



ANNUAL REPORT 2012

Simply Excellent

www.snpfood.com

A man with dark hair, wearing a white button-down shirt and a beige apron, is looking down at a recipe book he is holding. The book has a red cover and shows a recipe for 'Pineapple Cakes'. The background is a kitchen with white shelves holding various items like jars and a wooden bowl. The word 'VISION' is written in a large, dark, serif font, tilted slightly to the right, with two thin diagonal lines crossing it.

VISION

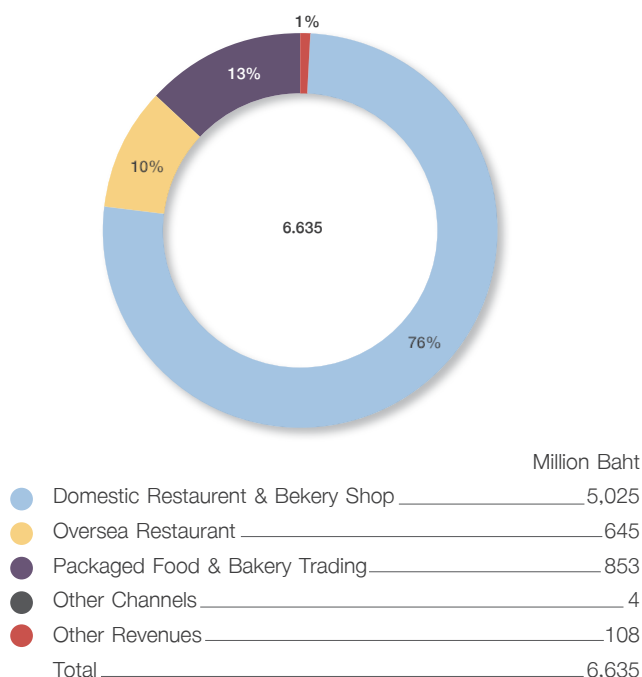
The world's favorite
thai restaurant, bakery,
and food products.

– FINANCIAL HIGHLIGHTS –

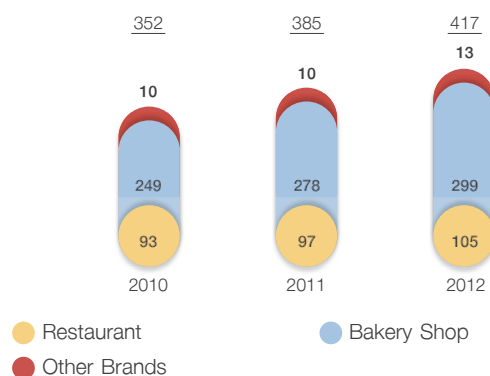
Income Statement (Million Baht)	2010	2011	2012
Total Revenues	5,335	5,941	6,635
Revenues from Sales and Services	5,282	5,879	6,527
Gross Profit	2,374	2,632	3062
Profit Before Finance costs and Income tax expenses(EBIT)	555	699	937
Net Profit	383	454	708
Balance Sheet (Million Baht)	2010	2011	2012
Total Assets	2,767	3,039	3,448
Total Liabilities	986	1,129	1,255
Shareholders' Equity	1,781	1,910	2,193
Paid-up Capital	523	523	523
Financial Ratio	2010	2011	2012
Gross Profit Margin (%)	44.94	44.78	46.91
Net Profit Margin (%)	7.18	7.64	10.67
Return on Major Shareholders' Equity (%)	20.92	25.59	35.68
Return on Assets (%)	13.87	15.63	21.82
Liquidity Ratio (Times)	1.62	1.60	1.70
Debt to Equity Ratio (Times)	0.55	0.59	0.57
Per Share Data (Baht per Share)	2010	2011	2012
Closing Price As at December 31	70.00	76.50	172.50
Par Value	5.00	5.00	5.00
Book Value per Share	17.69	19.48	22.36
Earnings per Share	3.80	4.63	7.22
Dividend per Share	3.25	4.00	6.00
Dividend Payout Ratio (%)	85.45	86.45	83.14

– REVENUE 2012 –

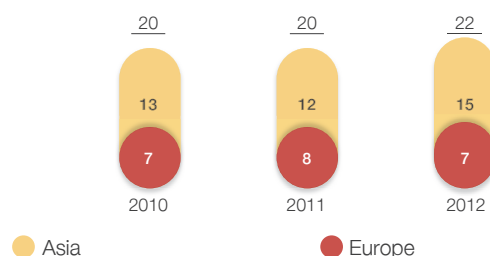
Revenue Breakdown by Distribution Channel



Number of Domestic Outlets

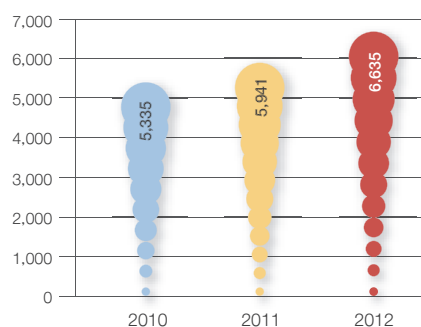


Number of Oversea Restaurants

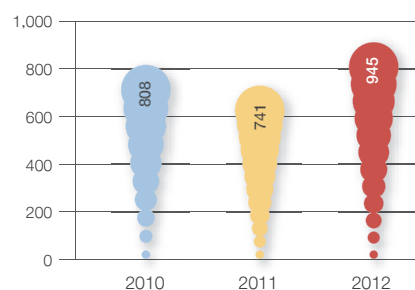


– PERFORMANCE 2012 –

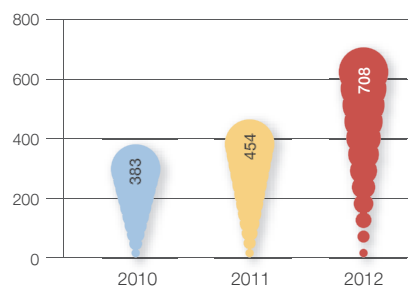
Total Revenue (Million Baht)



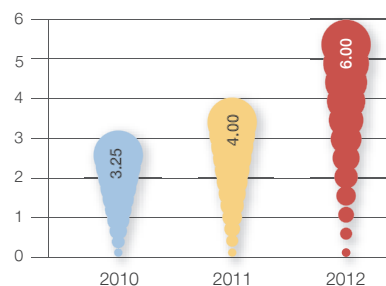
Operating Cashflows (Million Baht)



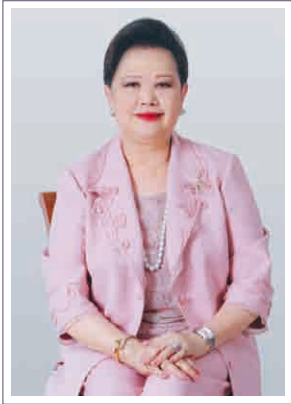
Net Profit (Million Baht)



Dividend per Share (Baht per Share)



