appoint Deloitte Touche Tohmatsu Jaiyos Co., Ltd. be reappointed as the auditor.

The Audit Committee performed its duties independently of the Board of Directors and the Management. It attached continuous importance to the internal control and risk management in order that the Company would have good corporate governance, internal control sufficient and appropriate for the business. It also reported the results of its meetings and the performance of its duties to the Board of Directors regularly.

Cattleya Saengsastra
Chairman, Audit Committee
February 24, 2010

Report on the Board of Directors' Responsibility for the Preparation of Financial Statements

The financial statements of S&P Syndicate Public Company Limited and its subsidiaries, which have been combined into a consolidated financial statement, have been prepared in conformity with generally accepted accounting principles under the Accounting Act B.E. 2543 (A.D. 2000), which include accounting standards issued under the Accounting Profession Act B.E. 2547 (A.D. 2004) and under the stipulations of the Securities and Exchange Commission governing the preparation and presentation of financial reports subject to the Securities and Exchange Act B.E. 2535 (A.D. 1992), as well as with the Notification of the Department of Business Development re "prescription of brief entries that must be contained in financial statements" B.E. 2552 (A.D. 2009) dated January 30, 2009.

The Board of Directors is responsible for the financial reports prepared of S&P Syndicate Public Company Limited and its subsidiaries so that it is reasonably assured that the reports have reflected the financial standing, income and expenses and cash flows that are real and reasonable. To this, correct, complete and sufficient accounting information has been recorded for the purpose of maintaining material assets and transactions, and in the preparation of the financial reports appropriate accounting policies which are constantly applied and conform to generally accepted accounting standards have been considered and selected for use and significant information has also been sufficiently disclosed in the notes to the financial statements of S&P Syndicate Public Company Limited and its subsidiaries, on which the auditor has expressed opinions in the Auditor's Report.

Patara Sila-On	Pravesvudhi Raiva
Chairman, Board of Directors	President

Report of the Independent Certified Public Accountants

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS

S&P SYNDICATE PUBLIC COMPANY LIMITED

We have audited the consolidated balance sheet of S&P Syndicate Public Company Limited and its subsidiaries and the separate balance sheet of S&P Syndicate Public Company Limited as at December 31, 2009 and the related consolidated and the separate statements of income, changes in shareholders' equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to express an opinion on these financial statements based on our audit. The consolidated and the Company's separate financial statements for the year ended December 31, 2008, presented herein for comparison, were audited by another auditor of the same firm, whose report thereon dated February 11, 2009, expressed an unqualified opinion.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned consolidated and the separate financial statements present fairly, in all material respects, the financial position of S&P Syndicate Public Company Limited and its subsidiaries and of S&P Syndicate Public Company Limited as at December 31, 2009, and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Thanawan Anuratbodee
Certified Public Accountant (Thailand)
Registration No. 3440
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
February 8, 2010

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31, 2009 AND 2008

BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2009	2008	2009	2008
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		475,112,561	416,522,031	328,102,929	257,506,705
Temporary investments	5	539,257,552	431,821,968	535,631,503	427,122,310
Trade accounts receivable - net	6, 13	163,728,156	152,016,484	147,658,224	135,692,186
Short-term loans to related companies - net	13	244,046	253,401	1,604,243	1,370,736
Inventories	7	206,551,212	175,793,411	197,912,867	169,031,641
Other current assets	13	76,949,060	36,329,576	25,646,269	13,646,543
Total Current Assets		1,461,842,587	1,212,736,871	1,236,556,035	1,004,370,121
NON-CURRENT ASSETS					
Investments in subsidiaries	8, 13	-	-	40,999,300	42,999,300
Investments in associates	8, 13	43,586,235	54,305,085	48,998,000	53,995,000
Property, plant and equipment - net	9	997,217,913	1,021,325,082	877,983,777	928,114,304
Intangible assets - net	10	3,125,977	3,999,765	1,107,286	1,719,644
Leasehold right - net	11	97,248,667	106,036,484	92,761,111	100,051,925
Other non-current assets	12	151,027,693	123,419,913	115,887,640	95,722,121
Total Non-current Assets		1,292,206,485	1,309,086,329	1,177,737,114	1,222,602,294
TOTAL ASSETS		2,754,049,072	2,521,823,200	2,414,293,149	2,226,972,415

Notes to the financial statements form an integral part of these statements

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT DECEMBER 31, 2009 AND 2008

BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2009	2008	2009	2008
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdraft and short-term loans from financial institutions		3,538,051	-	-	-
Trade accounts payable	13	362,842,428	250,294,477	323,809,018	224,693,394
Short-term loans from related companies - net	13	113,581	122,427	142,864	267,415
Accrued income tax		78,867,185	56,397,705	71,239,273	47,673,469
Accrued expenses		185,916,427	190,719,222	172,222,549	170,166,626
Value-added-tax payable		17,295,614	16,400,083	17,272,122	16,400,083
Other current liabilities		43,845,950	40,338,357	30,788,284	25,729,852
Total Current Liabilities		692,419,236	554,272,271	615,474,110	484,930,839
NON-CURRENT LIABILITIES					
Long-term loan from financial institution		10,440,316	-	-	-
Other non-current liabilities		7,172,120	1,659,119	5,000,000	-
Total Non-current Liabilities		17,612,436	1,659,119	5,000,000	-
TOTAL LIABILITIES		710,031,672	555,931,390	620,474,110	484,930,839

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT DECEMBER 31, 2009 AND 2008

BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2009	2008	2009	2008
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
104,686,273 ordinary shares,					
Baht 5 each		523,431,365	523,431,365	523,431,365	523,431,365
Issued and paid-up share capital					
104,686,273 ordinary shares,					
Baht 5 each, fully paid		523,431,365	523,431,365	523,431,365	523,431,365
PREMIUM ON ORDINARY SHARES		689,980,549	689,980,549	689,980,549	689,980,549
EXCHANGE DIFFERENCES ON TRANSLATION					
OF THE FINANCIAL STATEMENTS					
OF FOREIGN SUBSIDIARIES		(20,394,032)	(23,884,938)	-	-
UNREALIZED GAIN ON REVALUATION OF					
AVAILABLE- FOR- SALE SECURITIES		126,049	299,600	-	200,000
RETAINED EARNINGS					
Appropriated					
Legal reserve	14	52,343,137	52,343,137	52,343,137	52,343,137
Unappropriated		709,879,917	641,915,761	528,063,988	476,086,525
TOTAL MAJOR SHAREHOLDERS' EQUITY		1,955,366,985	1,884,085,474	1,793,819,039	1,742,041,576
MINORITY INTEREST		88,650,415	81,806,336	-	-
TOTAL SHAREHOLDERS' EQUITY		2,044,017,400	1,965,891,810	1,793,819,039	1,742,041,576
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,754,049,072	2,521,823,200	2,414,293,149	2,226,972,415

Notes to the financial statements form an integral part of these statements

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
Revenues from sales and revenues from services	4,700,143,683	4,378,166,645	4,023,297,650	3,694,186,439
Costs of sales and costs of services	(2,641,362,757)	(2,517,452,792)	(2,460,069,144)	(2,337,216,369)
Gross profit	2,058,780,926	1,860,713,853	1,563,228,506	1,356,970,070
Dividend received	1,620,000	1,600,000	1,813,996	5,459,840
Other income	61,937,231	56,850,239	43,299,071	46,674,948
Profit before expenses	2,122,338,157	1,919,164,092	1,608,341,573	1,409,104,858
Selling expenses	(177,309,092)	(143,587,079)	(177,309,092)	(143,587,079)
Administrative expenses	(1,493,782,435)	(1,422,801,879)	(1,027,667,804)	(960,120,974)
Management benefit expenses	(35,531,500)	(31,801,641)	(27,097,520)	(20,945,911)
Total expenses	(1,706,623,027)	(1,598,190,599)	(1,232,074,416)	(1,124,653,964)
Profit before finance costs and income tax expenses	415,715,130	320,973,493	376,267,157	284,450,894
Finance costs	(704,976)	(139,324)	(4,192)	(4,485)
Share of (losses) profits of associated companies	(2,972,801)	726,875	-	-
Profit before income tax expenses	412,037,353	321,561,044	376,262,965	284,446,409
Income tax expenses	(113,788,923)	(90,222,474)	(99,210,015)	(71,374,863)
NET PROFIT	298,248,430	231,338,570	277,052,950	213,071,546
PROFIT ATTRIBUTABLE TO:				
Equity holders of the parent company	293,039,643	225,148,592	277,052,950	213,071,546
Minority interest	5,208,787	6,189,978	-	-
	298,248,430	231,338,570	277,052,950	213,071,546
BASIC EARNINGS OF MAJOR SHAREHOLDERS PER SHARE BAHT	2.80	2.15	2.65	2.04
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES SHARES	104,686,273	104,686,273	104,686,273	104,686,273

Notes to the financial statements form an integral part of these statements

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
CONSOLIDATED FINANCIAL STATEMENTS

BAHT

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Exchange differences on translation of the financial statements of foreign subsidiaries	Unrealized gain (loss) on revaluation of available-for-sale securities	Retained earnings		Total Major Shareholders' Equity	Minority Interest	Total Shareholders' Equity
						Appropriated Legal reserve	Unappropriated			
BEGINNING BALANCE AS AT JANUARY 1, 2008		523,431,365	689,980,549	5,777,625	1,600,000	50,230,300	602,080,984	1,873,100,823	87,584,479	1,960,685,302
Exchange differences on translation of the financial statements of foreign subsidiaries		-	-	(29,662,563)	-	-	-	(29,662,563)	(11,968,121)	(41,630,684)
Unrealized loss on revaluation of available-for-sales securities		-	-	-	(1,300,400)	-	-	(1,300,400)	-	(1,300,400)
Net profit		-	-	-	-	-	225,148,592	225,148,592	6,189,978	231,338,570
Legal reserve	14	-	-	-	-	2,112,837	(2,112,837)	-	-	-
Dividend paid	16	-	-	-	-	-	(183,200,978)	(183,200,978)	-	(183,200,978)
ENDING BALANCE AS AT DECEMBER 31, 2008		523,431,365	689,980,549	(23,884,938)	299,600	52,343,137	641,915,761	1,884,085,474	81,806,336	1,965,891,810

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
CONSOLIDATED FINANCIAL STATEMENTS

BAHT

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Exchange differences on translation of the financial statements of foreign subsidiaries	Unrealized gain (loss) on revaluation of available-for-sale securities	Retained earnings		Total Major Shareholders' Equity	Minority Interest	Total Shareholders' Equity
						Appropriated Legal reserve	Unappropriated			
BEGINNING BALANCE AS AT JANUARY 1, 2009		523,431,365	689,980,549	(23,884,938)	299,600	52,343,137	641,915,761	1,884,085,474	81,806,336	1,965,891,810
Exchange differences on translation of the financial statements of foreign subsidiaries		-	-	3,490,906	-	-	-	3,490,906	1,635,292	5,126,198
Unrealized loss on revaluation of available-for-sales securities		-	-	-	(173,551)	-	-	(173,551)	-	(173,551)
Net profit		-	-	-	-	-	293,039,643	293,039,643	5,208,787	298,248,430
Dividend paid	16	-	-	-	-	-	(225,075,487)	(225,075,487)	-	(225,075,487)
ENDING BALANCE AS AT DECEMBER 31, 2009		523,431,365	689,980,549	(20,394,032)	126,049	52,343,137	709,879,917	1,955,366,985	88,650,415	2,044,017,400

Notes to the financial statements form an integral part of these statements

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
SEPARATE FINANCIAL STATEMENTS

BAHT

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Unrealized gain (loss) on revaluation of available-for-sale	Retained earnings		Total Shareholders' Equity
					Appropriated Legal reserve	Unappropriated	
BEGINNING BALANCE AS AT JANUARY 1, 2008		523,431,365	689,980,549	1,600,000	50,230,300	448,328,794	1,713,571,008
Unrealized loss on revaluation of available-for-sales securities		-	-	(1,400,000)	-	-	(1,400,000)
Net profit		-	-	-	-	213,071,546	213,071,546
Legal reserve	14	-	-	-	2,112,837	(2,112,837)	-
Dividend paid	16	-	-	-	-	(183,200,978)	(183,200,978)
ENDING BALANCE AS AT DECEMBER 31, 2008		523,431,365	689,980,549	200,000	52,343,137	476,086,525	1,742,041,576
BEGINNING BALANCE AS AT JANUARY 1, 2009		523,431,365	689,980,549	200,000	52,343,137	476,086,525	1,742,041,576
Unrealized loss on revaluation of available-for-sales securities		-	-	(200,000)	-	-	(200,000)
Net profit		-	-	-	-	277,052,950	277,052,950
Dividend paid	16	-	-	-	-	(225,075,487)	(225,075,487)
ENDING BALANCE AS AT DECEMBER 31, 2009		523,431,365	689,980,549	-	52,343,137	528,063,988	1,793,819,039

Notes to the financial statements form an integral part of these statements

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	412,037,353	321,561,044	376,262,965	284,446,409
Adjustments :				
Depreciation and amortization expenses	261,036,166	262,261,485	235,432,448	237,918,887
Unrealized loss on exchange rate	954,450	7,551,775	805,786	6,697,752
Unrealized gain from temporary investments	(2,372,043)	(1,551,133)	(2,372,043)	(1,551,133)
Share of losses (profits) from investments recorded by the equity method	2,972,801	(726,875)	-	-
Share of profit from dissolution of a subsidiary company	-	-	-	-
Loss from fixed assets written-off	3,151,306	10,237,951	3,151,306	6,950,817
Gain on sales of temporary investments	(1,482,314)	(6,679,252)	(1,549,720)	(6,679,252)
Gain on sales of fixed assets	(4,823,218)	(1,734,825)	(4,267,150)	(1,734,825)
Dividend received from temporary investments	(1,620,000)	(1,600,000)	(1,620,000)	(1,600,000)
Dividend received from an associated company	-	-	(193,996)	(3,859,840)
Doubtful accounts	-	-	1,100,000	-
Doubtful account - cash advance to a related company	-	-	1,900,000	-
Loss on impairment of investment in a subsidiary company	-	-	2,034,096	5,000,000
Loss on impairment of investment in an associated company	-	-	4,997,000	-
Interest expense	704,976	139,324	4,192	4,485
	670,559,477	589,459,494	615,684,884	522,607,018
Increase in trade accounts receivable	(11,762,246)	(16,231,450)	(13,066,038)	(16,022,602)
Increase in inventories	(30,757,801)	(5,403,548)	(28,881,226)	(5,721,793)
(Increase) Decrease in other current assets	(40,619,484)	7,975,610	(11,999,726)	(3,481,217)
Increase in other non-current assets	(27,607,780)	(18,517,013)	(20,165,519)	(10,600,067)
Increase (Decrease) in trade accounts payable	112,547,951	(7,855,809)	99,115,624	(3,754,284)
(Decrease) Increase in accrued expenses	(4,802,795)	41,114,743	2,055,923	35,193,004
Increase in value-added-tax payable	895,531	1,477,816	872,039	1,493,456
(Decrease) Increase in other current liabilities	(2,097,410)	850,715	(546,571)	1,049,147
Increase (Decrease) in other non-current liabilities	5,513,001	(317,370)	5,000,000	-
Interest paid	(704,976)	(139,323)	(4,192)	(4,485)
Income tax paid	(91,319,443)	(102,491,118)	(75,644,211)	(76,927,527)
Net Cash Provided by Operating Activities	579,844,025	489,922,747	572,420,987	443,830,650

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIE
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash payments for acquisition of temporary investments	(360,500,000)	(882,634,135)	(360,000,000)	(881,600,217)
Cash received from sales of temporary investments	256,745,222	787,000,000	255,212,570	787,000,000
Cash payments for short-term loans to related companies	-	-	(19,485,494)	(22,647,930)
Cash received from short-term loans to related companies	9,355	149,109	17,351,987	21,564,263
Proceeds from dissolution of a subsidiary company	-	-	-	4,985,482
Cash payment for acquisition of a subsidiary company	-	-	(34,096)	-
Cash payment for acquisition of an associated company	-	-	-	(4,997,000)
Dividend received from temporary investments	1,620,000	1,600,000	1,620,000	1,600,000
Dividend received from an associated company	-	-	193,996	3,859,840
Cash payment for purchases of fixed assets	(197,693,922)	(154,659,175)	(168,253,871)	(172,648,798)
Proceeds from sales of fixed assets	6,964,442	2,646,501	5,167,171	2,646,501
Cash payments for purchases of intangible assets	(42,500)	(354,000)	(42,500)	(354,000)
Cash payments for purchases of leasehold right	(7,548,702)	(10,122,116)	(7,548,702)	(12,345,000)
Net Cash Used in Investing Activities	(300,446,105)	(256,373,816)	(275,818,939)	(272,936,859)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash repayment for short-term loans from financial institutions	-	(4,665,150)	-	-
Cash received from short-term loans from financial institutions	3,538,051	-	-	-
Cash repayments for short-term loans from related companies	(1,526,546)	(1,414,849)	(1,961,171)	(2,477,259)
Cash received from short-term loan from related companies	1,517,700	1,423,874	1,836,620	2,473,821
Cash received from long-term loan from financial institution	10,440,316	-	-	-
Dividend paid	(225,075,487)	(183,200,978)	(225,075,487)	(183,200,978)
Net Cash Used in Financing Activities	(211,105,966)	(187,857,103)	(225,200,038)	(183,204,416)

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
Unrealized exchange loss of cash and cash equivalents	(903,876)	(7,569,078)	(805,786)	(6,697,752)
Exchange differences on translation of the financial statements of foreign subsidiaries	(8,797,548)	(41,482,035)	-	-
Net increase (decrease) in cash and cash equivalents	58,590,530	(3,359,285)	70,596,224	(19,008,377)
Cash and cash equivalents as at January 1,	416,522,031	419,881,316	257,506,705	276,515,082
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	475,112,561	416,522,031	328,102,929	257,506,705

Notes to the financial statements form an integral part of these statements

1. GENERAL INFORMATION

On October 14, 1973, S&P Syndicate Public Company Limited ("the Company") was incorporated under the Civil and Commercial Code of Thailand as a limited company. Subsequently in May 1989, the Stock Exchange of Thailand registered the Company's common shares as a listed security and the Company was transformed to Public Company Limited on April 20, 1994. The location of its head office is at 457-457/6 Soi Sukhumvit 55 (Soi Thonglor), Sukhumvit Road, Klongtonnua, Vadhana, Bangkok 10110.

S&P Syndicate Public Company Limited is the parent company within the group of companies. The core business is the operation of a nationwide and international chain of restaurants and bakery shops, the production of bakery, frozen foods and other food products and food-service related business such as outside catering.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS AND BASIS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis for preparation and presentation of the financial statements

The Company's statutory financial statements have been prepared in accordance with the regulations of The Stock Exchange of Thailand dated January 22, 2001, regarding the basis, conditions and procedures for the preparation and submission of financial statements and reports for the financial position and results of operations of listed companies B.E. 2544, and in accordance with accounting principles and practices generally accepted in Thailand.

The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in Thai language in conformity with accounting standards and practices generally accepted in Thailand.

The Brief Particulars of the financial statements are presented in accordance with the Notification of the Department of Business Development dated January 30, 2009 regarding "The Brief Particulars in the Financial Statements B.E. 2552". The financial statements for the year ended December 31, 2008 presentation have been reclassified accordingly.

The Federation of Accounting Professions issued the Notification No. 12/2552 dated May 15, 2009 regarding the renumbering of Thai Accounting Standards (TASs) to be the same as International Accounting Standards (TASs). Therefore, the reference TASs in these financial statements have used the new numbers to be in accordance with such Notification.

The Federation of Accounting Professions issued the Notification No. 16/2552 dated May 21, 2009 regarding the following accounting standards that were announced in the Royal Gazette, but not yet in effect in 2009:

	Accounting Standard	Effective date
Accounting Framework (Revised 2007)		January 1, 2011
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2012
TAS 24 (Revised 2007)	Related Party Disclosures (previously No. 47)	January 1, 2011
TAS 40	Investment Property	January 1, 2011

The Company's management anticipates that all of the above accounting standards will be adopted in the Company's financial statements when they become effective and the management has assessed the impact of these accounting standards, when they are effective, for financial periods of initial application and does not expect them to have a material effect on the Company's financial statements.

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the accounting policies below.

To facilitate the readers, an English version of the financial statements has been prepared by translating from the Thai language statutory financial statements which are issued for domestic financial reporting purposes.

2.2 Basis for preparation of consolidated financial statements

The consolidated financial statements for the years ended December 31, 2009 and 2008, include the financial statements of S&P Syndicate Public Company Limited and its subsidiaries in which the Company has controlled or invested over 50% of their voting rights. These subsidiaries are detailed as follows:

	Business type	Country of registration	Percentage of holdings as at December 31,	
			2009	2008
Subsidiaries				
S&P Global Co., Ltd.	Holding Company	Thailand	80.00	80.00
S&P Assets Co., Ltd.	Office rental	Thailand	99.93	99.93
S&PizZanotti (Thailand) Limited (1)	Restaurant	Thailand	99.99	50.00

(1) On December 28, 2009, the Company acquired ordinary shares totalling of 100,000 shares having par value of Baht 100 each at the price of Baht 0.34096 each. The Company registered the shares acquired with the Department of Business Development, Ministry of Commerce on the same date. The Company, thus, has the percentage of holding of 99.99% in S&PizZanotti (Thailand) Limited as at December 31, 2009.

Additionally, the consolidated financial statements include the results from the financial statements of overseas subsidiary companies, in which S&P Global Company Limited has a shareholding, as the Company has been given authority to provide technical assistance to, and management of Thai food restaurants owned by these companies under agreements as follows:

	Business type	Country of registration	Percentage of holdings as at December 31,	
			2009	2008
Shares held by S&P Global Company Limited				
S&P Restaurant Co., Ltd.	Restaurant	England	96.00	96.00
Patara (Geneva) SA	Restaurant	Switzerland	62.00	62.00
Theme Foods Pte. Ltd.	Restaurant	Singapore	50.00	50.00
SK Catering Pte. Ltd.	Restaurant	Singapore	50.00	50.00
Patara Taiwan Company Limited (1)	Ceased operation	Taiwan	50.00	50.00
Patio International Limited	Restaurant	Taiwan	60.00	60.00
Patara International Restaurant Management (Beijing) Co., Ltd. (3)	Restaurant	The People's Republic of China	90.00	-
Thai Development SA (formerly Patara Development SA) (4), (5)	Restaurant	Switzerland	45.00	-
Shares held by Theme Foods Pte. Ltd., Singapore				
Siam Kitchen Sdn. Bhd. (2)	Ceased operation	Malaysia	99.99	99.99

(1) In 2007, the above company has ceased its operation and its assets had been transferred to Patio International Limited.

(2) In 2005, the above company has ceased its operation in Malaysia and is in process of dissolution.

(3) In 2009, the Company invested in Patara International Restaurant Management (Beijing) Co., Ltd. which has the registration of share capital of RMB 3.50 million.

(4) On October 19, 2006, the Board of Directors' Meeting of Patara Developments SA, registered in Switzerland, had a resolution to approve the change of the above company's name to Thai Development SA which is effective from October 24, 2006.

(5) As at December 31, 2009, the Company has the control to govern the financial policy and the operations of Thai Development SA. The consolidated financial statements of the Company for the year ended December 31, 2009 were included the subsidiary's financial statements.

Significant intercompany transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

The consolidated financial statements for the years ended December 31, 2009 and 2008, did not include the financial statements of Siam Kitchen Sdn. Bhd., which is a subsidiary company registered in Malaysia which is owned by Theme Foods Pte. Ltd. as the amount is immaterial. As at December 31, 2009 and 2008, the carrying value of such investment is nil.

The consolidated financial statements for the years ended December 31, 2009 and 2008, include the financial statements of Bangkok Jam and Patara Fine Thai Cuisine, which are sole proprietorship entities registered under the laws of Singapore which are under the control of SK Catering Pte. Ltd. and Theme Foods Pte. Ltd., respectively.

Assets, investments recorded by the equity method as at December 31, 2009 and 2008, revenues and the share of profits (losses) from investments recorded by the equity method in associated companies for the years ended December 31, 2009 and 2008 accounted for as the percentage of total assets, net assets (total assets net of total liabilities), total revenues and net profit, respectively, in the consolidated financial statements are summarized below:

Company's name	CONSOLIDATED							
	Assets of subsidiaries as percentage of total assets as at December 31,		Investments recorded by the equity method as percentage of net assets as at December 31,		Revenues as percentage of total revenues for the years ended December 31,		Share of profit (loss) as percentage of net profit for the years ended December 31,	
	2009	2008	2009	2008	2009	2008	2009	2008
Shares held by S&P Syndicate Public Company Limited								
Subsidiaries								
S&P Global Co., Ltd. and subsidiaries	13.60	13.15	-	0.38	14.32	15.40	-	1.16
(Proportion of each subsidiary and associated companies of S&P Global Co., Ltd. are presented below)								
S&P Assets Co., Ltd.	0.30	0.28	-	-	0.14	0.15	-	-
S&PizZanotti (Thailand) Limited	0.21*	0.32*	-	-	0.29*	0.40*	-	-
Associates								
HD Distributors (Thailand) Co., Ltd.	-	-	2.31*	2.33*	-	-	0.60*	0.95*
Foodhouse Catering Service Co., Ltd. (1)	-	-	(0.18)*	0.05*	-	-	(1.62)*	(1.79)*
	14.11	13.75	2.13	2.76	14.75	15.95	(1.02)	0.32
Shares held by S&P Global Company Limited								
Subsidiaries								
S&P Restaurant Co., Ltd.	6.72	6.06	-	-	5.69	6.72	-	-
Patara (Geneva) SA	0.77*	1.11*	-	-	1.51*	1.61*	-	-
Theme Foods Pte. Ltd.	0.84*	0.80*	-	-	0.85*	1.38*	-	-
SK Catering Pte. Ltd.	1.19*	1.60*	-	-	3.00*	3.99*	-	-
Patara Taiwan Co., Ltd.	0.04*	0.05*	-	-	-	-	-	-
Patio International Co., Ltd.	0.58*	0.72*	-	-	1.22*	1.56*	-	-
Thai Developments SA (formerly Patara Development SA)	1.13*	-	-	-	1.97*	-	-	-
Patara International Restaurant Management (Beijing) Co., Ltd.	0.68*	-	-	-	0.02*	-	-	-
Associate								
Thai Developments SA (formerly Patara Development SA)	-	-	-	0.38*	-	-	-	1.16*
	11.95	10.34	-	0.38	14.26	15.26	-	1.16

* Information, which was provided by the management, was not audited or reviewed by an auditor.

(1) Foodhouse Catering Services Co., Ltd. has been registered with the Registrar of Partnerships and Companies of the Ministry of Commerce on March 3, 2008. It operates catering in Thailand. The Company does not have the control to govern such company and has not included it in the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are summarized as below:

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, deposits at bank and all types of deposits at financial institutions with maturity term not over 3 months; which excluding deposit at bank used as collateral.

3.2 Temporary investments

Temporary investments consist of investment in trading securities, available-for-sale securities, time deposits with maturity term over 3 months up to 12 months and held-to-maturity debt security due within 12 months and without obligation.

Investment in trading securities are carried at fair value. Realized gains and losses from the sales of trading securities and unrealized gain and loss on the changes in fair values are recognized in statements of income.

Investments in available-for-sales securities are carried at fair value, differences between book value and fair value of available-for-sales securities are recorded as unrealized gain (loss) on revaluation of investments under shareholders' equity.

Held-to-maturity debt securities are carried at the amortized cost, net of valuation allowances for impairment, (if any).

3.3 Allowance for doubtful accounts

Allowance for doubtful accounts is provided at the estimated collection losses on receivables. Such estimate based on the Company's collection experiences and a review of the current status of each receivable.

3.4 Inventories

Inventories of the Company and its subsidiaries are carried at the lower of cost and net realizable value. The cost of inventories of the Company and its three subsidiaries are calculated by using the weighted average cost method and of the other three subsidiaries are calculated by using the first in, first out method.

3.5 Investments in subsidiaries and associates

Investments in subsidiaries and associates are presented by the cost method in the separate financial statements.

In the case where impairment of investment is occurred, the impairment loss of investment will be charged to the statement of income.

Investments in associates are presented by the equity method in the consolidated financial statements.

3.6 Property, plant and equipment

Land of the Company is stated at cost. Plant and equipment of the Company and its domestic and overseas subsidiaries are stated at cost, less accumulated depreciation.

Depreciation of plant and equipment of the Company and its domestic subsidiaries is calculated by the straight-line method over the estimated useful lives of the assets as follows:

Building and building improvements	20	years
Factory building	20	years
Machinery and equipment	5 - 8	years
Office furniture and equipment	5	years
Vehicles	5	years

Depreciation of equipment of overseas subsidiaries is calculated by the straight-line and the diminishing balance methods over the estimated useful lives of the assets of 4 - 5 years.

In the case where impairment of property, plant and equipment is occurred, the loss on impairment will be charged to the statement of income.

3.7 Intangible assets

Intangible assets consist of trademarks and software development costs.

Intangible assets are stated at costs less accumulated amortization. Amortization is calculated by the straight-line method, based on lease period or useful lives of the assets as follows:

Trademarks	10	years
Software development costs	5	years

3.8 Leasehold right

Leasehold right of the Company and its subsidiaries is stated at cost, less accumulated amortization.

Leasehold right amortization of the Company is being amortized by using the straight-line method over the lease periods.

Long-term leasehold right amortization of an overseas subsidiary company is being amortized at 5% of cost by using the straight-line method.

3.9 Lease

Operating lease

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

Finance lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company is accounted for as a finance lease. The Company capitalizes the equipment at the lower of estimated present value of the underlying lease payments or at the fair value of the equipment at the contractual date. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge is recognized by effective interest rate method over the term of contracts. Interest or financial charge and depreciation are recognized as expenses in the statement of income.

3.10 Provident fund

The contribution paid by the Company and its domestic subsidiaries to the provident funds of employees is recognized as an expense when the transactions occurred.

3.11 Foreign currency transactions

Transactions in foreign currencies occurring during the year are converted into Baht at the rates of exchange prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies outstanding at the end of the year are converted into Baht at the exchange rates prevailing on that date as determined by the Bank of Thailand. Gains or losses on conversion are included in the statement of income.

The translation of foreign financial statements into Baht for the purpose of preparing the consolidated financial statements is determined by using the following rates:

a. Assets and liabilities are converted at the closing rate at the balance sheet date.
b. Shareholders' equity is converted at the rates prevailing on the transaction dates.
c. Revenues and expenses are converted at the average rate during the period.

Gain (loss) on translation of foreign financial statements is shown under shareholders' equity.

Intercompany transactions are converted at the rates prevailing on the dates of transactions and, upon elimination, at the rates prevailing on the consolidation date.

3.12 Recognition of revenues and expenses

Revenues from the sales of goods are recognized as revenue when the significant risks and rewards of ownership are transferred to the buyer.

Revenues from services are recognized as revenue when the services are rendered.

Revenues from dividend from investments are recognized as income when the Company has right to receive the dividend.

3.13 Income tax

Income tax of the Company and domestic subsidiaries is based on the taxable profit and recorded as expense for the year.

Income tax of the overseas subsidiaries is recorded in accordance with the regulations of the countries where the companies are operated.

3.14 Basic earnings of major shareholder per share

Basic earnings of major shareholder per share is computed by dividing net profit for the year by the weighted average number of ordinary shares outstanding during the year.

3.15 Use of management judgment

The preparation of financial statements in accordance with generally accepted accounting principles requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

4. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

4.1 Non-cash transactions are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2009 Baht	2008 Baht	2009 Baht	2008 Baht
Liabilities incurred from acquisition of fixed assets as at January 1,	15,566,909	34,809,497	15,566,909	34,809,497
Add Purchases of fixed assets	203,298,925	159,520,903	173,858,874	153,406,210
Less Cash payments	(197,693,922)	(154,659,175)	(168,253,871)	(172,648,798)
Exchange differences on translation of the financial statements of foreign subsidiaries	-	(24,104,316)	-	-
Liabilities incurred from acquisition of fixed assets as at December 31,	21,171,912	15,566,909	21,171,912	15,566,909

4.2 Amounts of unutilized credit facilities are as follows:

	In Million Baht		In Million Pound Sterling		In Million US Dollars	
	2009	2008	2009	2008	2009	2008
Short-term loans	410.00	439.90	-	-	-	-
Bank overdrafts	91.00	91.00	0.40	0.40	-	-
Letters of guarantee	160.90	172.70	-	-	-	-
FOREX Credit facilities	20.00	20.00	-	-	2.70	4.90
Total	681.90	723.60	0.40	0.40	2.70	4.90

5. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

In Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Time deposits	100,500	1,600	100,000	-
Trading securities				
- Fixed income open-ended Funds	435,240	357,322	435,240	357,322
- Mutual Funds	392	-	392	-
Available-for-sales securities				
- Fixed income open-ended Funds	3,126	3,100	-	-
- Mutual Funds	-	20,200	-	20,200
Government Bonds	-	49,600	-	49,600
Total Temporary Investments	539,258	431,822	535,632	427,122

Additional details of temporary investments in the consolidated financial statements as follows:

As at December 31, 2009

	Cost Value As at December 31, 2009	Unrealized gross profit	Fair Value As at December 31, 2009
Trading securities			
- Fixed income open-ended Funds	432,890	2,350	435,240
- Mutual Funds	369	23	392
	433,259	2,373	435,632
Available-for-sales securities			
- Fixed income open-ended Funds	3,000	126	3,126
Total Temporary Investments	436,259	2,499	438,758

As at December 31, 2008

	Cost Value As at December 31, 2008	Unrealized gross profit	Fair Value As at December 31, 2008
Trading securities			
- Fixed income open-ended Funds	355,771	1,551	357,322
Available-for-sales securities			
- Fixed income open-ended Funds	3,000	100	3,100
- Mutual Funds	20,000	200	20,200
	23,000	300	23,300
Government Bonds	49,347	253	49,600
Total Temporary Investments	428,118	2,104	430,222

Additional details of temporary investments in the separate financial statements as follows:

As at December 31, 2009

	Cost Value As at December 31, 2009	Unrealized gross profit	Fair Value As at December 31, 2009
Trading securities			
- Fixed income open-ended Funds	432,890	2,350	435,240
- Mutual Funds	369	23	392
Total Temporary Investments	433,259	2,373	435,632

As at December 31, 2008

	Cost Value As at December 31, 2008	Unrealized gross profit	Fair Value As at December 31, 2008
Trading securities			
- Fixed income open-ended Funds	355,771	1,551	357,322
Available-for-sales securities			
- Mutual Funds	20,000	200	20,200
Government Bonds	49,347	253	49,600
Total Temporary Investments	425,118	2,004	427,122

6. TRADE ACCOUNTS RECEIVABLE - NET

As at December 31, the Company and its subsidiaries had outstanding balances of trade accounts receivable aged by the number of months as follows:

In Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Trade accounts receivable				
Other companies				
Current	95,635	87,640	81,983	74,508
Overdue				
3 months or less	52,075	43,711	52,075	43,711
Over 3 months up to 6 months	248	199	248	199
Over 6 months up to 12 months	178	294	178	294
Over 12 months	2,214	2,527	2,214	2,368
Total	150,350	134,371	136,698	121,080

In Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Related companies				
Current	8,010	10,979	5,593	8,039
Overdue				
3 months or less	6,621	10,927	6,708	10,834
Over 3 months up to 6 months	2,894	21	3,127	21
Over 6 months up to 12 months	135	-	719	-
Over 12 months	1	1	196	1
Total	17,661	21,928	16,343	18,895
Total trade accounts receivable	168,011	156,299	153,041	139,975
Less Allowance for doubtful accounts	(4,283)	(4,283)	(5,383)	(4,283)
Trade Accounts Receivable - Net	163,728	152,016	147,658	135,692

7. INVENTORIES

Inventories as at December 31, consist of:

In Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Finished goods	71,873	78,799	71,873	78,799
Work in process	61	350	61	350
Raw materials	95,986	57,401	87,348	50,640
Packaging materials	32,770	33,949	32,770	33,949
Spare parts and supplies	5,861	5,107	5,861	5,107
Goods in transit	-	187	-	187
Total Inventories	206,551	175,793	197,913	169,032

For the years ended December 31, 2009 and 2008, the costs of inventories recorded as expenses in the consolidated financial statements are Baht 2,641,362,757 and Baht 2,517,452,792, respectively and in the separate financial statements are Baht 2,460,069,114 and Baht 2,337,216,369, respectively.

8. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Investments recorded by the equity method in the consolidated financial statements of the Company and its subsidiaries as at December 31, 2009 and 2008 consist of:

In Thousand Baht

	Type of business	Relationship	Paid-up capital	% Share holding		At cost method		At equity method		Dividend Income	
				2009	2008	2009	2008	2009	2008	2009	2008
Shareholding by S&P Syndicate Public Co., Ltd.											
Associates											
HD Distributors (Thailand) Co., Ltd.	Agency for food distribution	Co-shareholders and co-management team	100,000	47.99	47.99	48,998	48,998	47,348	45,779	194	3,860
Foodhouse Catering Services Co., Ltd.	Catering	Co-shareholders and co-management team	10,000	49.97	49.97	4,997	4,997	(3,762)	974	-	-
Less Provision for impairment of investment						(4,997)	-				
						-	4,997				
Total						48,998	53,995	43,586	46,753		
Shareholding by S&P Global Co., Ltd.											
Subsidiaries											
Siam Kitchen Sdn. Bhd. Co., Ltd.	Ceased operation	Co-shareholders and co-management team	2,845	50.00	50.00	1,423	1,423	-	-	-	-
Thai Development SA (formerly Patara Development SA)	Restaurant	Co-shareholders and co-management team	5,314	45.00	-	2,392	-	-	-	-	-
Associate											
Thai Development SA (formerly Patara Development SA)	Restaurant	Co-shareholders and co-management team	5,314	-	45.00	-	2,392	-	7,552	-	-
Total								3,815	3,815	-	7,552
Total investments								52,813	57,810	43,586	54,305

Investments recorded by the cost method in the separate financial statements as at December 31, 2009 and 2008 consist of:

In Thousand Baht

	Type of business	Relationship	Paid-up capital		% Share holding		At cost		Dividend Income	
			2009	2008	2009	2008	2009	2008	2009	2008
Shareholding held by S&P Syndicate Public Co., Ltd.										
Subsidiaries										
S&P Global Co., Ltd.	Holding company	Co-shareholders and co-management team	50,000	50,000	80.00	80.00	40,000	40,000	-	-
S&P Assets Co., Ltd.	Office rental	Co-shareholders and co-management team	1,000	1,000	99.93	99.93	999	999	-	-
S&PizZanotti (Thailand) Limited	Restaurant	Co-shareholders and co-management team	20,000	20,000	99.99	50.00	10,034	10,000	-	-
Less Provision for impairment of investment							(10,034)	(8,000)		
							-	2,000		
Total investments in subsidiaries							40,999	42,999		
Associates										
HD Distributors (Thailand) Co., Ltd.	Agency for food distribution	Co-shareholders and co-management team	100,000	100,000	47.99	47.99	48,998	48,998	194	3,860
Foodhouse Catering Services Co., Ltd.	Catering	Co-shareholders and co-management team	10,000	10,000	49.97	49.97	4,997	4,997	-	-
Less Provision for impairment of investment							(4,997)	-		
							-	4,997		
Total investments in associates							48,998	53,995		

9. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment - net as at December 31, consist of:
Consolidated Financial Statements
As at December 31, 2009

In Thousand Baht

	Balance as at January 1, 2009	Additions	Decreases	Transfer in (out)/ Adjustments	Exchange Differences on translation of foreign financial statements	Balance as at December 31, 2009
Cost						
Land	261,053	-	-	-	-	261,053
Buildings and building improvements	148,632	-	-	-	2,920	151,552
Factory buildings	188,795	-	-	-	-	188,795
Machinery and equipment	702,272	51,282	(7,763)	43,693	(2,137)	787,347
Office furniture and equipment	1,030,176	90,100	(22,562)	62,783	437	1,160,934
Vehicles	50,460	8,018	(12,458)	242	36	46,298
Construction in progress	17,129	53,900	-	(63,403)	-	7,626
Total cost	2,398,517	203,300	(42,783)	43,315	1,256	2,603,605
Accumulated depreciation						
Buildings and building improvements	85,414	3,156	-	-	230	88,800
Factory buildings	71,760	8,837	-	-	-	80,597
Machinery and equipment	519,936	81,062	(7,650)	18,110	(1,533)	609,925
Office furniture and equipment	660,471	145,055	(18,099)	6,147	146	793,720
Vehicles	39,611	5,382	(11,741)	77	16	33,345
Total accumulated depreciation	1,377,192	243,492	(37,490)	24,334	(1,141)	1,606,387
Property, plant and equipment - net	1,021,325					997,218

Consolidated Financial Statements
As at December 31, 2008

In Thousand Baht

	Balance as at January 1, 2008	Additions	Decreases	Transfer in (out)/ Adjustments	Exchange Differences on translation of foreign financial statements	Balance as at December 31, 2008
Cost						
Land	261,053	-	-	-	-	261,053
Buildings and building improvements	169,804	-	-	-	(21,172)	148,632
Factory buildings	188,795	-	-	-	-	188,795
Machinery and equipment	669,203	36,683	(11,160)	8,930	(1,384)	702,272
Office furniture and equipment	969,059	72,387	(33,763)	32,245	(9,752)	1,030,176
Vehicles	56,472	222	(5,768)	-	(466)	50,460
Construction in progress	8,164	50,229	-	(41,175)	(89)	17,129
Total cost	2,322,550	159,521	(50,691)	-	(32,863)	2,398,517
Accumulated depreciation						
Buildings and building improvements	83,316	3,726	-	-	(1,628)	85,414
Factory buildings	62,664	9,096	-	-	-	71,760
Machinery and equipment	449,279	79,497	(8,365)	-	(475)	519,936
Office furniture and equipment	551,729	141,268	(26,234)	-	(6,292)	660,471
Vehicles	37,564	7,351	(4,942)	-	(362)	39,611
Total accumulated depreciation	1,184,552	240,938	(39,541)	-	(8,757)	1,377,192
Property, plant and equipment - net	1,137,998					1,021,325

Depreciation for the years ended December 31,

2009	243,492
2008	240,938

Cost of fully depreciated fixed assets still in use as at December 31,

2009	892,027
2008	718,704

Separate Financial Statements
As at December 31, 2009

In Thousand Baht

	Balance as at January 1, 2009	Additions	Decreases	Transfers in (out)	Balance as at December 31, 2009
Cost					
Land	261,053	-	-	-	261,053
Buildings and building improvements	48,316	-	-	-	48,316
Factory buildings	188,795	-	-	-	188,795
Machinery and equipment	627,805	39,700	(4,273)	9,863	673,095
Office furniture and equipment	962,788	72,241	(15,392)	53,540	1,073,177
Vehicles	47,982	8,018	(12,457)	-	43,543
Construction in progress	17,129	53,900	-	(63,403)	7,626
Total cost	2,153,868	173,859	(32,122)	-	2,295,605
Accumulated depreciation					
Buildings and building improvements	44,167	1,794	-	-	45,961
Factory buildings	71,760	8,837	-	-	80,597
Machinery and equipment	461,696	69,056	(4,092)	-	526,660
Office furniture and equipment	610,355	135,410	(12,238)	-	733,527
Vehicles	37,776	4,841	(11,741)	-	30,876
Total accumulated depreciation	1,225,754	219,938	(28,071)	-	1,417,621
Property, plant and equipment - net	928,114				877,984

Separate Financial Statements
As at December 31, 2008

In Thousand Baht

	Balance as at January 1, 2008	Additions	Decreases	Transfers in (out)	Balance as at December 31, 2008
Cost					
Land	261,053	-	-	-	261,053
Buildings and building improvements	48,316	-	-	-	48,316
Factory buildings	188,795	-	-	-	188,795
Machinery and equipment	589,760	35,057	(5,942)	8,930	627,805
Office furniture and equipment	888,504	67,898	(25,859)	32,245	962,788
Vehicles	53,528	222	(5,768)	-	47,982
Construction in progress	8,075	50,229	-	(41,175)	17,129
Total cost	2,038,031	153,406	(37,569)	-	2,153,868
Accumulated depreciation					
Buildings and building improvements	41,997	2,170	-	-	44,167
Factory buildings	62,664	9,096	-	-	71,760
Machinery and equipment	397,334	70,170	(5,808)	-	461,696
Office furniture and equipment	497,987	131,345	(18,977)	-	610,355
Vehicles	36,017	6,680	(4,921)	-	37,776
Total accumulated depreciation	1,035,999	219,461	(29,706)	-	1,225,754
Property, plant and equipment - net	1,002,032				928,114

Depreciation for the years ended December 31,

2009	219,938
2008	219,461

Cost of fully depreciated fixed assets still in use as at December 31,

2009	862,808
2008	689,500

10. INTANGIBLE ASSETS - NET

Intangible assets - net as at December 31, consists of:

Consolidated Financial Statements
As at December 31, 2009

In Thousand Baht

	Balance as at January 1, 2009	Additions	Decreases	Balance as at December 31, 2009
Cost				
Trademarks	2,991	-	-	2,991
Software development costs	4,082	43	-	4,125
Goodwill	126,904	-	-	126,904
Less Negative goodwill	(2,063)	-	-	(2,063)
Total Goodwill	124,841	-	-	124,841
Total cost	131,914	43	-	131,957
Accumulated Amortization:				
Trademarks	672	300	-	972
Software development costs	2,363	655	-	3,018
Goodwill	126,904	-	-	126,904
Less Negative goodwill	(2,024)	(39)	-	(2,063)
Total Goodwill	124,880	(39)	-	124,841
Total Accumulated Amortization	127,915	916	-	128,831
Intangible assets - net	3,999			3,126

Consolidated Financial Statements
As at December 31, 2008

In Thousand Baht

	Balance as at January 1, 2008	Additions	Decreases	Balance as at December 31, 2008
Cost				
Trademarks	2,991	-	-	2,991
Software development costs	3,727	355	-	4,082
Goodwill	126,904	-	-	126,904
Less Negative goodwill	(2,063)	-	-	(2,063)
Total Goodwill	124,841	-	-	124,841
Total cost	131,559	355	-	131,914
Accumulated Amortization				
Trademarks	373	299	-	672
Software development costs	1,595	768	-	2,363
Goodwill	126,904	-	-	126,904
Less Negative goodwill	(1,946)	(78)	-	(2,024)
Total Goodwill	124,958	(78)	-	124,880
Total Accumulated Amortization	126,926	989	-	127,915
Intangible assets - net	4,633			3,999
Amortization for the years ended December 31,				
2009				916
2008				989

Separate Financial Statements
As at December 31, 2009

In Thousand Baht

	Balance as at January 1, 2009	Additions	Decreases	Balance as at December 31, 2009
Cost				
Software development costs	4,082	43	-	4,125
Total cost	4,082	43	-	4,125
Accumulated Amortization				
Software development costs	2,363	655	-	3,018
Total Accumulated Amortization	2,363	655	-	3,018
Intangible asset - net	1,719			1,107

Separate Financial Statements

As at December 31, 2008

In Thousand Baht

	Balance as at January 1, 2008	Additions	Decreases	Balance as at December 31, 2008
Cost				
Software development costs	3,727	355	-	4,082
Total cost	3,727	355	-	4,082
Accumulated Amortization				
Software development costs	1,595	768	-	2,363
Total Accumulated Amortization	1,595	768	-	2,363
Intangible asset - net	2,132			1,719

Amortization for the years ended December 31,	
2009	655
2008	768

11. LEASEHOLD RIGHT

Leasehold right - net as at December 31, consists of:

In Thousand Baht

Consolidated Financial Statements

	2009	2008
Cost		
Beginning balances as at January 1,	343,701	341,273
Additions	7,549	12,345
Decreases	-	-
Exchange differences on translation of the financial statements of foreign subsidiaries	1,367	(9,917)
Ending balances as at December 31,	352,617	343,701
Accumulated amortization		
Beginning balances as at January 1,	237,664	225,102
Additions	16,628	20,257
Decreases	-	-
Exchange differences on translation of the financial statements of foreign subsidiaries	1,076	(7,694)
Ending balances as at December 31,	255,368	237,665
Net book value		
As at December 31, 2009		97,249
As at December 31, 2008		106,036

In Thousand Baht

Separate Financial Statements

	2009	2008
Cost		
Beginning balances as at January 1,	313,551	301,206
Additions	7,549	12,345
Decreases	-	-
Ending balances as at December 31,	321,100	313,551
Accumulated amortization		
Ending balances as at January 1,	213,499	195,808
Additions	14,840	17,691
Decreases	-	-
Ending balances as at December 31,	228,339	213,499
Net book value		
As at December 31, 2009		92,761
As at December 31, 2008		100,052

12. OTHER non-current assets

Other non-current assets as at December 31, consist of:

In Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Long-term deposits	126,314	121,296	94,800	93,600
Time deposits used as collateral (see Note 21)	5,476	1,941	1,976	1,941
Others	19,238	183	19,112	181
Total	151,028	123,420	115,888	95,722

13. TRANSACTIONS WITH RELATED COMPANIES

The Company has transactions with its subsidiaries, associated and other related companies. Certain portions of the Company's assets, liabilities, sales, other income, costs of sales and selling and administrative expenses represent transactions occurred with its subsidiaries, associated and other related companies. These parties are related through common shareholders and/or directorships. Those transactions with subsidiaries, associated and other related companies as included in the financial statements are determined at the prices in consistent with those occur in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists. The significant balances of assets, liabilities and other transactions occurred with those parties are shown as follows:

Transactions with related companies for the years ended December 31, 2009 and 2008 are as follows:

In Thousand Baht

Account name/ Company's name	Relationship	As at December 31, Consolidated Financial Statements		The Separate Financial Statements	
		2009	2008	2009	2008
Revenues from sales					
S&P Global Co., Ltd.	Subsidiary	-	-	1,117	319
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	339	570
HD Distributors (Thailand) Co., Ltd.	Associate	645	746	645	746
Foodhouse Catering Services Co., Ltd.	Associate	20,738	7,389	20,738	7,389
The Minor Food Group Public Co., Ltd.	Related company	34,385	41,019	34,385	41,019
Other related companies	Related company	9,686	11,581	9,686	11,581
		65,454	60,735	66,910	61,624
Rental income from buildings and equipment					
S&P Global Co., Ltd.	Subsidiary	-	-	360	360
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	936	661
HD Distributors (Thailand) Co., Ltd.	Associate	1,111	983	1,111	983
		1,111	983	2,407	2,004

In Thousand Baht

Account name/ Company's name	Relationship	As at December 31, Consolidated Financial Statements 2009	Consolidated Financial Statements 2008	The Separate Financial Statements 2009	The Separate Financial Statements 2008
Other income					
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	864	1,115
S&P Assets Co., Ltd.	Subsidiary	-	-	72	-
HD Distributors (Thailand) Co., Ltd.	Associate	907	869	907	869
		907	869	1,843	1,984
Share of (loss) profit from investments recorded by the equity method					
HD Distributors (Thailand) Co., Ltd.	Associate	1,763	2,147	-	-
Foodhouse Catering Services Co., Ltd.	Associate	(4,736)	(4,023)	-	-
Thai Developments SA (formerly Patara Development SA)	Indirect subsidiary	-	2,603	-	-
		(2,973)	727	-	-
Dividend received					
HD Distributors (Thailand) Co., Ltd.	Associate	-	-	194	3,860
		-	-	194	3,860
Purchases of goods/services					
S&P Assets Co., Ltd.	Subsidiary	-	-	225	919
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	3,300	3,151
HD Distributors (Thailand) Co., Ltd.	Associate	12,117	14,904	12,117	14,904
Directors	Directors	2,712	2,712	2,712	2,712
		14,829	17,616	18,354	21,686
Directors' remunerations	Directors	17,843	17,523	9,409	9,400

Balances with related companies as at December 31, 2009 and 2008 are as follows:

In Thousand Baht

Account name/ Company's name	Relationship	As at December 31, Consolidated Financial Statements 2009	2008	The Separate Financial Statements 2009	2008
Trade Accounts Receivable					
(Included in trade accounts receivable)					
S&P Global Co., Ltd.	Subsidiary	-	-	689	-
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	1,284	318
Less Allowance for doubtful account		-	-	(1,100)	-
		-	-	873	318
HD Distributors (Thailand) Co., Ltd.	Associate	197	201	197	201
Foodhouse Catering Services Co., Ltd.	Associate	7,000	7,392	7,000	7,392
The Minor Food Group Public Co., Ltd.	Related company	6,176	7,290	6,176	7,290
Other related companies	Related company	4,288	7,045	997	3,694
		17,661	21,928	15,243	18,895
Short-term Loans to Related Companies					
Cash advance (Interest rate per annum)					
S&P Global Co., Ltd. (3%)	Subsidiary	-	-	1,254	61
S&PizZanotti (Thailand) Limited (No interest)	Subsidiary	-	-	1,998	1,109
S&P Assets Co., Ltd. (No interest)	Subsidiary	-	-	8	-
Less Allowance for doubtful account - cash advance to a related company		-	-	(1,900)	-
		-	-	1,360	1,170
HD Distributors (Thailand) Co., Ltd. (No interest)	Associate	244	201	244	201
Other related companies (No interest)	Related company	-	52	-	-
		244	253	1,604	1,371
Investments in subsidiaries and associates					
S&P Global Co., Ltd.	Subsidiary	-	-	40,000	40,000
S&P Assets Co., Ltd.	Subsidiary	-	-	999	999
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	-	2,000
HD Distributors (Thailand) Co., Ltd.	Associate	47,348	45,779	48,998	48,998
Foodhouse Catering Services Co., Ltd.	Associate	(3,762)	974	-	4,997
Thai Developments SA (formerly Patara Development SA)	Indirect Subsidiary	-	7,552	-	-
		43,586	54,305	89,997	96,994
Other current assets					
(Included in the other current assets) (1)					
S&P Global Co., Ltd.	Subsidiary	8,405	-	-	-
S&P Restaurant Co., Ltd.	Indirect subsidiary	23,824	-	-	-
Thai Developments SA (formerly Patara Development SA)	Indirect subsidiary	1,968	-	-	-
		34,197	-	-	-

(1) On August 11, 2009, the Board of Directors' meeting of S&P Syndicate Public Company Limited resolved to approve the participation by S&P Restaurants Ltd in England and Thai Development SA (formerly Patara Development SA) in Switzerland, which are indirect associates of S&P Syndicate Public Company Limited (S&P Global Company Limited holds 96% and 45%, respectively), for the investment in Patara Restaurant, Vienna GmbH which is operated as a Thai restaurant in Austria and such company has registered its share capital of Baht 9,672,000 (EUR 200,000). S&P Restaurants Co., Ltd. holds 70% and Thai Development SA (formerly Patara Development SA) holds 20% of Patara Restaurant, Vienna GmbH's share capital. During the year 2009, S&P Global Company Limited and such indirect associates paid for pre-operating expenses of Patara Restaurant, Vienna GmbH.