— BOARD OF DIRECTORS —



01

— MRS. PATARA SILA-ON —



02

— LT. VARAKORN RAIVA —



03

— MR. PRAVESVUDHI RAIVA —



04

— MS. CATTLEYA SAENGSASTRA —



05

— MR. PIYA SOSOTHIKUL —



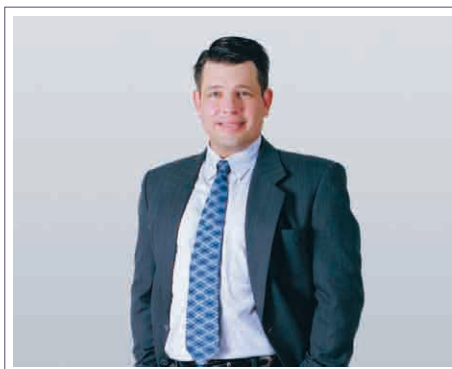
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— MS. SOPHAVADEE UTTAMOBOL —



07

—MR. AVIRUTH WONGBUDDHAPITAK—



08

— MR. JOHN SCOTT HEINECKE —



09

—MRS. PATAMAWALAI RATANAPOL—



10

—MR. KACHORNDEJ RAIVA—



11

—MRS. KESSUDA RAIVA—



12

—MR. VITOON SILA-ON—



Dear Shareholders,

The year 2013 is a special year for S&P, entering the 40th year of operation with the vision of our Board of Directors and Executive Management to be “The World’s Favorite Thai Restaurant, Bakery and Food Products Manufacturer.”

We have prepared ourselves for further business expansion both at home and abroad. ASEAN Economic Community encompassing AEC countries and others. Our personnel receive intensive trainings from both S&P Learning Center with certification from the Ministry of Education and on-the-job at S&P Restaurant & Bakery outlets.

For 40 years we have committed ourselves to delivering great products and services to our customers, business expansion and corporate social responsibility. Going forward we are determined and committed to continue our mission in delivering great products and premium service in order to satisfy the needs of our loyal customers who have supported us to proudly reach the 40th year of our business journey.

On behalf of the Board of Directors, I would like to extend my gratitude and appreciation to our shareholders, business partners, and customers for their continuous support in the company’s endeavour. Additionally, I would like to thank and extend my appreciation to the management and staff for their contribution in moving the company forward continuously and sustainably. We will prudently manage the company with the consideration of good governance to further our business reputation and success.



MRS. PATARA SILA-ON
Chairperson



Dear Shareholders

2012 is another great year for us at S&P. The Company can achieve the sales revenue of 6,527 million baht, an increase of 648 million baht over the same period of the previous year or at the growth of 11.03% with net profit of 708 million baht and earning per share of 7.22 baht or increased by 55.97% from 2011.

From the starting point in 1973 with the theme “S&P SIMPLY DELICIOUS” , a solid commitment to establish S&P to be a place of good food, great service, clean place and great atmosphere, the founders have laid down this core business foundation to give the best to our customers. Continuing to achieve our core foundation and moving toward our goal of giving the best to our customers, the theme “S&P SIMPLY EXCELLENT” has been developed and implemented as our norm to accelerate our sustainable business expansion. Throughout 2012, we have initiated and delivered various activities under the theme “S&P SIMPLY EXCELLENT” as follows:

1. **People Excellence** Through our Learning Center, the students have been developed under the curriculum for Food and Nutrition and Retail Business. The number of attendants was increased by 120 headcounts from last year. In addition, an internship for students from nationwide vocational institutes was conducted with consideration of good quality. The trainees were well fostered under the program “Student Care”. Consequently, we have earned tremendous trust from vocational schools in Thailand by having more than 400 students enrolled into this internship program. Moreover, all employee levels have been in focus for personnel development particularly the management workforce. In 2012, 3 management courses were conducted with the aim to enhance skills of middle management in order to fulfill the business expansion in accordance to our corporate strategy. The 3 courses comprised of “Action in Action”, “Problem Analysis, Problem Solving and Decision Making”, “How to Do Effective Delegating and Controlling”

2. **Product Excellence** Our products have been deliberately and continuously developed both in bakery and food. In 2012, more than 40 products were developed and offered to the market. Some newly developed items are for instance Amazing Glaze Doughnut, Cranberry Cake, Caramel Custard Cake, Healthy GAC Fruit Rice, etc. The continuation of packaging development remains in our focus every year in order to enhance the quality and add value to our products. In term of restaurant and bakery shop, new designs have been introduced to suit our target customer and to encompass the extended customer target group. For the Japanese food lovers, we have opened “Maisen”, the most famous Tonkatsu restaurant in Tokyo. Bangkok Maisen restaurant is the very first outlet opened outside Japan with a sound plan for further expansion in the following years.

3. **Process Excellence** IT system has been adopted in operation in order to simplify work process i.e. barcode system for price scan,

POS system for inventory management in shop, etc. An initiative to combine office locations under one roof has been taken for increasing efficiency, reducing costs and stimulating pleasant working atmosphere. In 2012, we started in developing franchise system in order to serve as another business model for our future business expansion.

4. **Operation Excellence** To reach and to give better and best service to all our customers, the Company has opened additional 46 restaurants and bakery shops. In total we have now 417 outlets. In addition, to better serve our customers in the areas where we do not have our outlets, “S&P on Wheel” was introduced.

5. **Organization Excellence** Aiming to be a good and responsible organization from both inside and outside, we have implemented many programs to enforce our brand excellence. Various activities for corporate social responsibility (CSR) were organized under the scheme “Kitchen for Kids” for deprived schools in Bangkok and upcountry. To reinforce a joint co-operation, we have continued with several management training courses with cross functional divisions throughout the year. Another important activity for organization excellence is to provide a coaching program for mind and spirit development. The company has continuously arranged a good number of classes for practicing dharma and encouraged the employees as well as other people to attend these classes every year.

For the following years, our strategic direction aims to continue the expansion in domestic market. We also target to set our business footprints in AEC region and perpetually continue our business growth in China and Europe. This shall enable us to achieve our vision “The World’s Favorite Thai Restaurant, Bakery and Food Products”.

On behalf of the Company I would like to extend the heartfelt gratitude and appreciation for the continuous growth of the company to our shareholders, our customers, our business partners and also our management team and our staff of all divisions. With their dedication and contribution towards the Company in 2012, we could achieve our goal, overcome all challenges and drive the company successfully. In 2013, “S&P SIMPLY EXCELLENT” remains our core management approach in order to offer the best to our shareholders, our customers, our business partners and all of our staffs and to promptly move forward for continuous and prosperous growth with sustainability.



MR. PRAVESVUDHI RAIVA
President

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— S&P's Domestic Operation —



S&P Restaurant & Bakery



S&P Bakery Shop & Corner



S&P on Wheels



Vanilla



Patio



Tokyo Shokudo



Patara Fine Thai Cuisine



Grand Seaside

— S&P's Oversea Operation —



Patara Fine Thai Cuisine



Patara Fine Thai Cuisine



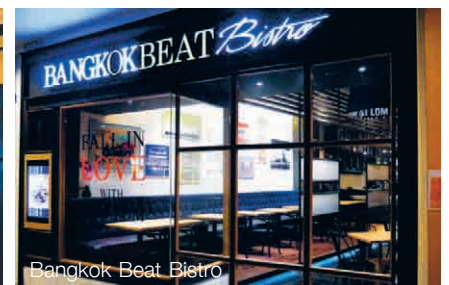
Suda Thai Cafe Restaurant



Siam Kitchen



Bangkok Jam



Bangkok Beat Bistro

— S&P's Subsidiaries and Affiliates —



Maisen

History and important developments

Restaurant and Bakery business group 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 Syndicate Public Company Limited was listed in the Stock Exchange of Thailand. 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. The Company has built the “S&P” brand to be broadly well-known. Moreover, the company has been very successful in introducing new brands such as Patara, Patio, BlueCup, Vanilla; the Japanese resraurant such as Tokyo Shokudo and Maisen; Thai sweets brand Simply Thai; 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 December 31, 2012, the Company has 22 overseas restaurants under the brands Patara, SUDA, Siam Kitchen, Bangkok Jam and Bangkok Best Bristro.

For ready-meal business, the Company has introduced frozen ready-to-eat food under the brand “Quick Meal” and sausage products to accommodate changing consumer’s preference and lifestyle. 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). In addition to being the leader in the food and bakery business the company is thus able to establish itself as one of the leaders in related services to domestic and international retail channels

Business overview of the Company and subsidiaries

S&P Syndicate Public Company Limited and its subsidiaries operate business related to restaurants, coffee and beverages, bakery, and ready to eat food, and produces various food products under the name S&P. Details of operation, product/service types, and structures of the Company are as follows.

1. Business operations by S&P Syndicate Public Company Limited

1.1. Domestic restaurant and bakery business

As of December 31, 2012, the Company operates 416 restaurants and bakery stores under S&P brand, contributing most to the Company’s revenue. The Company positions 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 unique customers. Details of domestic restaurant and bakery business of the Company are as follows.

Restaurant and Bakery shop	Number of outlets		
	Bangkok & Suburb	Upcountry	Total
S&P Restaurant	64	41	105
S&P Bakery Shop	107	192	299
Vanilla Restaurant	7	-	7
Patio Restaurant	1	-	1
Tokyo Shokudo	1	-	1
Patara Restaurant	1	-	1
Grand Seaside Restaurant	-	1	1
Pizza Patio	1	-	1
Total	182	234	416

Remark : The Company operates 211 BlueCup coffee shops in S&P restaurants and bakery shops.

(1) — S&P Restaurant & Bakery —

S&P restaurant offers a variety of Thai food and international food, beverage and dessert, such as, BlueCup drink, Bakery product, ice-cream under named, as well as various ready-meal products. The Company pays attention to details, quality, freshness, hygiene, safety, together with selecting the best raw materials and creating menu by professional chef with 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.



(2) — S&P Bakery Shop & Corner —

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.



(3) — 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 a unique ambiance.

- **Vanilla Industry: Tea Cake / D.I.Y. bakery / Cooking Workshop**
Trendy restaurants for teens located in the heart of trendy Siam Square. This restaurant's design combines modern and classic styles. It serves spaghetti, soup, salad, pastry and cake. The restaurant also offers a wide variety of culinary courses for their own cooking and party at home.
- **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.
- **Vanilla Crepe Cafe: Self-Service Cafe**
Mini Loft style restaurant decorated by Scandinavian furniture. We have over 40 savory crepes and other famous menus from Vanilla ready to serve with a refreshing drink in cafe style.

- **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. The restaurant is attracted by the variety of Japanese sweets same as the party at your friend place. This considers as a choice of the high-end customer.
- **Royal Vanilla: Tea Room-Dimsum**
Contemporary Chinese restaurant decorated with homely furniture in traditional Chinese inn atmosphere, serving simple and familiar Dimsum and Chinese dishes in Vanilla style.
- **Vanilla Home Café: Quick Lunch & Street Food**
Easy Thai local food restaurant which emphasizes on high quality and freshness of raw material and carefully cooking, together with various bakery products, drinks and Thai sweets.
- **Sauce: Art literature cookbook**
A lofty-style contemporary book store selling books about arts, literature, and cookbooks, and S&P and related products.
- **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 the latest taste from Japan.



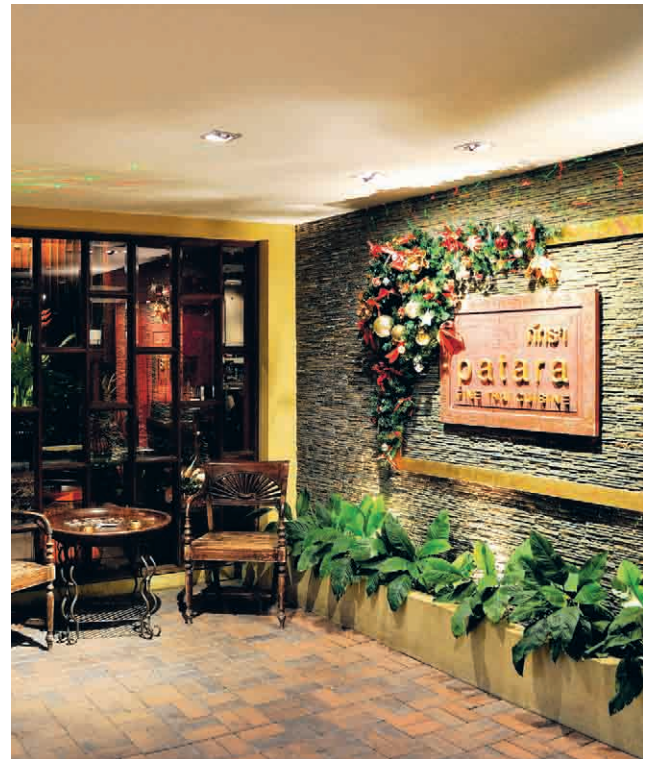
(4) — Patio: Delicatessen —

The international restaurant serves the specific group of customer who prefer the international Home Style Cooking in the simply and relax atmosphere.



(5) — Tokyo Shokudo —

The combination of the traditional Japanese way of eating with the contemporary culture of the Tokyo is a unique formula of the “Tokyo Shokudo” where the various ingredients are selected from the famous province around the islands of Japan and all over the world to create our favorite menu for lovers of Japanese food in a delicious taste of Tokyo.



(6) — Patara : Fine Thai Cuisine —

The restaurant offers stylish Thai cuisine for business gatherings and special occasions. The décor evokes feelings of traditional yet comfortable Thai hospitality. The restaurant has received the Thailand Best Restaurant award 9 years running.



(7) — Grand Seaside: Seafood —

Offers seafood and Thai fusion food at Laem Farn, Sriracha, Chonburi.