In Thousand Baht

Account name/ Company's name	Relationship	As at December 31, Consolidated Financial Statements 2009	2008	The Separate Financial Statements 2009	2008
Trade Accounts Payable					
(Included in trade accounts payable)					
S&P Assets Co., Ltd.	Subsidiary	-	-	111	98
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	-	92
HD Distributors (Thailand) Co., Ltd.	Associate	1,313	3,008	1,313	3,008
		1,313	3,008	1,424	3,198
Short-term loans from Related Companies					
Cash advance (Interest rate per annum)					
S&P Global Co., Ltd. (No interest)	Subsidiary	-	-	29	145
HD Distributors (Thailand) Co., Ltd. (No interest)	Associate	114	122	114	122
		114	122	143	267

14. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a legal reserve of at least 5 percent of net earnings after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital and the reserve is not available for distribution as dividends.

15. EXPENSES BY NATURE

Net profit for the years ended December 31, 2009 and 2008 has been arrived at after charging of the following significant items:

In Thousand Baht

	Consolidated Financial Statements 2009	2008	Separate Financial Statements 2009	2008
Changes in inventories of finished goods and work in process decrease (increase)	7,215	(35,154)	7,215	(35,154)
Raw materials and consumables used	1,630,399	1,546,887	1,450,899	1,368,622
Depreciation and amortization	261,036	262,261	235,432	237,919
Employee expenses	1,121,795	1,069,210	879,591	849,376

16. APPROPRIATION OF EARNINGS AND DIVIDEND

On August 11, 2009, the Company's Board of Directors' Meeting passed a resolution to pay interim dividend to shareholders of 104,686,273 shares at Baht 0.50 per share totalling Baht 52.34 million approximately. The Company paid such dividend on September 10, 2009.

On April 24, 2009, the Company's Ordinary Shareholders' Meeting held unanimously approved a dividend payment for 104,686,273 shares at Baht 1.65 per share, totalling Baht 172.73 million approximately. The Company paid such dividend on May 15, 2009.

On August 13, 2008, the Company's Board of Directors' Meeting passed a resolution to pay interim dividend to shareholders of 104,686,273 shares at Baht 0.50 per share totalling Baht 52.34 million approximately. The Company paid such dividend on September 12, 2008.

On April 30, 2008, the Company's Ordinary Shareholders' Meeting unanimously approved a dividend payment for 104,686,273 shares at Baht 1.25 per share, totalling Baht 130.86 million approximately. The payment was paid on May 16, 2008 and also approved the appropriation of legal reserve amounting to Baht 2.11 million approximately.

In 2009 and 2008, the domestic subsidiaries paid no dividends.

17. PROVIDENT FUND

The Company and domestic subsidiaries established the provident funds in compliance with the Provident Fund Act B.E. 2530. The funds are voluntarily joined by employees. Under the fund's regulations, the members contribute 2% of their monthly salary to the fund and the Company and the subsidiaries contribute 2% of such monthly salary. The funds will be paid to the employees upon termination in accordance with the rules of the provident fund.

For the years ended December 31, 2009 and 2008, the Company's contributions and subsidiaries' contributions to provident funds which were recorded as expenses in the consolidated statements of income were Baht 10.49 million and Baht 9.57 million, respectively.

For the years ended December 31, 2009 and 2008, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of income were Baht 10.32 million and Baht 9.43 million, respectively.

18. CAPITAL MANAGEMENT

The primary objectives of the Company's and its subsidiaries' capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

The Company and its subsidiaries do not apply any particular financial ratio to monitor its capital whilst manage their capital to be sufficient for their working capital by: for instance, issuing new share or adjusting the amount of dividend paid to shareholders, according to the prevailing situations.

19. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company presents and discloses financial instruments as follows:

19.1 Accounting Policies

Details of significant accounting policies are disclosed in Note 3 to the financial statements.

19.2 Credit Risk

Credit risk refers to the risk that counterparty will default on its trading terms and conditions resulting in collection loss to the Company and subsidiaries. Concentrations of credit risk are limited since the Company and subsidiaries have adopted the policy of dealing with creditworthy counterparty as a mean of mitigating the risk of financial losses from defaults.

In case of recognized financial assets in the balance sheet, the carrying amounts of the assets recorded in the balance sheet represent the maximum exposure to credit risk.

19.3 Interest Rate Risk

Interest rate risk arises from the potential for a change in interest rate to have an adverse effect on the Company and its subsidiaries in the current reporting period and in future years. The Company and its subsidiaries do not expect to incur material incremental effect on their interest expense because loans of the Company and its subsidiaries are insignificant amount.

19.4 Foreign Exchange Risk

Foreign exchange risk arises from the potential for a change in foreign exchange rate to have an adverse effect on the Company and its subsidiaries in the current reporting period and in future years. The Company and its domestic subsidiaries do not expect to incur material incremental effect on their financial assets or liabilities in foreign currencies as the majority of their businesses are engaged in Thai Baht. However, the change in foreign exchange rate may has material effect on financial assets and liabilities of the overseas subsidiaries. The Company and its subsidiaries do not use any financial instruments to manage such risk.

19.5 Estimated Fair Value of Financial Assets and Liabilities

For the fair value disclosures, considerable judgement is necessarily required in estimation of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amount that could be realized in a current market exchange.

The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value.

Cash and cash equivalents, temporary investments, trade accounts receivable, short-term loans to related parties, bank overdraft and short-term loans from financial institutions, trade accounts payable, and short-term loans from related parties; the carrying values approximate their fair values due to the relatively short period to maturity.

Long-term loan from financial institution, the carrying value is approximate its fair value due to having floating interest rate.

20. SEGMENT INFORMATION

The Company and its subsidiaries have been engaged in the food and bakery business. All business activities of the Company and its subsidiaries can be classified by segments, based on revenues, results of operations and assets, for the years ended December 31, 2009 and 2008 for the Company and its subsidiaries as follows:

For the year ended December 31, 2009:

In Thousand Baht

Classified by Geographical Areas	Domestic	Overseas	Total
Revenues from sales and revenues from services	4,021,102	679,042	4,700,144
Net profit before minority interest	278,353	19,895	298,248
Assets as at December 31, 2009	2,425,242	328,807	2,754,049

For the year ended December 31, 2008:

In Thousand Baht

Classified by Geographical Areas	Domestic	Overseas	Total
Revenues from sales and revenues from services	3,701,382	676,785	4,378,167
Net profit before minority interest	195,328	36,011	231,339
Assets as at December 31, 2008	2,261,043	260,780	2,521,823

21. ASSETS USED AS COLLATERAL

The Company and its subsidiaries had assets used as collateral as follows:

21.1 As at December 31, 2009 and 2008, cash at banks of the Company in the approximate amount of Baht 1.98 million and Baht 1.94 million, respectively, was used as collateral against letters of guarantee from a bank for electricity usage (see Note 22).

21.2 As at December 31, 2009, 12 month fixed deposit account at a local commercial bank of S&P Global Co., Ltd. of Baht 3.5 million is pledged as collateral to an overseas commercial bank to issue a promissory note of NTD 3 million for Patio International Co., Ltd.

22. COMMITMENTS AND LETTER OF GUARANTEE

As at December 31, 2009 and 2008, the Company and its subsidiaries had commitments and letter of guarantee as follows:

22.1 Commitments to pay rental under long-term lease contracts are as follows:

Domestic branch rental expenses, and vehicles and computer equipment rental expenses

	2009 Million Baht	2008 Million Baht
Within 1 year	207.17	178.28
More than 1 year but no longer than 5 years	281.52	220.38
Over 5 years	17.26	23.09

Overseas branch rental expenses

	2009 Million Pound sterling	2008 Million Pound sterling
Within 1 year	0.33	0.41
More than 1 year but no longer than 5 years	0.77	1.15
Over 5 years	0.13	0.29

22.2 As at December 31, 2009 and 2008, the Company had outstanding capital commitments relating to hire of works and purchases of materials for construction of new branches and shops in the amount of Baht 6.32 million and Baht 8.42 million, respectively.

22.3 As at December 31, 2009 and 2008, the Company had a letter of guarantee issued by a commercial bank for electricity usage amounting to Baht 30.10 million and Baht 28.36 million, respectively (see Note 21).

23. CORPORATE INCOME TAX

According to the Royal Decree No. 475 B.E. 2551 issued under the Revenue Code regarding the corporate income tax rate reduction effective on August 7, 2008, the corporate income tax rate for listed companies in the Stock Exchange of Thailand has been reduced from 30 percent to 25 percent of net profit not exceeding Baht 300 million. This will remain in effect for three consecutive accounting periods beginning on or after January 1, 2008.

24. RECLASSIFICATION

Leasehold right of Baht 106.03 million and Baht 100.05 million as at December 31, 2008 in the consolidated and the separate financial statements, respectively, which were previously included in intangible asset, has been reclassified to be separately presented as leasehold right to conform to the classification used in the consolidated and the separate financial statements as at December 31, 2009.

25. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issuance by the authorized director of the Company on February 8, 2010.

Analysis of the Operating Performance and Financial Status

Summary of 2009 Operating results

In 2009, business operation had experienced obstacles and challenges caused by the World's economic crisis which placed an impact on Thailand's economy and consumption. However, the Company had established clearer direction in terms of strategy and periodically improved the plan, leading to the satisfactory growth of the 2009 operating results. In 2009, the group of companies had the revenue from sales and services totaling Baht 4,700 million, increased by Baht 322 million, or by 7.4% from the same period of last year. The group of companies had the net profit of Baht 293 million, increased by Baht 67.9 million, or increased by 30% from the same period of last year.

Revenue from Sales and Services

The revenue from sales and services increased from Baht 4,378 million to Baht 4,700 million, with the growth rate of 7.4%, of which can be categorized into the following channels:

Revenue breakdown by distribution channels (Unit: Million Baht)

Distribution Channels	2009		2008		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Domestic restaurant and bakery shop business	3,610	76.8	3,315	75.7	295	8.9
Frozen food and bakery trading business	425	9.0	395	9.0	30	7.6
Oversea restaurant	661	14.1	664	15.2	(3)	(0.5)
Others*	4	0.1	4	0.1	-	-
Total	4,700	100.0	4,378	100.0	322	7.4

* Rental revenue

Domestic restaurant and bakery shop business

In 2009, the revenue from the Domestic restaurant and bakery shop business amounted for 76.8% of the revenue from sales and services. It increased by 8.9%, or by Baht 295 million due to the growth of the sales volume of the existing outlets and new outlets. In 2009, the Company had opened 42 new outlets, consisting of 7 restaurants and 35 bakery shops. The total 330 outlets of the Company as of year end 2009 comprised 100 restaurants and 230 bakery shops. The Company's focus on opening more new outlets within provinces had carried on to this year due to the good consumption condition and potentiality in the upcountry as well as the lower rental and labor cost when compared with Bangkok's. In addition, the Company had continuously performed marketing activities whether they were advertising on television, radio, and other types of media, by focusing on "S&P" brand strengthening to signify the preciosity, quality, and freshness of the products.

Frozen food and bakery trading business

In 2009, with the severe competition within the frozen food business and the shrink of the export due to the World's economic condition, the company trading business had increased only 7.6% from previous year,an increase of Baht 30 million.

Overseas restaurant

The Company had opened one branch in Beijing in the fourth quarter. However, the impact of the shrink of the worldwide economy in 2009, and the closure of 2 branches in Singapore, had caused the foreign currency revenue to decrease approximately by 6.5%. With the inclusion of the impact from the exchange of foreign currencies into Thai Baht, the revenue declined by 0.5% or around Baht 3 million.

Revenue breakdown by product type (Unit: Million Baht)

Product	2009		2008		Increase (Decrease)	
	Amount	%	Amount	Amount	%	Amount
Bakery	2,106	44.8	1,907	43.6	199	10.4
Domestic food and beverage	1,420	30.2	1,322	30.1	98	7.4
Oversea restaurant	661	14.1	664	15.2	(3)	(0.5)
Food products**	396	8.4	372	8.5	24	6.5
Other products***	117	2.5	113	2.6	4	3.5
Total	4,700	100.0	4,378	100.0	322	7.4

** Food products produced by the company consisting of Quick Meal, sausages, Jelly and dry mix

*** Consisting of outsourcing, consignment, other miscellaneous products, and rental revenue

In 2009, the Bakery product had the highest proportion of 44.8% when compared with the revenue from the sales and services while the proportion of the domestic food and beverage was at 30.2%. In terms of the sales growth volume, the Bakery product had a growth rate of 10.4% due to the branch expansion, the development of product diversification, and the increase of sales promotion activities. The food and beverage had the growth rate of 7.4% after the Company had introduced the healthy food menu.

Cost of sales and services

In 2009, the Company was able to decrease the cost of sales and services from 57.5% in 2008 to 56.2%. It was because the efficiency of the raw material cost management and the production cost reduction and the slowdown of investment policy at the beginning of 2008 onward. This led to the decrease of the depreciation and direct labor when compared with the previous year's. In addition, the Company had improved its administrative operation, the loss rate during the production and at the sales points. Moreover, with the introduction of the new high value added products, the Company also had better gross profit margin.

Expenses

In 2009, the sales expense when compared with the sales and services revenue decreased from 36.5% in 2008 to 36.3% due to the efficiency of expense management in all areas such as employee management and real estate management. However, in this year, the Company's marketing expenses had increased from variety of sales promotions such as brand building activities and advertising on TV and Radio.

Net Profit

The growth of revenue from sales and services in 2009, together with the efficiency of cost and expense management, and the inventory and loss management helped enhance the net profit, when compared with the net income from the sales, to increase from 5.1% in 2008 to 6.2% in 2009. The net profit in 2009 increased from Baht 225.1 million in 2008 to Baht 293 million in 2009, increased by Baht 67.9 million, or increased by 30.2%, and the ROE increased from 11.5% in 2008 to 14.6% in 2009.

Operating Efficiency

The group of Companies had substantial return from total assets from 8.9% in 2008 to 11.1% in 2009 due to the increase of the Company's net profit.

Overview of financial statement and cash flow statement of 2009

The group of companies had the total assets at year end 2009 of Baht 2,754 million, increased from 2008 by Baht 232 million, or by 9.2%. The current assets and the non-current assets accounted for 53% and 47%, respectively, whereas the current liabilities accounted for only 25% of the total assets. Thus, the liquidity of as high as 2.1 times of the group of companies came from its rapid assets turnover from cash sales.

In terms of liabilities, there was no significant change as the debt per equity ratio remained at strong level of 3.5 times.

For the cash flow, the net cash from the operation was at Baht 580 million, as the result of Bath 670 profit before tax and the tax payment of Baht 91 million.

The change of cash used in investing and financing activities was mainly caused by the investment in the temporary cash investment which had the net increase of Baht 104 million. The investment was in the government bond and the open-end bond fund which were very stable. In addition, with the expansion of restaurant and bakery branches, the group of companies had to invest in construction, furnishing, and the production machine with the net increase of Baht 198 million while the dividend payment was at Baht 225 million. Thus, to calculate with the net cash inflow from the operation and other sub items, the group of Companies had the net increase of the cash totaling Baht 59 million. With the large amount of cash at Baht 416 million as of the beginning of 2009, the cash and cash equivalent for the business as of the end of the year was at Baht 475 million.

Dividends

The company was approved to pay dividend for the operating performance of the year 2009 at Baht 2.50 per share, which was equivalent to payout ratio at 89.3%. During the past 5 years, the dividend payout ratios were in the range of 81% to 100%

Dividend payment policy

The company will declare dividends every year at the rate of approximately 60 percent of the net profit after tax according to the consolidated financial statements provided that the amount to be declared shall not exceed the retained earnings in the Company's financial statements. In the event that the Company's financial statements have retained loss, no dividend will be declared. For this purpose, the Company will take such action as prescribed by the Public Limited Companies Law and take into consideration whereby the Company will be able to pay dividends without causing significant effects on its business.

The dividend payment policy of the Company's subsidiaries likewise takes into consideration the economic outlook and business operating performance.

Connected Transactions

(1) Revenues

Related parties	Nature of transaction	2009	2008
S&P Global Co., Ltd.	Rental of premises and equipment	0.36	0.36
	Revenue of goods	1.12	0.32
	Dividend received	0	-
S&PizZanotti (Thailand) Co.; Ltd.	Revenue from services	0.94	1.12
	Rental of premises and equipment	0.94	0.66
	Revenue of goods	0.34	0.57
HD Distributors (Thailand) Co., Ltd.	Rental of premises and equipment	1.11	0.98
	Revenue from services	0.91	0.82
	Revenue of goods	0.65	0.79
	Dividend received	0.19	3.86
Food House Catering Service Co., Ltd.	Revenue of goods	20.74	7.39
Minor International Public Company Limited 's subsidiaries			
The Minor Food Group Public Company Limited	Revenue of goods	34.38	41.02
The Minor Food Group Public Company Limited 's subsidiaries			
Minor DQ Limited	Revenue of goods	4.61	6.27
Minor Dairy Limited	Revenue of goods	0.2	1.3
Swensen's (Thai) Limited	Revenue of goods	4.26	4.01
SLRT Limited	Revenue of goods	0.6	-
The coffee Club (Thailand) Limited	Revenue of goods	0.02	-
		44.07	52.6

(2) Purchase of goods and services

Related parties	Nature of transaction	2009	2008
S&P Asset Co.,Ltd.	Rental of premises and services	3.30	3.15
S&PizZanotti (Thailand) Co.; Ltd.	Purchase of goods	0.22	0.92
HD Distributors (Thailand) Co., Ltd.	Purchase of goods and services	12.12	14.90
S.R. Estate Co., Ltd.	Rental of premises	0.43	0.43
The Company's Directors	Rental of offices and storage	2.28	2.28

Outstanding transactions

(1) Accounts receivable

Related parties	Nature of transaction	2009	2008
HD Distributors (Thailand) Co., Ltd.	Purchase of goods, rental of premises	0.2	0.20
S&PizZanotti (Thailand) Co.; Ltd.	Purchase of goods	1.28	0.32
Food House Catering Service Co., Ltd.		7.00	7.39
Minor International Public Company Limited 's subsidiaries			
The Minor Food Group Public Company Limited	Purchase of goods	6.17	7.29
The Minor Food Group Public Company Limited 's subsidiaries			
Minor DQ Limited	Purchase of goods	0.65	0.84
Minor Dairy Limited	Purchase of goods	0.01	1.28
Swensen's (Thai) Limited	Purchase of goods	0	1.57
SLRT Limited		0.33	-
The coffee Club (Thailand) Limited		0.01	-
		7.17	10.98

(2) Accounts payable

Related parties	Nature of transaction	2009	2008
S&P Asset Co.,Ltd.	Rental of premises and equipment	0.11	0.09
S&Pizzanotti (Thailand) Co.; Ltd.	Purchase of goods	-	0.09
HD Distributors (Thailand) Co., Ltd.	Purchase of goods	1.31	3.01

Economic Situation and Competition

The current economy has affected consumers making them more cautious and spending less.