(8) — Pizza Patio —

A genuine Italian pizza currently opens at Soi Sukhumvit 49



(9) — BlueCup Coffee —

BlueCup Coffee is quality coffee outlets in the S&P shop and restaurant. Starting up for the first time on January 21, 2002 at Siriraj hospital which at that time, the coffee market was developed in Thailand. According to the potential and the resources available, S & P has to offer the customer the quality coffee, and was the origin of the name BlueCup Coffee ever since. BlueCup Coffee presents in 211 S&P sales outlets all over the country. The goal of BlueCup Coffee is to be a leading coffee shop in the minds of consumers in Thailand that offers quality coffee with delicious food and bakery in a casual atmosphere. The company plans to expand the BlueCup Coffee to the target market all over the country.

2. Business operations of subsidiary companies

2.1 S&P Global Co. Ltd.

Paid up capital of 50 million Baht, of which the company holding 80%. Operates restaurants abroad, as follows:

(1) Overseas Restaurant Business

The company proudly represents Thai culture on cuisine aspect in the foreign countries. As of December 31, 2012, the Company operates 22 restaurants in seven countries, as follows.

	England	Switzerland	Austria	Taiwan	Singapore	China	Malaysia	Total
Patara	4	1	1	-	1	1	-	8
SUDA	1	-	-	-	-	-	-	1
Siam Kitchen	-	-	-	-	5	-	-	5
Bangkok Jam	-	-	-	3	3	-	-	6
Bangkok Beat Bistro	-	-	-	-	-	-	2	2
Total	5	1	1	3	9	1	2	22



- Patara: Fine Thai Cuisine

Authentic Thai cuisines in modern and elegant environment with the western modern concept, Patara restaurant chain has four restaurants in England, one in each country of Switzerland, Austria, Singapore and China.

- SUDA: Thai Cafe Restaurant

The latest sister brand from S&P Global, is a Thai restaurant which celebrates the richly diverse cuisine of Thailand, made relevant for the 21st century young consumer worldwide.





- Siam Kitchen: Authentic Thai Restaurant

Siam Kitchen, the Halal certified chain, is well-accepted in Singapore and is the only brand accessible for Muslim consumers. It is now operating 5 outlets.



- Bangkok Jam (Singapore) / Bangkok Beat Bistro (Malaysia) : Thai and Pan-Asian Cuisine

Thai cuisine that is influenced by Asian countries, targeting young and active life style professional group. It is currently operating 3 outlets in Singapore, 3 outlets in Taiwan under "Bangkok Jam", and 2 newly opened in Malaysia under "Bangkok Beat Bistro".

2.2 S&P Asset Co., Ltd.

Paid up capital of 1 million Baht, of which the company holding 99.93%. Engages in real estate development.

2.3 S&P Food Solutions Co., Ltd.

Formerly S&PizZanotti (Thailand), Limited with paid up capital of 20 million Baht, of which the company holding 99.99%. Operates pizza and Italian food delivery. On 1 August 2010 the company ceased its operation and transferred its assets to S&P Syndicate PCL.

2.4 S&P International Food Co., Ltd.

Establish on July 27, 2012 to operate restaurant business in Thailand with the paid up capital of 10 million Baht where 99.99% of its shares are held by the company. It currently operates a franchise Japanese restaurant "Maisen".

- Maisen

"Tonkatsu Maisen", a top brand in Tonkatsu restaurant in Japan since 1965, well-known as Tonkatsu soft enough to cut with chopsticks, makes a big step for 48th Anniversary by consenting business alliance with S&P to introduce soft pork-deep-fried with a breadcrumb coating that spreads like a blooming flower, served with an original sauce at B Floor, Silom Complex



3 Business operations by Associate companies

3.1 HD Distributors (Thailand) Co. Ltd.

Paid up capital of 100 million Baht, of which the company holding 47.99%, engages in importing of Häagen Dazs ice-cream.

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 38 Häagen Dazs Cafés and many more in hotels, restaurants, hypermarket and leading supermarkets.

3.2 Foodhouse Catering Services Co. Ltd.

Paid up capital of 10 million Baht, of which the company holding 49.97%. Engages in various food businesses related such as operation of canteens, food production, contracts, food preparation for institutions such as hospitals, factories, and school. His is a joint venture with Property Care Services (Thailand) Co. Ltd., a subsidiary of OCS (U.K.) Co. Ltd. under the brand "Foodhouse".



1. Bakery Products

Being the leader in cake and bakery products for more than 39 years, the company continues to introduce new products and packaging designs to satisfy customers of all ages, professions, and demographics in a competitive manner. Improvements of new products encompass quality raw materials, freshness, and taste to stay true to our slogan “S&P Simply Delicious”.



1.1 Fresh Cake

From our long experience in making cakes to satisfy our loyal customers, we have always been meticulous about selection of raw materials and ingredients so that we produce the best and most delicious cakes for our customers. Developing new styles, being creative in cake decoration, the company's goal is to have our products represent dedication and commitment to producing the best products for our customers. In 2555, the company has increased value to the product by adding the copyright of Doraemon design to our cakes and cookies.



1.2 Frozen cake

Given the popularity of our bakery products, we have expanded into frozen cakes to respond to changing lifestyles of customers, with many flavours, using top quality ingredients and ensuring high standards in all production processes.



1.3 Puff and Pastry

Our patisserie products emphasize freshness and taste. Our pies and puffs are unique as our process allows us to achieve 144 layers of dough and butter leading to crispness and lightness. We offer two types of croissant/Danish: fresh butter and French style. Our pizza products are ready to eat with no need to add extra seasoning as we have prepared them with intense flavors, as preferred by local tastes.



1.4 Fresh Bread

Bread is divided into bread with filling, both savory and sweet; and sandwich bread, which comes in several flavors. Moreover, we give importance to healthy products and have introduced new healthy choices such as GABBA rice, high calcium bread, pumpkin bread, and carrot bread.



1.5 Cookies

We use real butter making our cookies fragrant, crisp, and delicious. We offer many types of cookies with a variety of beautiful packaging, the classic cookies such as milk, butter, coffee and pandan, crispy light cookies such as almonds, chocolate chip and pistachio, Danish cookies, fancy cookies such as butter, Tiramisu, chocolate malt and caramel, premium cookies such as chocolate chip, almonds, Earl Grey, Mocha Almond and Short Bread that have more butter than other cookies.

The company has created a brand Delio cookies to deliver various types of cookies and expand the customer base. For an assorted cookies distributing at S&P outlets, hypermarkets, supermarkets, convenience stores and mini-marts in both Bangkok and the provinces.



1.6 Moon Cake

The Company is dedicated to delivering fresh Moon Cake with longer shelf life. As a leader and well accepted by the customer of S&P and Golden Dragon Mooncake, each year we offer a variety favors of Mooncake filling to meet the needs of consumers. Apart from the taste of the products carefully selected, S&P also featured on the packaging, the classic design of peonies, a sacred symbol of good health, fortune, prosperity, lasting love and wealthy family that make an impression on the recipient as well.



1.7 Thai sweet delicacies

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

2. Food Products

2.1 Frozen Food: Quick Meal

A pioneer in the frozen food industry, S&P has consistently sought to invest in R&D and innovation new products to better meet customers' demands. S&P frozen food offer not only impressive varieties, but also carefully cooked to ensure tastiness and healthiness. In 2011, we have introduced new packaging design that not only more modern look, but more convenient by shorten cooking time to response to the modern life style. We constantly develop our new frozen food products as in the past year, we introduced 4 new menus, including crabmeat chilli paste fired rice with grilled salmon, hot & sour prawns & cha-om soup with rice, spaghetti with prawns & black pepper sauce, spaghetti with salmon & pesto sauce, the new products for Foods Service customers. Furthermore, the company has invested in modern machinery and expanded to increase capacity by 30%, which will be completed by mid-2013.



2.2 Sausage

We have various types of sausage, ham, and bacon under “Premo” brand 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. The past year, the company has continuously introduced new products to the market in both types and smaller packages to meet the modern life style of the customers. In addition, the company has invested in machineries to expand capacity increased by 30% in December, 2012.



2.3 Caragenan Jelly: Jellio Jelly

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.

2.4 Dry Mix: Royallee

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



2.5 Delicatessen

S&P produced the international food under brand “Patio” such as, dressing, soup etc., distributing in S&P outlets and leading supermarket.

3. Other Services



3.1 Delivery 1344

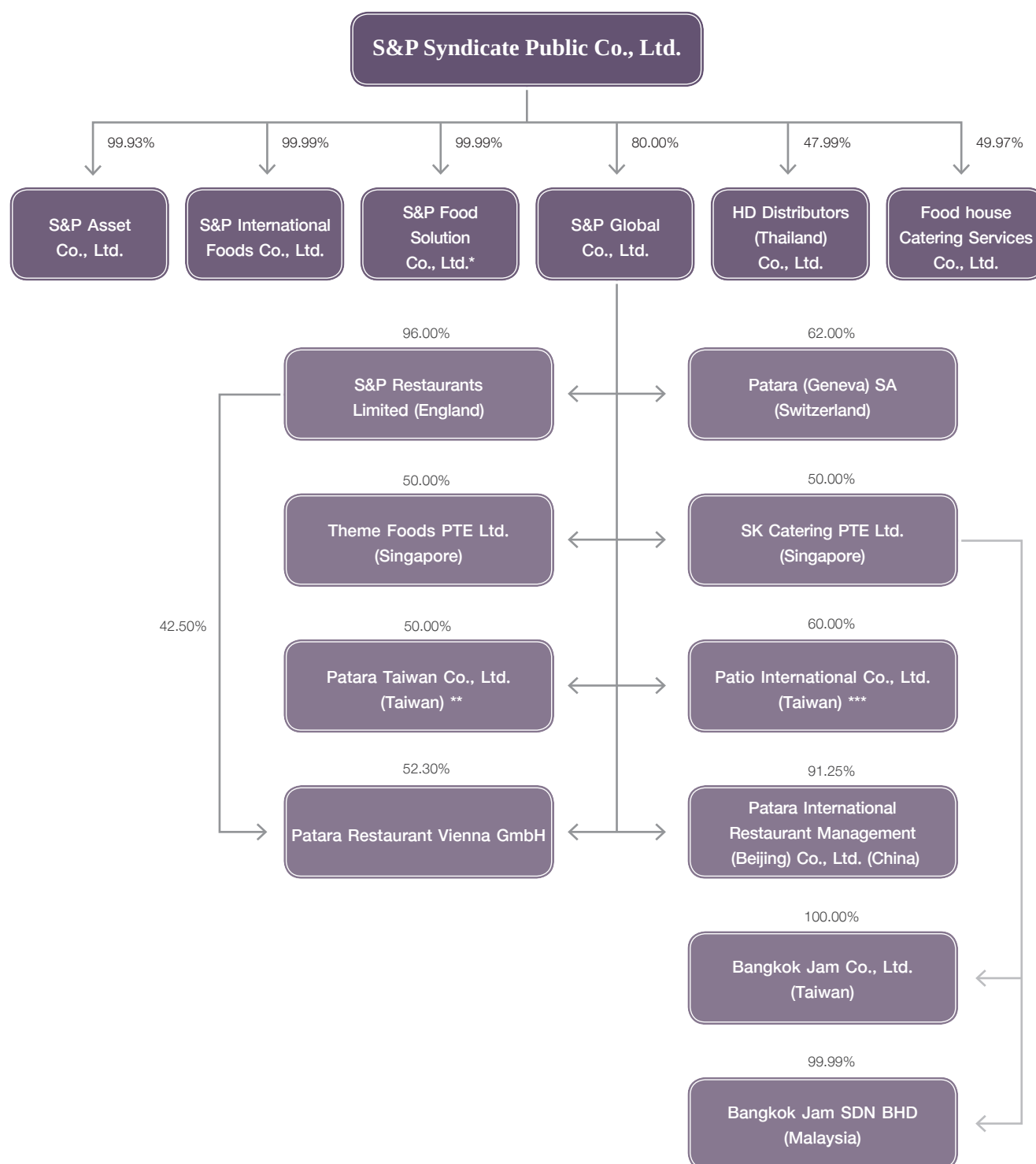
S&P Group provides home and office delivery services for its products through 1344 “Hotline” to meet every customer’s need and life style with fresh food and fast delivery. We deliver you not only food and services but also value and convenience.