Prudent spending and demand for value for money are now major considerations before decision making in regard to making purchases and spending money.

Despite the problematic economic conditions and increasing competitiveness, this company could achieve its Baht 1,420 million target on the sale of foods and drinks within the country in 2009; at the expanding rate of 7.4 percent, which is higher than the growth rate of an average industry.

The success leverage was the expansion of seven new branches in the past years and they have accelerated the sales target. In addition, the company has a good organization system, catering quality goods and services through careful production and selection for their sophisticated customers.

Moreover, the company's products and services have been continually developed to meet the requirements of the variety of their customers permitting the company to expand its business, focused on other categories; for example "foods for home and office delivery" including its external catering services.

Regarding the bakery business, particularly cakes and cookies, as a result of their increasing acceptance by the Thai community, this has had favorable effect, indicating a strong "potential for growth".

However, "business competitiveness" is also apprehensive due to the entry of many new operators, which are easily accessible both domestically and internationally.

The company has achieved its work results, higher than for its cumulative industry and in the year 2009, it has opened 35 more branches with bakery sales of Baht 2,106 million, reflecting a "growth rate" of 10.4 percent.

The company's "uniqueness" and difference from other producers, in addition to the flavor and quality of its bakery products, have through its attractive and modern packaging, "well preserved and convenient to serve", attracted the interest of its consumers making it one of the leaders in both bakery and Thai desserts.

The company's wide variety of activities, have been organized to promote Thai desserts to consumers and also to indirectly promote the unique image of the company.

Major Events in 2009

S&P donates cake in support of Thai Women's Day

S&P participated in the annual Thai Women's Day on April 1st, by donating a 979-pound cake and making five thousand boxes of cookies to sell at our bakery outlets to celebrate and support the cause. The cookies carried a flower design by Her Majesty Queen Sirikit. The profits were donated to the National Council of Women of Thailand under the Royal Patronage of Her Majesty the Queen.

S&P teaches cooking skills to female inmates

On June 24-25 2009, S&P participated in the "Returning Good Women Back to the Society" project at Ladyao Central Prison. This ongoing project aims to teach female inmates occupational skill with the goal of allowing them to return as productive members of society once their jail term is up. Sharing what we do best, we provided cooking and baking classes to the female prisoners.

S&P receives award for New Product Development Standard

In recognition of our efforts to ensure food quality and product traceability throughout the production chain, we were given the Award for New Product Development Standard from the National Bureau of Agricultural Commodity and Food Standards. The award is a boost as we work to solidify our image as a provider food made with high-quality ingredients. S&P's tracking system ensures efficient product verification from farm to consumer.

S&P participates in SET's Company Visit event

S&P participated in the Stock Exchange of Thailand's continuing efforts to boost investment in Thai companies by hosting a company visit day at one of our factories. The investors were able to see our production process first hand and had the chance to ask questions during the tour of our Bangna factory.

S&P presents results at SET's Opportunity Day

S&P joined the Stock Exchange of Thailand's Opportunity Day on November 19 to present its operating result to analysts, the media and interested investors. The results presentation was broadcast on SET's website as part of SETs efforts to improve access to public company information, a goal that S&P shares.

S&P marks it's 36th anniversary in "S&P ShowCake" event

S&P marked its 36th anniversary by arranging the "S&P ShowCake" event at Central department store in Pinklao, Bangkok. The event was graciously chaired by HRH Princess Srirasmi, the Princess Consort to the Crown Prince. HRH also decorated a cake during the opening ceremony.

S&P Chairman receives Honorary Doctorate

S&P Chairman Khun Patara Sila-On was presented with a Ph.D. (hon) by the Faculty of Management of Rajamangala University of Technology Isan.

S&P opens two new overseas restaurants

In 2009, the Company opened two new overseas restaurants. We established a presence in China with our Patara restaurant in Beijing, and strengthened our position in Singapore with the opening of our new restaurant there.

S&P improves factories

Our Lad Krabang food factory expanded its production line to produce Halal certificated sauce for airlines. We have also studied and prepared to upgrade two bakery factories to support future business expansion, scheduled for 2010. In addition, we improved the production area of our Sukhumvit factory to enhance confidence for the Company's products.

S&P's overseas restaurants win awards

Our Patara restaurant in London received an award for "Top Thai Restaurant in London 2009" from ZAGAT Survey. This is the third time we have been honoured with this award. We also won the "London's Best Thai Restaurants Award 2009" from London's Time Out Magazine. Patara Geneva received two baton points from the 2009-2010 edition of the prestigious Gault Millau Guide.

S&P Learning Center helps underprivileged students

In cooperation with the Ministry of Education, S&P has accepted underprivileged students from Rajaprachanukro and Suksasongkro school to study in our Learning Center. They can have for free 3 years in Vocational Education, in the meanwhile they will receive the allowance in practice their work in S&P.

Risk Factors

Like all enterprises, S&P faces numerous risks in the course of its business activities. Our goal is to identify these risks and evaluate them before they occur, and learn from recurring ones, so as to minimize the impact of these risks. We have comprehensive risk management systems in place, each with its own targets and assigned responsibility. Notably, we mitigate risk by carefully weighing the risks and opportunities associated with our strategy, and by maintaining a balanced portfolio of products and services.

Those listed below do not comprise all risks associated with S&P and are not listed in any particular order. Additional risks and uncertainties may be unknown to management at the present, or currently deemed to be less material, but may still have an adverse effect on the business.

Strategic risk

Expansion of our restaurants and bakery shops is a cornerstone of our long-term strategy. Each additional branch represents a financial risk for the company. It has been the Group's policy to expand domestically in Thailand by opening outlets in high-traffic areas. This naturally entails the risk of branch closure as a result of the company's own actions or through termination of rental contracts. The Company minimizes this risk through its long-lasting reputation amongst consumers and the widespread acceptance of its products. The risk of termination of contracts is further mitigated by the Company successfully obtaining attractive rental contracts and conditions.

Macroeconomic risk

When consumer spending decreases, S&P's restaurants and other outlets are impacted. However, due to our diversified offerings which include frozen ready-made foods and other products sold through a variety of distribution channels, we are impacted less than many comparative companies. For the year 2009, our net sales increased by 7.4% year-on-year and our net profit increased by 30% to 68 million baht., despite a less than ideal economy and a decrease in domestic consumer expenditure on food. The Company very consciously weighs macroeconomic risk when making decisions on geographical and product expansion.

Risk associated with cost of production

The Company's production process depends on many raw materials, the price of which is largely outside our control. A volatile oil price results in unstable raw materials costs and expenses. With high competition in the food services industry, such fluctuations can have significant impact on profit margins. The company mitigates this risk by attempting to optimize its inventory management, production planning and scheduling with the goal of maximizing cost efficiency. We also keep a close eye on the cost of raw materials and use forward purchase contracts where suitable. A focus on spending on R&D to introduce more value-added products and revising the product mix also mitigates the effects of fluctuating raw materials prices.

Foreign exchange exposure risk

A significant share of the Company's operations is located overseas. As of year end 2009, 14.1% of our revenue came from these foreign operations. These operations are naturally hedged against fluctuating exchange rates as income and expenses are both in their home currencies. In addition, those foreign currencies would be employed for further investment and, therefore, remained in those countries without conversion. Accordingly, the foreign exchange exposures are relatively limited and have not been hedged. Nevertheless, should the exposure induce material impact on the revenue, the financial instrument may be considered to apply.

Political risk

The political instability that impacted our results in 2008 continued in 2009 and included the closure of major political parties by the Constitutional Court, street demonstrations, and the disruption of the East Asia Summit in Pattaya. All these uncertainties caused consumer to become more cautious on their spending. We are less impacted by this than many of our competitors thanks to our wide product offerings, which allow consumers to stay with the S&P brand even as they are more cautious about their spending.

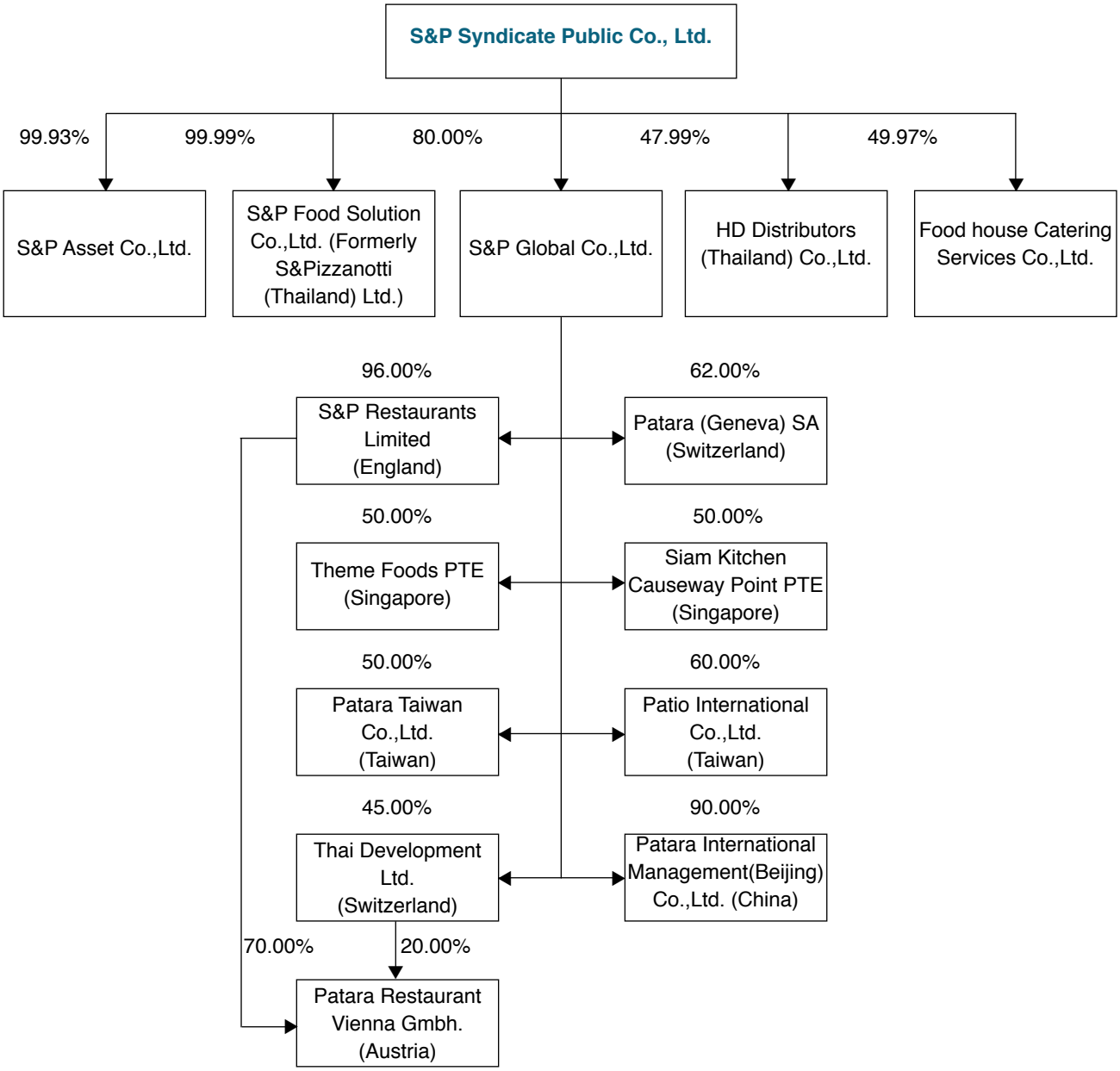
Shareholder Structure

The Company's securities comprise ordinary shares. As of December 31, 2009, the Company's registered capital is 523,431,365 Baht, divided into 104,686,273 ordinary shares of par value of 5 Baht each. The called-up capital amounts to 523,431,365 Baht, divided into 104,686,273 ordinary shares of par value of 5 Baht each.

The first 10 majority shareholders whose names appeared in the register of shareholders as of February 5, 2010 are as follows:

	Group of Shareholders	Number of Shares	Percent
1	The Sila-On and Raiva Groups	39,426,352	37.66
2	Minor International Public Company Limited	23,993,300	22.92
3	Thailand Equity Fund	10,000,000	9.55
4	Credit Suisse Securities (Europe) Limited	4,117,300	3.93
5	Mrs. Supapan Pichaironarongsongkram	3,469,000	3.31
6	Mr. Aryuth Charnsethikul	1,474,400	1.41
7	Mr. Thanathip Phichetvanichchok	1,162,200	1.11
8	Mrs. Parinya Khancharoensuk	1,042,462	1.00
9	Mr. Niti Osathanukrua	960,100	0.92
10	Mr. Phithak Phisethsith	830,000	0.79

S&P Group Structure



S&P's subsidiaries and affiliates

Names / Location	Type of business	No. of common shares (shares)		% Holding (%)
		Total Shares	No. of shares held by S&P group	
S&P Syndicate Public Company Limited 457-457/6 Sukhumvit 55, Klongtannua, Vadhana, Bangkok Tel : +66 (0) 2185-1313 Fax : +66 (0) 2185-1274	Operate restaurant branches and bakery outlets, produce cake, bread, bakery products, Thai desserts, frozen foods and bakery, provide delivery and catering services, Invest and manage the restaurant in overseas			
S&P Asset Company Limited 1/2 Soi Attakravi 1, Sukhumvit 26 Rd, Klongtan Klongtoei, Bangkok Tel : +66 (0) 2185-1313 Fax : +66 (0) 2185-1290	Conduct real estate development business by renting spaces to restaurants	10,000	9,993	99.93%
S&P Food Solution Company Limited (Formerly S&Pizzanotti (Thailand), Limited) 457-457/6 Sukhumvit 55, Klongtannua, Vadhana, Bangkok Tel : +66 (0) 2185-1313 Fax : +66 (0) 2185-1274	Operate pizza delivery and Italian food restaurant	200,000	199,997	99.99%
S&P Global Company Limited 457 Sukhumvit 55, Klongtannua, Vadhana, Bangkok Tel : +66 (0) 2185-1313 Fax : +66 (0) 2185-1274	Operate Thai restaurants in overseas, currently with 9 subsidiaries as follows	500,000	400,000	80.00%
S&P Restaurant Company Limited* Suite 4.16 130 Shaftesbury Ave, London, W1D 5EU, UK Tel : (44) 020 7031 1168, 020 7031 1169 Fax : (44) 020 7031 1167	Operate Thai restaurants under "Patara" brand in England, currently with 4 branches	100,000	96,000	96.00%
Patara (Geneva) SA* No.94, Rue des Eaux-Vives CH-1207, Geneva Switzerland Tel : (4122) 735-0517 Fax : (4122) 735-0538	Operate Thai restaurants under "Patara" brand in Geneva, currently with 1 branch	200	124	62.00%
Theme Foods Pte.* 211 Henderson Road #05-03 Singapore 159552 Tel : (65) 6411-4990 Fax : (65) 6411-4991	Operate Thai restaurants under "Patara" brand in Singapore, currently with 2 branches	600,000	300,000	50.00%

Names / Location	Type of business	No. of common shares (shares)		% Holding (%)
		Total Shares	No. of shares held by S&P group	
SK Catering Pte.* 211 Henderson Road #05-03 Singapore 159552 Tel : (65) 6411-4990 Fax : (65) 6411-4991	Operate Thai restaurants in Singapore under Siam Kitchen brand, currently with 7 branches, and under "Bangkok Jam" brand, currently with 1 branch	300,000	150,000	50.00%
Patara Taiwan Company Limited* 12 Alley 247, Sec.1 Tua Hua S. Road, Taipei, Taiwan	Operate Thai restaurants under "Patara" brand in Taiwan, cease its operation since October 2007	1,500,000	750,000	50.00%
Patio International Company Limited* 7F-3 No.28 Jen-Ai Road, Sec.3, Taipei Taiwan Tel : (8862) 2721-5998 Fax : (8862) 2721-6008	Operate Thai restaurants under "Patio" brand in Taiwan, currently with 4 branches	12,000,000	7,200,000	60.00%
Thai Development SA.* No.94, Rue des Eaux-Vives CH-1207, Geneva Switzerland Tel : (4122) 735-0517 Fax : (4122) 735-0538	Operate Thai restaurants under "THAI" brand in Geneva, currently with 1 branch	200	90	45.00%
Patara International Restaurant Management (Beijing) Co.,Ltd.* 6th Floor, Jinbao Place, 88 Jinbao Street, Dongcheng District, Beijing, China Tel : (8610) 85221678 Fax : (8610) 85221369	Operate Thai restaurants under "Patara" brand in China, currently with 1 branch	2,000,000	1,800,000	90.00%
Patara Restaurant, Vienna GmbH** Petersplatz 1 / Goldschmiedgasse 9 / Graben 27 - 28 / Top.Nr.7 1010 Wien Tel : - Fax : -	Operate Thai restaurants under "Patara" brand in Austria, currently with 1 branch	200,000	158,000	79.00%
HD Distributors (Thailand) Company Limited 20th floor, 539/2, Gypsum Mertropolitan Tower, Sri-Ayudhya Road, Tanon Phayathai Sup-district, Rajdhavee, Bangkok Tel : +66 (0) 2696-1000 Fax : +66 (0)2696-1001	Sole importer and distributor of Haagen-Dazs ice cream	20,000	95,996	47.99%
Foodhouse Catering Services Company Limited 234 Soi Sukhumvit 101 (Punnavithi), Sukhumvit Rd., Bangchak, Prakanong, Bangkok Tel : +66 (0) 2741-8800 Fax : +66 (0) 2741-8260	Operate business canteens and provides flexible sets of dishes to meet diverse needs of Hospitals scholl pupils, office Staff and working classes throughout Thailand	10,000	4,997	49.97%

Note * indicates a company in which shares are owned by S&P Global Co., Ltd.