3.2 Caterman

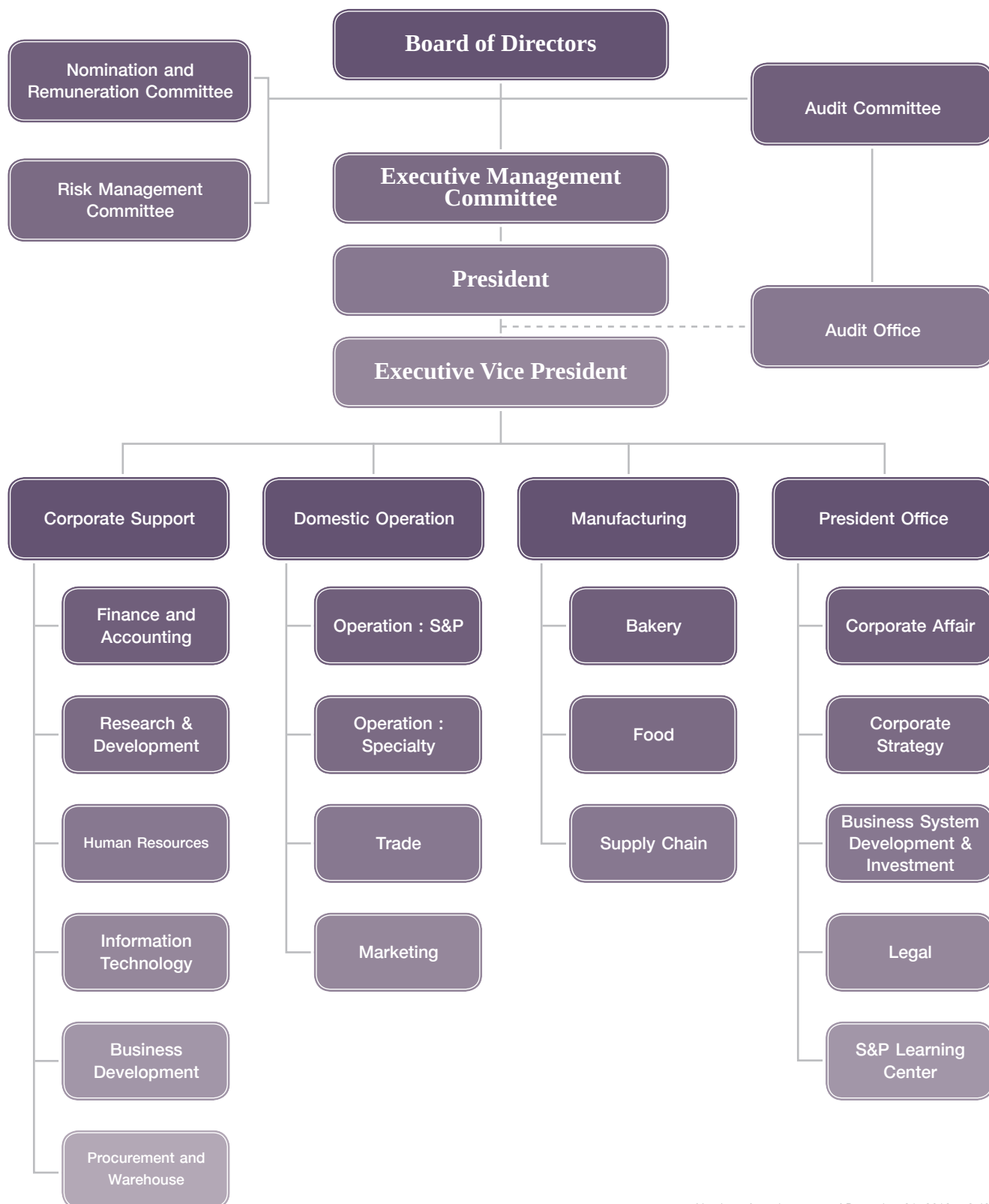
Ideal catering service for any functions or special events. Our arrangements are completely professional and overseen by a team of specialists. The catering menu, including Thai and international cuisine, is constantly revised with new selections to offer clients more varieties.

– S&P GROUP STRUCTURE –



Remark: * Has ceased its operation since August 1, 2009
 ** Has ceased its operation since September 30, 2006
 *** Has ceased its operation since October 16, 2011

– ORGANIZATION CHART –



Number of employees as of December 31, 2012 = 6,431

The managerial structure of the Company comprises 5 boards or committees, that is, the Board of Directors, the Audit Committee, Nomination and Remuneration Committee, Executive Management Committee and Management Team. Details of these directors are as follows:

Board of Directors

The Board of Directors comprises 12 members.

1. Mrs. Patara	Sila-On	Chairperson of the Board of Directors
2. Lt. Varakorn	Raiva	Vice Chairperson of the Board of Directors
3. Mr. Pravesvudhi	Raiva	President
4. Mrs. Kessuda	Raiva	Executive Vice President
5. Mr. Vitoon	Sila-On	Director and Company Secretary
6. Ms. Cattleya	Saengsastra	Independent Director
7. Ms. Sophavadee	Uttamobol	Independent Director
8. Mr. Piya	Sosothikul	Independent Director
9. Mr. Aviruth	Wongbuddhapitak	Independent Director
10. Mr. John Scott	Heinecke	Director
11. Ms. Patamawalai	Ratanapol	Director
12. Mr. Kachorndej	Raiva	Director

Audit Committee

The Audit Committee comprises 3 members.

1. Ms. Cattleya	Saengsastra	Chairperson of the Audit Committee
2. Ms. Sophavadee	Uttamobol	Audit Committee
3. Mr. Piya	Sosothikul	Audit Committee

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 4 members.

1. Mr. Aviruth	Wongbuddhapitak	Chairperson of the Nomination and Remuneration Committee
2. Ms. Patamawalai	Ratanapol	Nomination and Remuneration Committee member
3. Mr. Piya	Sosothikul	Nomination and Remuneration Committee member
4. Mrs. Kessuda	Raiva	Nomination and Remuneration Committee member

Risk Management Committee

The Risk Management Committee comprises 3 members.

1. Mr. Piya	Sosothikul	Risk Management Committee
2. Mr. John	Scott Heinecke	Risk Management Committee
3. Mr. Vitoon	Sila-On	Risk Management Committee

Executive Committee

The Executive Committee comprises 6 members.

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

Management Team

Management Team comprises 9 members.

1. Mr. Pravesvudhi	Raiva	President
2. Mrs. Kessuda	Raiva	Executive Vice President and President for S&P Global Co., Ltd.
3. Mr. Vitoon	Sila-On	Director / Company Secretary and Senior Vice President – Domestic Operations
4. Mrs. Pacharee	Chandrachoti	Vice President for Operations Department
5. Mr. Vitit	Therasan	Senior Vice President – Manufacturing (From June 1, 2012 – November 30, 2012)
6. Mr. Somjit	Kititeerakul	Vice President for Bakery
7. Mr. Chongchana	Chantamas	Vice President for Food Operations
8. Mr. Pakorn	Tiewcharoen	Vice President-Trade
9. Mrs. Khanyupar	Achakulwisut	Vice President-Finance and Accounting (From August 1, 2012 onward)

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

– ECONOMIC SITUATION –

AND COMPETITION

The economic situation in Thailand in 2012 had been fluctuated. Export was impacted by the slowdown of world economy particularly from the European economy suffering from public loan and many factories in Thailand could not produce in full capacity due to the damaging flood from previous year. Income from rice export showed a continuously declining trend resulting from price increase from the policy “Pledging Scheme for Paddy Rice” which lowered the competition in the world market. Fiscal Policy Office forecasted that the economics growth in 2012 will be at 5.7%, inflation rate at 3.0% and production and labor costs will be in an increasing trend. Domestic demand for consumption and investment shall be in a positive manner derived from fiscal stimulus e.g. adjustment of minimum wage, 1st car policy, pledging scheme for paddy rice, investment in various projects and corporate income tax reduction.

Despite a strong competition in restaurant and bakery market and many new players entering into the market, the Company could maintain the market share successfully under well defined marketing strategy. Our strategies are focusing on product and service quality, good taste, healthy ingredients in high quality and cooking by experienced chefs. Our product launch with competitive and unique selling point, festive products and a wide range of product variety with an international touch fulfills the demand of our target customer. The “value for money” approach is taken well into consideration in our pricing strategy. To enable an easy accessibility for our customers, we have opened our restaurants and bakery shops in department stores, hyper markets, shopping malls in major provinces and hospitals. These activities led to the achievement of the Company in maintaining/increasing the market share successfully. Another major success factor for the Company is the marketing campaign to increase brand awareness, create good consumer perception and trust in our products and service in conjunction with value for money resulting in sales stimulation. In addition, advertising and public relations are also of importance for us to create a good image for S&P and reinforce the business leadership in food and bakery. Moreover, the Company also emphasizes on continuously conducting research and development in product quality, manufacturing process and selection of raw materials. This is to offer good-quality products and services to serve the customer demand and satisfaction.