** indicates a company in which S&P Global Co., Ltd. owns 140,000 shares through S&P Restaurant Co. Ltd. in the UK and owns 18,000 shares through Thai Development Ltd. (calculated by percentage)

Management Structure
Directorial Structure

The managerial structure of the Company comprises 3 boards or committees, that is, the Board of Directors, the Audit Committee and the Executive Board. However, the Company has not yet acted with respect to the appointment of a Recruitment Committee and a Remuneration Fixing Committee. Details and the scope of powers and duties of these directors are as follows:

Board of Directors

At present, the Board of Directors comprises 12 members.

Names / Position	Total Attendances / Meeting (BoD/AGM)	Directors	Total Attendances / Meeting	Audit Committee	Total (Baht)
1. Mrs. Patara Sila-On / Chairman of the Board of Directors	5/5	200,000	-	-	200,000
2. Lt. Varakorn Raiva / Vice Chairman of the Board of Directors	5/5	200,000	-	-	200,000
3. Mr. Pravesvudhi Raiva / President	5/5	200,000	-	-	200,000
4. Mr. Kachorndej Raiva / Director	5/5	200,000	-	-	200,000
5. Mr. Pote Videtyontrakich / Director	2/5	170,000	-	-	170,000
6. Mr. William Ellwood Heinecke / Director	2/5	170,000	-	-	170,000
7. Mrs. Pratana Mongkolkul / Director	4/5	190,000	-	-	190,000
8. Mr. Vitoon Sila-On / Director	5/5	200,000	-	-	200,000
9. Ms. Cattleya Saengsastra / Independent Director and Chairman of the Audit Committee	5/5	200,000	4/4	70,000	270,000
10. Ms. Sophavadee Uttamobol / Independent Director and Audit Committee	5/5	200,000	04/04/10	70,000	270,000
11. Mr. Dusit Nontanakorn / Independent Director and Audit Committee	5/5	200,000	2/4	30,000	230,000
12. Mrs. Kessuda Raiva / Director and Company Secretary	5/5	200,000	-	-	200,000
Total (Baht)		2,330,000		170,000	2,500,000

Notes: The remuneration is received in one's capacity as director. It includes director'remuneration at the rate of 150,000 Baht/director and the Board meeting allowance of 10,000 Baht/member/meeting and the Audit Committee meeting allowance of 20,000 Baht/member/meeting. effective from the 2009 ordinary meeting of shareholders held on 24th April, 2009.

Scope of Powers and Duties of the Board of Directors

1. To manage the Company in accordance with the law, objectives, Articles of Association and resolutions of meetings of shareholders;
2. To formulate policies and trends for operation, financial management and action plans of the Company; and to monitor compliance with the policies specified;
3. To determine courses for the management of business risks, financial reports and audit; and to see to it that efficient and effective systems of internal control and internal audit are made available;
4. To control and supervise the Management for the efficient and effective implementation of the policies specified; and to assign and appoint some directors as executive directors to take one or more actions;
5. To designate 2 directors, who are not independent directors and Audit Committee members, as directors authorized to sign their names to bind the Company;
6. To hold a Board meeting at least once in every 3 months.

The Company has defined the independence of an "independent director" in accordance with the criteria of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as follows:

Definition of "Independent Director"

An independent director means a fully qualified and independent individual as specified by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, that is:

- Holding shares representing 1 percent max of the paid-up capital of the Company, its affiliated, associated or related companies;
- Being a director who does not participate in the management; not being a servant, employee or advisor receiving a regular salary or a professional service provider who has received a service fee of more than two million Baht a year from the Company, an affiliated, associated or related company, or a legal entity that may have conflicts over the past period of at least 2 years;
- Being a director without either direct or indirect benefits or interests in terms of both finance and management in the Company, its affiliated, associated or related companies, or legal entities that may have conflicts;
- Being a director who is not related to or is not a close relative of an executive or majority shareholder;
- Being a director who is not appointed as agent to protect interests of directors of the Company, majority shareholders, or shareholders related to the majority shareholders

In addition, the independent director must be able to comment or report freely in accordance with the mission entrusted, without taking into consideration any interests concerning her/his property or duty or position, and must not be influenced by any person or group of persons nor compelled by any situation that would render her/him unable to express an opinion as she/he should do.

Audit Committee

The Board of Directors resolved to appoint an Audit Committee pursuant to the resolution of the Board of Directors Meeting, No. 2/2008, held on May 13, 2008. The Audit Committee comprises:

1. Ms. Cattleya Saengsastra (An experienced specialist in finance and accounting)	Chairman of the Audit Committee
2. Ms. Sophavadee Uttamobol	Audit Committee
3. Mr. Dusit Nontanakorn	Audit Committee

The Audit Committee's scope of authority and duties

The Board of Directors have agreed to redefine the Audit Committee's scope of authority and duties during the Board of Directors Meeting, No. 4/2008, held on November 14 2008, in accordance to the rules and regulations issued by the Board of the Stock Exchange of Thailand.

(1) To make a review to see to it that the Company has correct and sufficient financial reporting;
(2) To make a review to see to it that the Company has suitable and effective systems of internal control and internal audit; and to consider the independence of the internal audit unit; as well as to give approval of the appointment, transfer, or terminate the employment of the chief of internal audit unit or any other working unit responsible for the internal audit;
(3) To make a review to see to it that the Company complies with the securities and exchange law, the Stock Exchange's requirements and the laws pertinent to the Company's business;
(4) To consider, select, or nominate independent individuals so that they perforn their duty as the Company's auditor; and to propose their remuneration; as well as to meet with the auditors at least once a year without the presence of the Management;
(5) To consider connected transactions or transactions that may have conflicts of interests in accordance with the law and the Stock Exchange's requirements, so as to be assured that those transactions are reasonable and most beneficial to the Company;
(6) To prepare a report of the Audit Committee, which report must be signed by the Audit Committee Chairman and disclosed in an annual report of the Company;
(7) To perform any other acts and things as assigned by the Board of Directors, with the Audit Committee's approval

The Audit committee meets regularly at least once every three months, and each meeting summary is directly reported to the Executive Committee. In 2009, there were a total of four Audit Committee meetings. Please see the Executive Committee section below for the details of the number of Audit Committee Meetings, as well as the meeting attendance by Audit Committee members.

Executive Committee

As of 2009, the Executive Committee has 6 members as follows.

1.	Lt. Varakorn	Raiva	Chairman of the Executive Committee
2.	Mrs. Patara	Sila-On	Executive Committee Director
3.	Mr. Kachorndej	Raiva	Executive Committee Director
4.	Mr. Pravesvudhi	Raiva	Executive Committee Director
5.	Mrs. Kessuda	Raiva	Executive Committee Director
6.	Mr. Vitoon	Sila-On	Executive Committee Director

The Executive Board's scope of authority and duties

1. The Executive Board is designated with the authority to operate in accordance with the Board of Directors' policies, which in turn defer to Laws, the conditions, rules and regulations of the Company, with the exception of issues which the Law specifies as requiring the authorisation of Shareholder Meetings.
2. The Executive Board has the right to formulate, propose and determine business directive policies and strategies to the Board of Directors.
3. The Board may prepare business plans; specify management powers; authorise budgets for the annual business activities, including annual expenditure budgets; and generally conduct activities in line with the business plans and strategies to complement the policies and directives presented to the Board of Directors.
4. Approval of transactions which may result in obligations to the Company require the authorisation of the Executive Board, together with the signatures of authorised Director signatories as stated in the Company Articles.
5. Conduct business relating to the general management of the Company, with the exception of related transactions and the acquisition/divestiture of significant public listed company assets, which are to be conducted in accordance with the regulations of the Stock Exchange of Thailand.
6. The Executive Board may be assigned other duties on an individual basis by the Board of Directors.

The provision of the aforementioned authorities to the Executive Board precludes any Executive Board members, including other parties who may have a potential benefit or conflict of interest in the Company and its subsidiaries, from exercising their voting rights in such issues. Moreover, the Executive Board Meetings do not allow the President to conduct related transactions, but limit's the scope of authority to normal business activities.

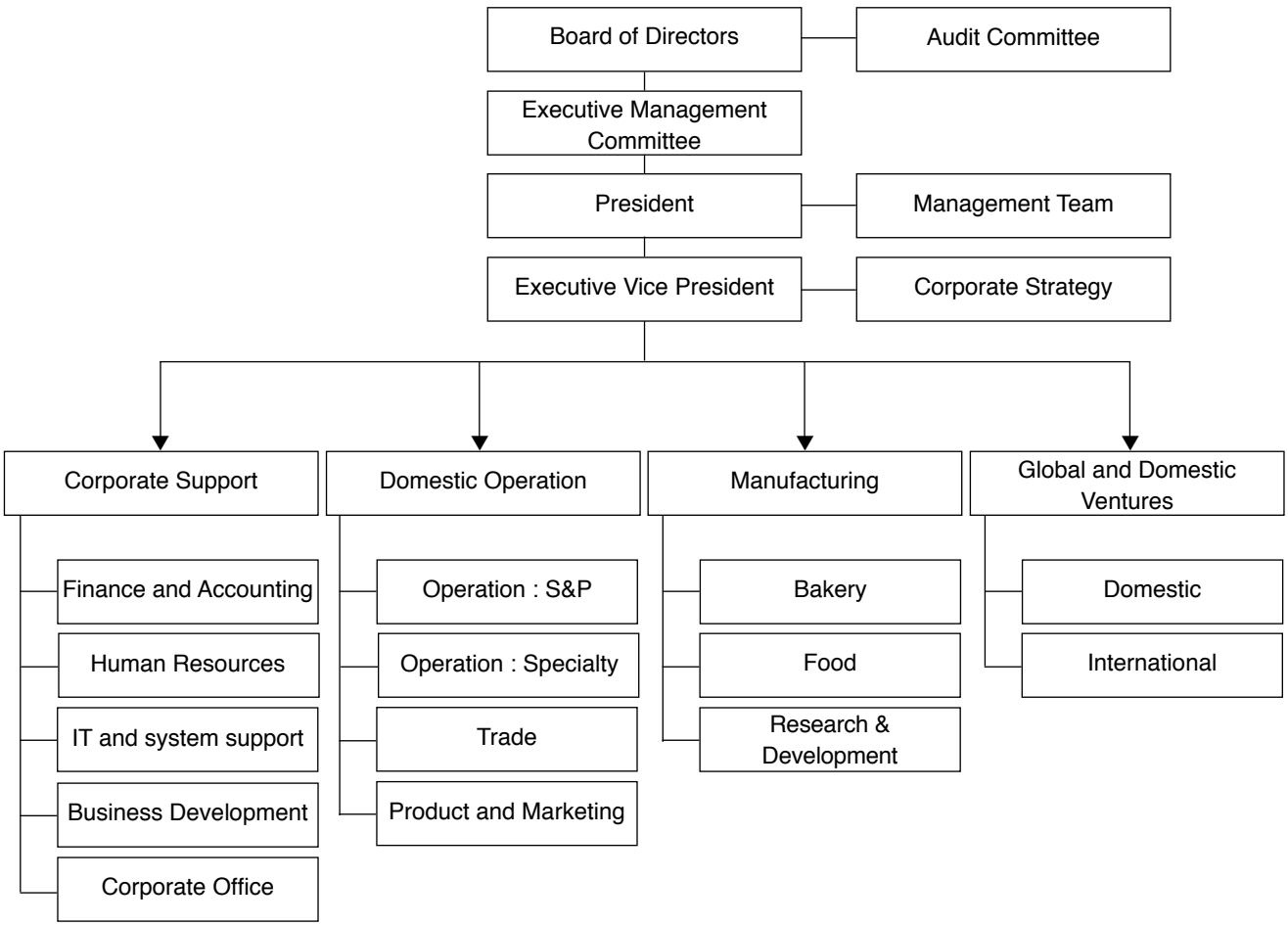
Management Team

As of 31 December 2009, the Company had 12 senior management members as follows.

1.	Mr. Pravesvudhi Raiva	President
2.	Mrs. Kessuda Raiva	President for S& P Global Co.,Ltd. Executive Director Vice President Human Resources Management and Development
3.	Mr. Vitoon Sila-On	Executive Director Senior Vice President – Domestic Operations
4.	Mrs. Chandnibha Suriyong	Senior Vice President Operations S&P Global Co.,Ltd.
5.	Mrs. Pacharee Wisuthiwan	Vice President for Operations Department
6.	Mr. Somyos Songkrod	Senior Vice President-Manufacturing
7.	Mr. Somjit Kititeerakul	Vice President for Bakery Manufacturing
8.	Mr. Chongchana Chantamas	Vice President for Food Manufacturing
9.	Mrs. Phailin Nimityongsakul	Vice President for Research and Development
10.	Mrs. Rungthong Ramon Oms	Senior Vice President Corporate Strategy Vice President for Accounting and Finance
11.	Mr. Pakorn Tiewcharoen	Vice President-Trade
12.	Mrs. Wanphen Thongsri	Vice President-Procurement

(Details of all Directors and Executives are shown in the Appendix)

Organization Chart



Additional information relating to the directors and executives is as follows:

The Company's directors and executives has never had any record of offenses committed against the law during the past 10 years concerning:

1. Adjudication by the Court whereby they have committed offences, except offenses relating to traffic discipline or petty offenses;
2. Adjudication by the Court whereby they shall become bankrupt or be placed in receivership;
3. Their management or control of companies or partnerships that have become bankrupt or be placed in receivership by the Court's order

Recruitment of Directors and Executives

A person to be appointed to the office of director and executive of the Company must be fully qualified according to the public limited companies law and the law governing securities and the Stock Exchange.

Appointment and Removal of Board Members

The selection of persons to the office of director of the Company does not go through the Recruitment Committee's process because the Company has not yet had a Recruitment Committee. However, the Board of Directors will consider and select individuals having qualifications, knowledge, ability and experience regarding relevant works in the interests of efficient operation of the Company and having such qualifications as required by the pertinent law and notifications of the Securities and Exchange Commission.

1. Directors of the Company are elected by a meeting of shareholders and there will be at least 5 directors and at least 3 Independent directors. Not less than one third of the number of directors must be independent directors. Not less than one half of the directors must be residents of Thailand.
2. Members of the Board of Directors will be elected by a meeting of shareholders in accordance with the following criteria and procedures:
   (1) A shareholder has one vote per share;
   (2) Each shareholder must exercise her/his whole votes to elect one candidate or more as director(s) but her/his votes may not be distributed howsoever to elect the candidate(s);
   (3) The candidates receiving the highest votes in respective sequence equal to the number of directors which should be elected at such time will be elected directors. In the event the next elected candidates receive equal votes and their number exceeds the number of directors which should be elected at such time, the chairman will have a casting vote.
3. At every annual ordinary meeting, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third must retire from office. The directors who have been longest in office must retire. A director retired by rotation is eligible for re-election.
4. A director to resign from office before her/his retirement by rotation must tender a letter of resignation to the Company, and her/his resignation will be effective from the date on which the letter of resignation is delivered to the Company.
5. If the office of a director is vacated otherwise than by rotation, the Board of Directors will elect a new director to replace the director whose office is vacated, and the replacement will retain the office of director only for the remaining tenure of her/his predecessor.
6. A director will be retired from office before the time of her/his retirement by rotation only by resolution of a meeting of shareholders, and not less than three-fourths of the votes of the shareholders present and entitled to vote and having shares in aggregate not less than one half of the number of shares held by the shareholders present and entitled to vote will be required.

Appointment of Audit Committee Members

The Board of Directors will consider and select individuals having qualifications, knowledge, ability and experience regarding relevant works that would be helpful to the systems of corporate governance and internal control in order that they would meet the standards and follow the correct course. The candidates selected must have such qualifications as required by the pertinent law and notifications of the Securities and Exchange Commission.

1. At least 3 Audit Committee members must be appointed from the Board members qualifications conform to the requirements of the Office of the Securities and Exchange Commission. At least 1 member of the Audit Committee must have financial and accounting knowledge and experience sufficient for the performance of her/his duty to verify the reliability of financial statements.
2. The term of office of the Audit Committee lasts for 2 years each, counting from the te of its appointment, the Audit Committee members whose term of office has expired are eligible for reappointment.
3. The number of the Audit Committee members must be maintained at not lower than 3. If they are reduced to lower than this number, (an) additional member(s) must be appointed to complete the number specified within 3 months from the date of the reduction. The new member(s) of the Audit Committee will retain the office only for the remaining tenure of her/his/their predecessor(s).
4. The Board of Directors must elect 1 member of the Audit Committee to perform her/his duty as the Chairman of the Audit Committee and must elect a person with such qualifications as approved by the Audit Committee to perform her/his duty as the Secretary to the Audit Committee.
5. A person to be appointed to the office of Audit Committee member must have the following qualifications:
   (1) Holding shares representing 1 percent max of the paid-up capital of the Company, its affiliated, associated or related companies, provided shares held by related parties are included;
   (2) Being a director who does not participate in the management of the Company, its affiliated, associated or related companies, or majority shareholders of the Company; and not being a servant, employee or advisor receiving a regular salary from the Company, an affiliated, associated or related company, or a majority shareholder of the Company;
   (3) Being a director without either direct or indirect benefits or interests in terms of both finance and management in the Company, its affiliated or associated companies, or majority shareholders of the Company; and not having had or interests of that nature during a period of 1 year before being appointed as member of the Audit Committee unless the Board of Directors is, after careful consideration, those previous benefits or interests will not affect the performance of the duty and the giving of free opinions by the Audit Committee member;
   (4) Being a director who is not related to or is not a close relative of an executive or majority shareholder of the Company;
   (5) Being a director who is not appointed as agent to protect interests of directors of the Company, majority shareholders, or shareholders related to the majority of the Company;
   (6) Being a director who is able to perform her/his duty and comment or report freely on the result of the performance of her/his duty as entrusted by the Board of Directors, without being under the control of a majority shareholder of the Company, including related parties or close relatives of that person;
   (7) Being a director with appropriate knowledge, ability and skills

Company Secretary

The Board of Directors appointed a Company Secretary clearly at the Board of Directors Meeting, No. 3/2008, at which Mrs. Kessuda Raiva, who has knowledge and ability to perform her duty and comment or report on results to the Board of Directors for the purpose of compliance with principles of good corporate governance including the public limited companies law, the law governing securities and the Stock Exchange and other pertinent laws, was assigned to continue to serve as the Company Secretary with the duty to take the following actions:

(1) To prepare and file documentation, that is, registers of directors, notices for Board meetings, minutes of Board meetings and annual reports of the Company, including quarterly and yearly financial statements;

(2) To keep a record of interests reported by directors and executives;

(3) To make advice on laws and rules of which the Board of Directors must be aware for the purpose of discharging its duties and responsibilities;

(4) To oversee activities of the Board of Directors

Remuneration for Executives

The Company has formulated a policy on fair and reasonable remuneration for the directors, taking into consideration its suitability for and consistency with the directors' responsibilities, the Company's financial standing and a comparison with other companies in the same group of business at the same level. The remuneration is fixed as gratuities and meeting allowances. In addition, directors assigned to serve as members of the Audit Committee will receive more remuneration and meeting allowances according to their responsibilities that have increased. The Company seeks approval for the directors' remuneration from the meeting of shareholders every year.