In addition the Company has developed the operational excellence to serve our customers efficiently. Good Governance is a well considered principle in conducting the business of the Company and it is a part of S&P culture which has been strongly cultivated in S&P employees. The Company has emphasized not only the business performance but also corporate social responsibility for instance the campaign “Kitchen for Kids” by building kitchen for rural schools, the campaign for children “Smile on Your Faces” and many donations to ease the suffering from natural disaster, etc. With these activities, we could maintain our existing customers and expand the customer base continuously.

– NOTABLE EVENTS –

Despite economic fluctuation, sluggish export due to slowdown in world economy and other challenges in 2012, the Company could overcome these hurdles successfully. We organized many activities for corporate social responsibility, made donations for supporting community and arranged various marketing activities to communicate our business events as follows:

Business Expansion and Portfolio Development

- The Company opened 2 outlets of Bangkok Beat Bistro in March and December, 2 outlets of Bangkok Jam in Singapore in May and December and 1 outlet in Taiwan in April. These restaurants offer a Thai cuisine in a modern bistro style targeting young and active professional group
- In July, S&P International Foods Co., Ltd. has been established with 99.99% shared by S&P Syndicate Public Co., Ltd. The newly established company operates a Tonkatsu business in the form of franchise under the brand Maisen. The very first Maisen restaurant in Thailand opened in November at Silom Complex, floor B.

Awards and Accomplishments

- Our food factory in Ladkrabang has been certified for its food production line in 6 systems namely GMP, HACCP, ISO9001, ISO22000, IFS and BRC whereby its quality standard was uplifted to BRC Issue 6 and IFS version 6 in 2012 for high quality and safety of frozen products for our consumers. In order to expand business opportunity to European Union and other countries, we are in progress to enhance the factory standard for frozen products containing chicken as per Department of Livestock Development (EST Number). This is planned to be completed in 2013.
- The Company has been awarded “Thai Select” by Department of International Trade Promotion: “Patara” for premium dining category, “S&P” Suvarnabhumi outlet for restaurant category and export product category (Quick Meal frozen food and dessert). The “Thai Select” award is to certify and ensure Thai authentic taste and an international standard of production process.
- The Company has been awarded the “Workplace Learning Award” from Department of Skill Development, Minister of Labor.
- The Company has been awarded from Bankhai Technical College, Viroon Business Administration and Technological College and Loei Vocational College regarding the adoption and support the Dual Vocational Education.

Sales-Oriented Marketing Activities

Various sales promotion and activities were organized throughout the year in addition to advertising and new product launch as follows:

- Simply Summer Cool & Delicious : enjoy various cooling down menus e.g. khao chae, mango with sticky rice and our special promotion during March - May. Our customers could participate in lucky draw for 39 sets of iPhone and 100 gift vouchers valued at 500 baht each when dining in and spending every 350 baht. Joy Card members enjoyed a privilege of 15% discount.
- Buy 2 Get 1: a promotion activity for our 3 favorite bakery products namely pie, butter cake and banana cake organized every 2 months in order to widely offer delicious products to our customers and attract more customers coming to our outlets who could possibly buy other products in addition.
- 20% Discount on Wednesdays: in order to increase sales volume of bakery products, the Company has adopted this marketing promotion every Wednesday. Especially in 2012, our Mooncakes sold at modern trade outlets were also included in this special campaign and they were well responded by the target customers.
- Cake & Cookies New Year : to welcome the New Year festive event, the Company has completely adjusted the design of cake and cookies and die the advertising under the concept “Cakes of Art”....connecting happiness with the art of S&P delicious cakes and cookies. A promotion “Buy 4 Get 1” was made for well wishing during this festive season and also hampers and gift baskets were offered as another option for rendering happiness during this season.
- Mooncake : S&P has been considered as a market leader in mooncake. In the past year, a advertising under the theme “Golden Giving” was made to reinforce that S&P is the very first one who created the recipe of mooncake with the filling of durain monthong. In addition, a sales promotion “Buy 4 Get 1”, a privilege of 15% discount for Joy Card holders and our strategic business alliance have contributed to the continuously increasing market share for us.

– CORPORATE SOCIAL – RESPONSIBILITY POLICY

S&P Syndicate Public Company Limited has been doing CSR (Corporate Social Responsibility) activities earnestly, whether regarding the education of disadvantaged students by admitting them to school at vocational certificate level in the fields of retail business and food and nutrition at the S&P Learning Center in the dual system so as to accord them an opportunity to practice on-the-job and earn income during their studies, or the implementation of the “Kitchen for Kids” Program to establish good hygienic practice for communities and make them learn how to develop the quality of life. Moreover, the public are allowed access to mental development through dharma practice in association with employees of the organization. In environmental terms, the factory has updated its quality and standardization systems so that they are always acceptable at national and international levels of standard to customers’ satisfaction. The important activities of the Company in the previous year are as follows:

In Economic Terms

Anti-corruption Policy

S&P and its subsidiaries were aware of the importance of transactions with third persons and third party companies. In this connection, an anti-corruption policy had been stipulated in the Company’s work rules and code of ethics. And for greater performance efficiency, S&P formed an anti-corruption team with the objective of building consciousness and stipulating that everybody have duties and responsibilities for working with transparency. Strategies and principles for putting guidelines into practice were formulated in order that employees and students who were potential employees would acknowledge them and practice working with transparency, paying no attention to all dishonest acts. In addition, guidelines were formulated for improvements to paper works that could publish honest and transparent performance in various contracts, such as labor agreements, contracts with suppliers, and reports were also presented to the Board of Directors for acknowledgement.

In Social and Community Terms

S&P Learning Center

From the vision of high-ranking management regarding “manpower”, Mr. Pravesvudhi Raiva remarked “Individuals in the Company, wherever they are, are deemed important assets that must be developed for maximum benefit”, thereby conceiving a notion that supports learning in the form of learning center, with a long-term project as implemented by the Education Council based on the relevant Act. The organization has discerned the importance of fundamental education that can develop its personnel in the form of in-house “learning center” under the State policy. The S&P Learning Center was opened in 2007 as its first academic year, with a vocational certificate curriculum comprising 2 types of subject, that is, commerce and home economics, with the objective of upgrading the education of the Thai workforce in the Company, developing the human resources for an increase in their potential for work, educating personnel to meet industrial demand in the lines of food and retail service for employment in the Company, and giving support to individuals interested in food science by allowing them access to both theoretical and practical learning so that they are able to continue working in the organization. And for the previous year of 2012, the S&P Learning Center added a strategy by allowing more students from over 50 vocational colleges nationwide to have access to vocational training provided by skilled teachers of the Company in various working units. As a result, those students gained access to more training in both outlets and supportive units.