(1) Remuneration for Board Members

The 2009 Ordinary Meeting of Shareholders, held on April 24, 2009, resolved to approve the directors' remuneration divided into the following:

1. The directors' gratuities for 2009 (equal to those of 2008) are based significantly on the Company's operation results and net profit and paid at the rate of 150,000 Baht for each director. The remuneration for 12 directors amounts to 1,800,000 Baht or 0.7 percent of the net profit and will be payable according to the term of office of the directors.

2. The meeting allowance (equal to that of 2008) is fixed for the Board of Directors at the rate of 10,000 Baht for each director at each time of presence, and for the Audit Committee members at the rate of 20,000 Baht for each member at each time of presence at the meeting.

In summary, in 2009, the remuneration received by the directors in comparison with that of 2008 is as follows:

Remuneration	2008		2009	
	Number (Directors)	Amount (Baht)	Number (Directors)	Amount (Baht)
Total Gratuities	12	1,800,000	12	1,800,000
Meeting Allowances	12	680,000	12	700,000
Total		2,480,000		2,500,000

Please refer to the heading "Board of Directors" for the remuneration received by the directors in their capacity as directors of the Company, that is, gratuities and meeting allowances, which are separated and indicated for each individual director.

(2) Remuneration for Executives

The Company has fixed the executives' remuneration in accordance with the policy and criteria whereby suitability for and consistency with the financial standing and the Company's operation results and net profit are taken into consideration. To this, the President and other executives will jointly fix indicators and indices and make a yearly evaluation of performance so as to fix remuneration that reflects the actual performance and builds an incentive for more efficient and effective performance continuously.

In summary, in 2009, the remuneration received by the executives in comparison with that of 2008 is as follows:

Remuneration	2008		2009	
	Number (Directors)	Amount (Baht)	Number (Directors)	Amount (Baht)
Salaries	12	17,880,756	12	21,820,915
Bonuses, Special Rewards & Travel Expenses	12	2,269,866	12	4,148,240
Total		20,150,622		25,969,155

Notwithstanding, the remuneration of some executives who are directors and receive remuneration in their capacity as members of the Board of Directors, with such details as indicated in the heading “Board of Directors”, is not included in the calculation of the remuneration referred to above.

(3) Other Remuneration

In addition to the salaries, bonuses and special monetary rewards, the Company has made available various kinds of welfare as befit the Company’s business, such as, contributions to the Provident Fund, travel expenses, medical fees, which are in accordance with the Company’s rules of welfare.

Corporate Governance

The Board of Directors has complied with good practices for directors of a listed company by adopting the principles of good corporate governance and rules of practice of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as guidelines and has appointed an Audit Committee to assist in supervising its internal control system and to ensure that the principles of good corporate governance have been observed, with such details as set out as follows:

(1) Rights of Shareholders

The Board of Directors has formulated a corporate governance policy for a long-term benefit of its shareholders within the frame of stipulations of law and business ethics and attached importance to the rights of shareholders. The Company is determined and intends to grant to all of its shareholders equal rights as follows:

1. Such basic rights as the shareholders should be entitled to in terms of voting, receipt of dividends, transactions or transfers of shares, presence at shareholders' meetings, and equal receipt of sufficient information in a form befitting consideration and at an appropriate time;
2. The right to elect and remove a director as well as to appoint an auditor;
3. The right to be entitled to a dividend allotment;
4. The right to be aware of the Board's resolutions concerning details of a meeting and the agenda of a meeting of shareholders in advance of the date of the meeting through information disclosed on the Company's website;
5. The right to receive an invitation to a meeting of shareholders and information on the place, time and agenda of the meeting, the criteria and procedure for attendance, and the points for consideration with facts, reasons and the Board's opinion clearly presented in each item on the agenda; to this, the Company will announce such invitation on the Company's website at least 21 days in advance before the meeting, and will publish the invitation in at least one daily newspaper for 3 consecutive days before the date of the meeting, and the Company will arrange for the time and place that are most convenient for the shareholders to be present at the meeting;
6. The Company accords an opportunity for its shareholders to propose a meeting agenda in advance and to send questions in advance for the meeting of shareholders through the Company's website;
7. The Company encourages all of its directors to attend meetings of shareholders continuously and regularly every year. In particular, the Audit Committee Chairman and the President are present at every meeting of shareholders.

(2) Equal Treatment towards Shareholders

The Company has been aware of and attached importance to fair and equal treatment towards its shareholders. To this, it has formulated a policy to oversee and protect the shareholders' rights and to encourage all the shareholders to obtain fair and equal rights as shareholders. In addition, the policy on treatment towards shareholders must be in accordance with the Company's principles of good corporate governance and must be consistent with the practices under the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand and with other pertinent laws. Details of the Company's main policy formulated to see to it that the shareholders obtains equal, fair and equitable rights are as follows:

1. To encourage and allow all groups of shareholders, especially minority shareholders, to have a chance to participate in recruiting and electing directors to protect the equal rights of all parties by publishing the information for acknowledgement by the shareholders on the Company's website;

2. To encourage and allow a shareholder, who is not able to be present at a meeting, to have a chance to grant proxy:
   2.1 In the event the shareholder is not able to be present at the meeting of shareholders, the Company offers 3 forms of proxy so that the shareholder will have a chance to select one that befits the needs for her/his use. All the proxy forms are determined by the Department of Business Development, Ministry of Commerce.
   2.2 The grantor can grant proxy to an independent director, who will perform the duty in accordance with the grantor's intention. The Company has enclosed details of the independent directors with the proxy forms continuously and regularly every year.
3. Equality during Meeting of Shareholders
   3.1 Before the commencement of a meeting, the chairman will inform the shareholders clearly of the rules to be applied at the meeting and of the steps of voting on the resolution of each agenda item.
   3.2 The Board Chairman, who will attend and preside at every meeting of shareholders, accords an opportunity for the shareholders to ask questions and gives answers or explanations on the points relevant to the meeting agenda or the Company at all times.
   3.3 The Company accords an opportunity for the shareholders to resolve to elect each individual director.
   3.4 At a meeting of shareholders, the agenda as notified in the invitation to the meeting must be implemented. The Company has no policy to increase the meeting agenda or change the order of the agenda items unless such change or increase is reasonable and lawful in every respect.
   3.5 For transparency and accountability, at a meeting of shareholders the Company will use ballots for all agenda items, and for more rapidity and accuracy the Company has used a computer system for registration and for the passing of resolutions of shareholders.
4. After a meeting of shareholders, the Company will prepare minutes of the meeting according to its agenda together with resolutions of the meetings and the number of votes agreeing, disagreeing or abstaining from voting, including significant details required for consideration, to completion within 14 days counting from the date of the meeting, and will also publish them for acknowledgement by the shareholders via the Stock Exchange of Thailand and the Company's website in order that the shareholders can make examinations.
5. Policy and Measure for Care of Internal Information – The Company has a policy and procedure for overseeing its directors and executives regarding the use for their own benefit of internal information which has not yet been disclosed to the general public, including securities transactions especially during 1 month before the financial statements are made public. To this, directors and excutives in various departments are required to understand the duty to report on the holding of securities in the Company by themselves, their spouses and children who have not yet become of age. All changes in the holding of securities must at all time be notified and securities holding reports submitted via the Company Secretary's office before they are forwarded to the Office of the Securities and Exchange Commission.

At the 2009 Ordinary Meeting of Shareholders, the Company granted all such rights and equalities as mentioned in 1 and 2 above to its shareholders and also prepared an invitation in both Thai and English for foreign shareholders, and for the 2010 Ordinary Meeting the Company will take steps to grant these rights and equalities to its shareholders.

(3) Roles of Stakeholders

The Company attaches importance to the rights of all groups of stakeholders by complying with the rules and regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, as well as with other laws relating to the protection of rights of these stakeholders so that they will be well cared for.

- Shareholders — The Company is always well aware that it will conduct its business with transparency. It is determined to make its business prosper and yield good returns to the shareholders continuously in a long term.

- Customers	The Company is determined to develop the quality and standards of its products and will pay attention to friendly services for its customers to their maximum satisfaction and will also make available a working unit or personnel performing the duty to accept customers' complaints so as to take action for the customers as soon as possible and the customers' secrets will be kept.
- Suppliers	The Company will treat its suppliers fairly and equally, taking mutual benefits into consideration.
- Creditors	The Company will treat its creditors fairly by complying strictly with the terms and conditions of the agreements and with the financial commitments.
- Competitors	The Company will behave in accordance with international rules of competition and will treat its competitors fairly, avoid dishonest methods, and will not destroy the reputation of its competitors.
- Employees	The Company holds that an employee is a valuable resource and must be treated fairly in terms of opportunity, benefit in return and potential development and must be assured of her/his life quality and safety of work as well as suitable welfare.
- Society and Environment	The Company is determined to conduct economically and Environment socially beneficial business and attaches importance to environmental care and preservation. To this, the Company has a unit performing the duty to take care and charge of society and to promote organizational cultures and evoke awareness in all individuals in the organization so that they take care of, develop and promote the environment and stakeholders in line with the sustainable growth of the Company.

A stakeholder can ask for details, make complaints or notify clues of an offense committed regarding financial reports, internal control systems or business ethics of the Company by means of the email address secretary@snpfood.com or audit@snpfood.com or at telephone no. 0-2185-1313, at the Company Secretary Department or the Internal Audit Office, which will consider the matters before forwarding them to the Audit Committee and the working units concerned for further action. The complaints and clues so notified will be protected and kept confidential, and steps will be taken to find ways to make to corrections or improvements.

(4) Disclosure of Information and Transparency

1. Relationship with Investors

The Board of Directors attaches importance and is aware that disclosures of both financial and non-financial information of the Company will all affect the decision processes of investors and stakeholders of the Company. The Board of Directors is therefore aware of the necessity for disclosure of complete, true, reliable, regular and updated information. To disclose this information, the Board of Directors has assigned a finance and accounting support unit to communicate with institute investors, shareholders, analysts and the public sector concerned. Investors can ask information about the Company at telephone no. 0-2185-1313 or on the website www.sandp.co.th or via the email address kessuda@snpfood.com.

2. Principles of Corporate Governance

The Company attaches importance to good corporate governance, which is important to the sustainable growth of the Company in a long term. It encourages the directors, Audit Committee members and employees concerned to perform their ethical duties under the Company's missions faithfully, honestly and fairly and to treat the Company and all groups of stakeholders, the general public, society and customers in accordance with ethical practices. To this, the Company communicates regularly with its customers and monitors compliance with these courses constantly and also determines disciplinary action.

In addition, the Company pays strict attention to transactions that may have conflicts of interests, implements the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, and stipulates that changes in the holding of securities be reported to Board meetings at all times, with such details as set out in the heading "Supervision of Use of Internal Information".

3. Remuneration for Directors and Executives

The directors' remuneration is in accordance with a principle and policy specified by the Board of Directors, and it is connected with the Company's operation results. Refer to the heading "Remuneration for Executives". Approval for the directors' remuneration is sought from the meeting of shareholders at all times.

(5) Board's Responsibilities

1. Board Structure

The Board of Directors attaches importance to good corporate governance, business virtue and transparency. For this purpose, the Board of Directors has appointed an independent Audit Committee comprising 3 independent directors, whose term of office is 2 years each, and 1 secretary. Their names are as follows:

(1)	Miss Cattleya Saengsastra	Chairman, Audit Committee
(2)	Mr. Dusit Nontanakorn	Member, Audit Committee
(3)	Miss Sophavadee Uttamobol	Member, Audit Committee
(4)	Mrs. Khanyupar Achakulwisut	Secretary, Audit Committee

The purpose is to be in charge of the quality of financial reports and internal control systems. In 2009, four (4) Audit Committee meetings were held and reports were submitted to the Board of Directors. For the Audit Committee's opinions, please refer to details in the heading "Internal Control".

2. Counter-balancing by Non-executive Directors

There are 12 members of the Board of Directors, which comprises:

- 6 executive directors
- 3 other directors
- 3 independent directors, equal to one-fourth of the whole Board

The Company will rearrange the structure of the Board of Directors so that at least one third of Board of Directors will be independent directors before or within the 2010 shareholders meeting.

3. Combination or Separation of Positions

- The Board Chairman is the representative of the group of majority shareholders, who, in 2009, hold in aggregate 37.66 percent of the shares.

- The Board Chairman is not the same person as the Vice President, but both are the representatives of the same group of majority shareholders.

- The Board of Directors comprises 3 independent directors and 3 non-executive directors, who will lead to management counterbalancing and cross-examination.

4. Roles, Duties and Responsibilities of Board of Directors

4.1 Leadership and Visions

All members of the Board of Directors possess leadership, have wide visions and are free to make a decision. In addition, the Board of Directors participates in formulating or approving of visions, strategies, targets and budgets of the Company and supervises the Management so that it conduct business affairs efficiently and independently for an increase in the economic values and a sustainable growth of the business.

4.2 Separation of Roles, Duties and Responsibilities between the Board of Directors and the Management

The duties of the Board of Directors and the Management are clearly separated for management counterbalancing and cross-examination. The Board of Directors will consider and approve of policies in their overall pictures, such as, visions, missions and corporate governance policies, whereas the Management will have the duty to manage the Company and lay down plans and strategies in accordance with the policies formulated by the Board of Directors. Details of the roles, duties and responsibilities of the Board of Directors and the Management are indicated in the heading “Directorial Structure”.

4.3 Policy on Conflicts of Interests

To prevent a conflict of interests, the Company has formulated a policy clearly for the supervision of transactions that may lead to conflicts of interests. To this, steps of approval for connected transactions between companies or persons that may have conflicts are specified in writing. In the event a director has an interest in any item on the agenda, that director will have no right to vote on that item. In addition, policies and procedures for supervising executives and parties concerned have been formulated in order that they do not use internal information of the Company for a personal benefit. In 2009, The Executive Committee have also formulated guidelines for the process of submitting each member’s information as well as related personal information. Such information must be reported at least once a year, or once the information has been altered, so that the Company can monitor and control transactions that are related to each member.

4.4 Internal Control and Audit Systems

The Company, having attached importance to an efficient internal control system, has specified the operational duties and powers of its executives and operators clearly in writing. Use of properties of the Company is controlled and supervised so that they bring about benefits, and the duties of operators, monitorial personnel and evaluators are separated for appropriate counterbalancing and cross-examination. In addition, there is internal control regarding the financial system, and the Company has made available a system of financial reporting to executives according to line of command.

The Internal Audit Department perform its duty to make examinations to ensure that the main business and significant financial activities of the Company have been conducted in accordance with guidelines formulated and with efficiency, as well as to examine compliance with the laws and requirements pertinent to the Company. And in order that the internal audit unit is independent and able to perform the duty of cross-examination and counterbalancing fully, the Board of Directors requires that the Internal Audit Department report the audit results directly to the Audit Committee and that those results also be evaluated by the Audit Committee.

4.5 Risk Management System

A risk may occur at any time in the course of business, whether it results from internal or external factors. The Company has discerned and attached importance to effects that may be produced on the Company by those risks. To this, the Internal Audit Department has been assigned to evaluated the risks and all working units of the Company will specify risk factors that may result from their operations, whether those risks involve business operation, production, management and administration, or finance, in order that the Internal Audit Department in association with the working units specifying the risks may analyze the information and look for a way or measure to prevent or mitigate the damage resulting from those risks. Moreover, the Internal Audit Department and working units in charge must jointly monitor and evaluate the risks at intervals.

4.6 Meetings of Directors

The Board of Directors holds a regular meeting at least in every quarter. And in order that directors are able to be present at a Board meeting, the Secretarial Department specifies a schedule of Board meetings in advance every year and informs all the directors of this schedule at all times before the Board meetings. The Secretarial Department will send an invitation together with supporting documents at least 7 days in advance of the meeting so that the Board of Directors may consider it and have sufficient time to study information before attending the meeting. In 2009, the Board of Directors held 4 meetings in total. The Board Chairman attended all the Board meetings, and during the meetings the chairman gave a chance and allocated time for directors to ask the Management and for careful, appropriate and sufficient consideration of information, and records of the meetings were kept in writing and minutes of the meetings certified by the Board of Directors were filed and made ready for examination by the directors and parties concerned.

4.7 Reporting by Board of Directors

The Board of Directors is responsible for consolidated financial statements of the Company and its subsidiaries and for financial information appearing in annual reports. The financial statements have been prepared in conformity with accounting standards generally accepted in Thailand. Appropriate and constantly applied accounting policies are selected for use and careful discretion is exercised and optimum estimations applied for the preparation thereof. Moreover, significant information is sufficiently disclosed in the notes to financial statements. For details, please refer to the Report on the Board's Responsibility for the Preparation of Financial Reports.

The Board of Directors has caused to be maintained an efficient internal control system so as to reasonably ensure that records of accounting information are correct, complete and sufficient and to disclose weak points for the purpose of preventing dishonest acts or significantly irregular transactions.

4.8 Evaluation of Board's Performance

The Board of Directors, at the Meeting, No. 1/2010, held on February 24, 2010, resolved to approve the Board's self-assessment form used for the evaluation of the performance of the duties of the Board of Directors en bloc for 2009 under the subjects of assessment concerning the Board's structure and qualifications; the Board's roles, duties and responsibilities; Board meetings; the performance of duties of the Board of Directors; relationship with the Management; and self-development of directors and development of executives. Results of the evaluation is intended to be used for the improvement of the performance of duties by the Board of Directors. In the overall picture of the Board of Directors, most of the actions were deemed to be well taken or executed.

4.9 Development of Directors and Executives

4.9.1 Development of Directors' and Executives' Knowledge – The Company promotes and offers convenience for directors' and executives' training and knowledge development relating to corporate governance. The Company has made an orientation ceremony for new directors whenever a new director is appointed. To this, an overall picture will be presented regarding the Company's business and relevant information; the names of the Company's directors and managerial structure; legal documentation and handbooks; rules and regulations of working units concerned; the directors' roles, powers, duties

and responsibilities; corporate governance guidelines; certificates, Memorandum and Articles of Association; the Company's rules, visions, targets, and information on the conduct of business and activities of the Company. Directors are also caused to visit businesses and attend meetings related to the setting of visions and business plans in association with high-ranking executives of the Company.

4.9.2 Work Succession Plan – The Company has prepared some personnel as replacements for high-ranking executives who are about to attain retirement age. At the same time, a guideline has been formulated for the development and enhancement of the potential of executives who would succeed to the positions.

Personnel

The Company has had no significant labor disputes during the previous 3 years' period, and the employees (exclusive of the directors and executives under the heading "remuneration for executives") and employees' remuneration, that is, salaries, bonuses, special rewards and overtime pay and other welfare, separated according to main line of command, are as follows:

Working Units	2008		2009	
	Number of Persons	Remuneration (Million Baht)	Number of Persons	Remuneration (Million Baht)
Local Offices	417	121.03	381	150.15
Branch Operation Dept.	3,271	422.34	3,374	467.67
Factories	1,289	183.62	1,464	200.99
International Branches	74	12.53	77	12.42
Total	**5,051**	**739.54**	**5,296**	**831.23**

Internal Control

The Company has made available a system of continuous assessment and verification of its internal control and internal audit to ensure that legal requirements, objectives, regulations and resolutions of meetings of shareholders of the Company are complied with in accordance with principles of good corporate governance. The internal control system is divided into 4 parts according to responsibility as follows:

1. Audit Committee – The Audit Committee will be in charge of the internal control system of the Company by verifying and assessing the sufficiency of the performance by the internal audit unit. It must discuss and exchange opinions and submit an internal audit report to the Board of Directors regularly at least in each quarter. If the Audit Committee has recommendations or has found some material defects, it will report them to the Board of Directors so that improvements or corrections will be made. The Audit Committee has verified the internal control system concerning various aspects of sufficiency and appropriateness and found no material problems or defects and this was consistent with the opinion of the Company's auditor.

2. Risk Management – It will be the duty of the Management to control and supervise risks that may result from the conduct of business of the Company and from the performance of works. These risks will cover management, finance, business operation, operational affairs, management and administration, safety of goods and the environment. This success has resulted through a data processing system which has been efficiently and effectively set. To this, alert signals and other factors that may affect the conduct of business of the Company will be taken into consideration.

3. Control of the Management's Performance – Duties and powers of executives and operators have been designated in writing. The duties of operators, supervisors and evaluators are clearly separated for appropriate counterbalancing and examination. Transactions of the Management or parties concerned are also included. The control and designation of duties is a measure that will help prevent dishonest acts against property of the Company, significantly for the overall benefit of the Company.

In addition, the Company has specified its missions and objectives in writing and communicated them to all personnel for understanding so that their works will be achieved in accordance with the objectives. Plans for action, allocation of resources, budgets and workforces have also been clearly laid down, and work processes have been determined and performance are followed up in order that the personnel work efficiently and effectively and comply with the rules, regulations and standards specified.

4. Information System – The Company has an information system related to performance, financial reporting, and implementation of and compliance with policies and practices used for the control and conduct of activities of the Company. Moreover, information obtained from the outside is communicated by the Company to executives and users within the Company via a system which helps the information recipients to perform the duties under their responsibilities efficiently and effectively and which ensures that internal and external communications will enable the Company to achieve its targets and objectives.

Employees Development Policies

The Company aims to motivate staff by using the Company's core value or culture, that we call **PATARA** (Passion, Action, Team work, Responsibility, Achievement) and Happy 8 policy of Thai Health Promotion Foundation to create teamwork, good attitude for the organization, good morale to work in current and future business environment to support future business growth. The Company is determined to develop knowledge, quality, skills of every level of employee and prepare staff to support business goal. The company has S&P Learning Center, school to prepare high competency chef and bakery staff. We had expanded new curriculum of Vocational in retail business program and food&nutrition program.

Moreover, the Company improve benefits and compensation package to be able to compete with the industry and motivate employees according to their knowledge and ability to enhance working efficiency, encourage the operational staffs and management to work together to achieve the Company's visions as followed:

To be global leader of Thai restaurant

To be leader in bakery business in Thailand

To be leader in food business and product innovation

Social and Environment Policies

The Company's public relation has continued to carry out social activities. In 2009, the Company organized the 3rd "Term Roi Yim Hai Nong" (Bring smiles to children) Year 3 by providing free lunch, fun activities and giving gifts for children from Disability Foundation, Srisangwal School. The Company organized "Cake a Wish, Make a Wish" to delivery cakes to 20 foundations. S&P also assisted community in the project "Kitchen for Kids" by repairing cafeteria for schools in the provincial areas to develop good nutrition practices and hygiene standard. The Company also provided plates and kitchen utensils, nutrition board and treat lunch for teachers and children. The Company regularly supports products and gives charity for charitable funds, foundation as well as the unprivileged children.

The Company also emphasizes on environment by organizing S&P Summer Camp under the theme “Dhamma for Spirit and Nature for Heart” for S&P Jak-ka-Jee Club members to meditate and live with nature peacefully by having Nun Sansanee Satiensut to give lecture to children. The Company arranged the activities that allow children to use natural materials to draw, decorate cake, plant vegetable and pay homage to the Buddha relic. S&P also organized “Love Sea” family activities to plant trees and reduce global warming at Tungprong Bay, Cholburi army base.

S&P Learning Center Helps underprivileged students in cooperation with the Ministry of Education, our S&P Learning Center accepted underprivileged students from Rajaprajanugroh School. They can have for FREE 3 years in Vocational Education, in the meanwhile they will receive the allowance in practice their work in the field work.

(Details of all Directors and Executives are shown in the Appendix)

Name - surname / position	Age (years)	Academic qualifications	Equity stake (percent)	Family relations between Executives	Previous 5 - year experience	
					Period / position	Company
Mrs. Patara Sila-On Chairman of the Board of Directors Executive Committee Director	68	Honorary Degree Business Administration in Management, Rajamangala University of Technology Isan Doctor in Letters (Honorary) Pine Manor College, Massachusetts, USA BBA Business Administration Boston University, USA	6.63	Eldest sister	Past 5 years / Chairman of the Board of Directors	S&P Syndicate Public Co., Ltd.
Lt. Varakorn Raiva Vice Chairman of the Board of Directors Chairman of the Executive Committee	62	MA Economics University of Indiana, USA BBA Chulalongkorn University, Bangkok, Thailand	1.62	First brother	Past 5 years / Vice Chairman of the Board of Directors	S&P Syndicate Public Co., Ltd.
Mr. Pravesvudhi Raiva President	59	BBA Political Science University of Indiana, USA MMP Chulalongkorn University Training Program MMM - Modern Management Program - Modern Marketing Management Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	5.83	Third brother	2006 - present / President 2003 - 2005 / Executive Vice President	S&P Syndicate Public Co., Ltd.
Mr. Kachorndej Raiva Executive Committee Director	60	BBA Accounting Chulalongkorn University Bangkok, Thailand Director Certification Program (DCP) Thai Institute of Directors Association	1.49	Second brother	2006 - present / Executive Committee Director 2003-2005 / President	S&P Syndicate Public Co., Ltd.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (percent)	Family relations between Executives	Previous 5 - year experience	
					Period / position	Company
Mrs. Kessuda Raiva Director and Company Secretary Executive Vice President President for S&P Golbal Co.,Ltd.	56	MBA Economics, North Eastern University, Boston, USA BBA Business Administration, Finance and Banking Assumption University (ABAC) Bangkok, Thailand Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	6.29	Spouse of Mr. Pravesvudhi Raiva	Past 5 years / Director and Company Secretary	S&P Syndicate Public Co., Ltd.
Mr. Pote Videtyontrakich Director	57	MBA Business Administration, Harvard University, USA BBA Economics, Yale University, USA Director Certification Program (DCP) The Role of Chairman (RCM) Thai Institute of Directors Association	-	- None -	2006 - Present/ Director 2008 - Present/ Director 2008 - Present/ Director 2006 - Present/ Director 2005 - Present/ Director 2002 - Present/ Director 2002 - Present/ Managing Director 1997 - 2001/ Managing Director 1999 - Present/ Director	S&P Syndicate Public Co., Ltd. LASTA Multi Media Joint Stock Company, Vietnam Professional Services Inc. Phillippines Ticon Industrial Connection Plc. Easy Buy Plc. Trinity Watthana Plc. Private Equity (Thailand) Co., Ltd. Credit Suisse First Boston (Singapore and Bangkok) Vinythai Plc.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (percent)	Family relations between Executives	Previous 5 - year experience	
					Period / position	Company
Mr. William Ellwood Heinecke Director	61	Honorable Doctoral Degree of Business Administration in Management, Yonok College, Lampang, Thailand Director Certificate Program (DCP) Thai Institute of Directors Association	-	- None -	2007 - Present/ Director 1979 - Present/ Chairman CEO and Chairman Director	S&P Syndicate Public Co., Ltd. Minor International Plc. and Director of Subsidiaries The Minor Food Group Plc. and Director of Subsidiaries Minor Corporation Plc. and Director of Subsidiaries Rajadamri Hotel Plc. Sermsuk Plc. Everest Worldwide Ltd., Hong Kong
Mrs. Pratana Mongkolkul Director	46	MBA Master of Business Administration, Thammasart University Directors Accreditation Program (DAP), Thai Institute of Directors Association Directors Certification Program (DCP) Thai Institute of Directors Association Chief Financial Officer Certificate Program 1 The Institute of Certified Accounting and Auditors of Thailand Capital Market Academy Leader Program 6/2008, Capital Market Academy	-	- None -	2007 - Present / Director 1998 - Present/ CFO and Director Director Audit Committee	S&P Syndicate Public Co., Ltd. Minor International Plc's subsidiaries Minor Corporation Plc. and Director of Subsidiaries The Minor Food Group Plc. and Director of Subsidiaries Rajadamri Hotel Plc. Thoresen Thai Agencies Plc.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (percent)	Family relations between Executives	Previous 5 - year experience	
					Period / position	Company
Mr. Vitoon Sila-On Director Senior Vice President-Domestic Operations	42	MBA Kenan-Flagler Business School University of North Carolina Chapel Hill, NC, USA BBA Boston University Boston, MA 02215, USA Directors Accreditation Program (DAP) Thai Institute of Directors Association	1.07	Son of Mrs. Patara Sila-On	2007 - Present/ Director 2008 - Present/ Senior Vice President - Domestic Operations 2006 - 2008/ Vice President Business Development and Restaurant Marketing 2002 - 2006/ Deputy Vice President Business Development	S&P Syndicate Public Co., Ltd.
Ms. Cattleya Saengsastra Independent Director Chairman of the Audit Committee	62	BBA Accounting (Hons.) Chulalongkorn University Bangkok, Thailand Training Program Thammasat University Management Development Program - JJ Kellogg North Western University	0.011	- None -	Past 5 years / Independent Director Chairman of the Audit committee Director, Executive Committee Director	S&P Syndicate Public Co., Ltd. Dynasty Ceramic Plc.
Ms. Sophavadee Uttamobol Independent Director Audit Committee Director	50	MBA Business Administration Chulalongkorn University, Bangkok, Thailand Bachelor of Law BBA Thammasat University, Bangkok, Thailand Director Accreditation Program Certificate (DAP) Audit Committee Program Certificate (ACP) Thai Institute of Directors Association	-	- None -	Past 5 years / Independent Director Audit Committee Director Independent Director Audit Committee Director	S&P Syndicate Public Co., Ltd. Bumrungrad Hospital Plc.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (percent)	Family relations between Executives	Previous 5 - year experience	
					Period / position	Company
Mr. Dusit Nonthanakorn Independent Director Audit Committee Director	63	MBA Engineering Sciences, Construction Engineering, Ohio State University BBA Business Administration University of California, Los Angeles The Role of Chairman (RCM) Director Certification Program (DCP) Audit Committee Program Certificate (ACP) Thai Institute of Directors Association	-	- None -	Present/ Independent Director Audit Committee Director Independent Director Independent Director and Audit Committee Director Chairman Advisor 1999-2005 / President	S&P Syndicate Public Co., Ltd. Krung Thai Bank Plc. Siam Future Development Plc. Crown Seal Plc. Wiik & Hoeglund Plc. Loxley Plc. Regional Container Lines Plc. Amata Corporation Plc. The University of the Thai Chamber of Commerce Foundation for Industrial Development Thailand Management Association Thai Institute of Directors Office of Insurance commission The Chamber of Commerce The Siam Cement Plc. CPB Equity Co., Ltd. Cementhai Distribution
Mrs. Chandnibha Suriyong Senior Vice President Operations S&P Global Co., Ltd.	59	MBA Communication Arts, University of Wisconsin - Madison, Wisconsin, U.S.A Food Service Management & Operations, University of Wisconsin - Madison, U.S.A.	0.02	- None -	2008 - Present / Senior Vice President Operations Past 5 years / Vice President Operations S&P Global Co., Ltd.	S&P Global Co., Ltd.
Mrs. Patcharee Visuttiwan Vice President for Operations Department	58	Commerce Diploma, Chao Phraya Commercial College	0.025	- None -	2007 - Present / Vice President for Operations Department Past 5 years / Deputy Vice President Operations	S&P Syndicate Public Co., Ltd.

Name - surname / position	Age (years)	Academic qualifications		Equity stake (percent)	Family relations between Executives	Previous 5 - year experience	
						Period / position	Company
Mr. Somyos Songkrod Senior Vice President - Manufacturing	63	BBA	Bachelor of Science in Electrical Engineering Feati University, Manila, Philippines	-	- None -	2551 - Present / Senior Vice President - Manufacturing 2001 - 2007 / Production Department Manager 1999 - 2001 / Vice President - Production & Technical	S&P Syndicate Public Co., Ltd. Siam Sanitary Ware Industry Co., Ltd. Siam Mariwasa Toto, Inc., Philippines
Mr. Somjit Kititeerakul Vice President for Bakery Manufacturing	48	BBA	Bachelor of Science (Biotechnology), Kasetsart University	-	- None -	2007 - present / Vice President for Bakery Past 5 years / Deputy Vice President Bakery	S&P Syndicate Public Co., Ltd.
Mr. Chongchana Chantamas Vice President for Food Manufacturing	45	BBA	Bachalor of Science (Food Science and Technology), Kasetsart University	-	- None -	2007 - present / Vice President for Food Operations Past 5 years / Deputy Vice President	S&P Syndicate Public Co., Ltd.
Mrs. Phailin Nimityongsakul Vice President for Research and Development	61	BSC MSC	Nutrition London University, England Food Science & Technology, Reading University, England	0.004	- None -	2003 - present / Vice President for Research and Development 2003 - 2007 / Vice President for Food Operations 2001 - 2003 / Vice President and Legal Department	S&P Syndicate Public Co., Ltd. Uniliver Bestfood Co., Ltd.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (percent)	Family relations between Executives	Previous 5 - year experience	
					Period / position	Company
Mrs. Rungthong Ramon Oms Senior Vice President Corporate Strategy Vice President for Accounting and Finance	39	MBA Business Administration University of North Carolina Chapel Hill, NC, USA BBA Finance and Banking Thammasat University, Bangkok, Thailand	-	- none -	2551 - Present / Senior Vice President Corporate Strategy Vice President for Accounting and Finance 1997 - 2002 / Senior Advisor 1996 / Finance	S&P Syndicate Public Co., Ltd. McKinsey & Company (Thailand) Co., Ltd. Citibank Thailand
Mr. Pakorn Tiewcharoen Vice President - Trade	39	MBA Business Adm inistration SASIN - Kellogg Program BBA Business Administration Assunption University	-	- None -	2008 - Present / Vice President - Trade 2000 - 2007 / Marketing and International Business Manager	S&P Syndicate Public Co., Ltd. Siam Cement Group of Companies (SCG)
Mrs. Wanphen Thongsri Vice President - Procurement	50	MBA Business Administration Hartford University, USA BBA Accounting Chulalongkorn University	-	- None -	2008 - Present / Vice President - Procurement 2005 / Chife Finance officer 2004 / Manager Director 1997 - 2003 / Vice President Finance and MIS	S&P Syndicate Public Co., Ltd. Asian Institute of Technology Retail Information System Co., Ltd. (RIS) Part of “Central Retail Corporation Co., Ltd. Central Department Store

General corporate information and other references

Company name	S&P Syndicate Public Company Limited
Primary business	Restaurant and bakery shop chain operator; producer of cakes, breads, baked goods, Thai desserts prepared frozen foods and bakery products; provider of home delivery and outside catering services; investor and operator of Thai restaurants abroad.
Registered capital	523,431,365 Baht (Five hundred twenty-three million four hundred thirty-one three hundred sixty-five Baht)
Issued and paid-up capital	523,431,365 Baht (Five hundred twenty-three million four hundred thirty-one three hundred sixty-five Baht), comprising 104,686,273 ordinary shares with a par value of 5 Baht per share.
Head Office	457 - 457/6 Sukhumvit 55 (Soi Thonglor), Sukhumvit Road, Klongtannua, Vadhana, Bangkok 10110
Registration No.	0107537001170 (From No. Bo. Mo.Cho. 364)
Telephone	0-2185-1313
Facsimile	0-2185-1274
Homepage	www.sandp.co.th www.snpfood.com
Registrar	Thailand Securities Depository Centre CAPITAL MARKET ACADEMY BUILDING 2/7 Moo 4, (North Park Project) Vibhavadi-Rangsit Road Tung Song Hong, Laksi, Bangkok 10210 Thailand Telephone 0-2596-9000 Facsimile 0-2832-4994-6
Corporate auditors	Deloitte Touche Tohmatsu Jaiyos Co., Ltd. Rajanakarn Building, 25th Floor 183 South Sathon Road, Yannawa, Sathon, Bangkok 10120 Telephone 0-2676-5700 Facsimile 0-2676-5757
Legal counsel	Dr. Suvarn Valaisathien Law Office 68 Soi 8, Sukhumvit Road, Klongtoey, Bangkok 10110 Telephone 0-2253-3427 Facsimile 0-2653-1135

The detail of subsidiaries and associated companies in which of the Company made investments, in the form of shareholding of 10% or more of the total number of shares issued. (see details under the section “S&P Group Structure”)