In addition, the S&P Learning Center attached importance to education by implementing educational programs in association with provincial academic institutes and schools, for example:

- It joined the Department of Vocational Education in admitting vocational students at vocational certificate, higher vocational certificate and bachelor’s degree levels from provincial regions to the dual system of apprenticeship in various working units of the Company and provided training on food and bakery business skills to groups of teachers and students by teaching them how to dress cake faces;
- It admitted disadvantaged students from the Rajaprajanugroh and Suksasongkra Schools nationwide to school at vocational certificate level in the fields of retail business and food and nutrition and initiated an undergraduate scholarship program for disadvantaged juveniles for their higher education, for the purpose of educating potential chefs who would be able to work abroad in the future.

“S&P Kitchen for Kids, Year 4” Program

S&P Syndicate Public Company Limited had implemented the S&P Kitchen for Kids Program continuously until the 4th year. This program is regarded as a main mission of business operation in consideration of society, with executives and employees participating in it, with the objective of promoting good hygiene and nutrition for consumers and juveniles who will become the important manpower of the nation in future. And this year it performed activities for the Romklao Kanchanaburi School and the Suksasongkra Maechan School, Chiang Rai, by developing and improving their kitchens to hygienic condition for the preparation of clean food for students and personnel in the schools. It also promoted sustainable agriculture by delivering mushroom growing sheds that would provide materials of fresh and clean quality for lunch cooking and also serve as learning sources for children. Moreover, it prepared lunch and gave confectionery to students of the Suksasongkra Maechan School, Chiang Rai. In addition to developing the kitchens, it promoted sustainable agriculture by delivering plots of kitchen garden and hydroponic vegetables to be used as raw materials for the preparation of lunch of fresh and clean quality for the schools.

In addition, S&P accorded a learning opportunity to students by having the S&P Learning Center take applications of Matthayom 3 (Grade 9) students for further study at vocational certificate level, thereby according vocational opportunities to competent individuals. Thereafter, it went to the Thai Thanu Baan San Tontu School, Chiang Mai Province, to give kitchenware, nutritional boards and useful books to the school in need. Moreover, S&P gave funds supporting the construction of a kitchen in the “S&P Kitchen for Kids, Year 4” Program to the Panyaprateep School, Nakhon Ratchasima Province, a Vitheebuddha (way of Buddhism) school, so that it would be used as a place for hygienic cooking and for learning and teaching. This school is regarded as a life cultivating school which still adheres to the arrangement of ways of learning of sciences and techniques and vocational skills and to the development of the life of each individual in the community in accordance with the threefold method of training in conduct (morality), mind (concentration) and wisdom of the Buddhism. The Panyaprateep School is under the supervision of the Panyaprateep Foundation, with merciful support from Ajahn Jayasaro as Chairman of the Advisory Board to both the Foundation and the school. In this regard, S&P is determined to always do good activities continuously in consideration of society.

“Make a Dish... Make a Wish” Program

S&P and Patara restaurants participated in the “Make a Dish... Make a Wish” Program by preparing special menus with raw materials brought from exemplary farms of Her Majesty Queen Sirikit for the Celebrations on the Auspicious Occasion of Her Majesty the Queen’s 80th Birthday Anniversary, so as to make available occupations, generate income and develop the quality of life of people living in 90 areas facing problems and rural areas nationwide at present, with over 10,000 vegetable growing and animal raising farmers as members. For the purpose of responding to activities under Her Majesty’s supervision and in the furtherance of royal conceptions, there came into being the “Make a Dish... Make a Wish” food festival with over 100 renowned restaurants participating by cooking raw materials from exemplary farms as special menus to celebrate the Auspicious Occasion of Her Majesty the Queen’s 80th Birthday Anniversary on August 12, 2012.

“Cake A Wish Make A Wish”

S&P, acting in consideration of society continuously every year, gives cakes to the disadvantaged, the disabled, orphans and the old at 20 foundations in both Bangkok Metropolitan and peripheral areas in the “Cake a Wish Make a Wish” Program. This year is regarded as the 9th year.

“Give One More Good Chance to Women” Program

S&P Syndicate Public Company Limited in association with the Business and Professional Women’s Association of Thailand - Bangkok under H. M. the Queen’s Patronage (BPWA – Bangkok) had initiated vocational training for female inmates under a program titled “Give One More Good Chance to Women” and had done so continuously until the 9th year by teaching female inmates on how to prepare foods in order that they would have training on vocation and develop their mind to get ready to live their lives after passing over the punishment. This would be useful to the making of a living for themselves and their families from today into the future.

“Fill Children with Smiles, Year 6” Program

S&P organized the Fill Children with Smiles, Year 6 Program by providing lunch for developmentally and intellectually defective children of the Rajanukul Institute. In this regard, the Company was aware of the importance of the development of the quality of lives and intended to act in consideration of society by offering gifts for the Day of Love to the disadvantaged children, providing special meals with a big lump of cake, and enriching their fancy with art therapy accompanied by a happy atmosphere. At the same time, an art therapy activity for “cake picture coloring” was organized, which activity enjoyed the children and enhanced their skills and imagination of initiative and creativity well. The program was closed with many recreational performances under the “Voluntary Makers of Fun and Happiness” concept, such as balloon magic comedy and cover dance presentation. As a result, the internal atmosphere was filled with warmth with a balanced combination of love for each other.

Dharma Practice Venue, Raiva House

In 1979, Mother Chamnong Raiva gave out, as a dharma practice venue, the Raiva House at Tambon Bang Phra, Changwat Chon Buri, where she had been born and which had been built by Father Suriyon Raiva, whereupon Mother Dr. Siri Krinchai was invited to introduce a training course for mental development and the training has been in operation since then until the present time. The Raiva House has organized mental training and developing activities with at least 10 courses a year, allowing the public to participate in the dharma practice in association with employees of the Company.

“Products for Charity” Program

In early 2012, the Company joined the Faculty of Medicine, Siriraj Hospital, Mahidol University, in a fund raising program to construct the Sayamindradhiraj Medical Institute for the purpose of developing the Siriraj Hospital into a superb medical institute in the Southeast Asia. To this, buildings of the Siriraj Center of Excellence in Biomedical Research and Siriraj Center of Excellence in Medical Service, including a Chaloen Phrakiat Park, were constructed to accommodate the thoughtfulness of nationwide people so that they would participate in remedying millions of ill lives. As a result, the Company participated by preparing Siriraj Nine Mongkol cookies for distribution in its restaurants and bakery shops nationwide to invite those who are interested to support the “Siriraj Nine Mongkol” program, which had been organized with all revenues to be given to the Siriraj Hospital without deduction of expenses.

“Charity to Home Town” Program

The Bakery Line at the Sukhumwit Factory implemented a creative program for cooperation between the organization and the community under a program titled “Charity to Home Town” on February 17, 2012. It participated in a Phapa Samakkhi ceremony (ceremony offering robes to monks after the Kathin season) to contribute funds to the repairs of the bell tower of Wat Sawang Waree, Tambon Khong Chiam, Amphoe Khong Chiam, Changwat Ubon Ratchathani.

In Environmental Terms

Standards of Quality Systems

The Food Line has quality policies that emphasize on the production of quality and safety goods conforming to law and international standards of quality by controlling the entire food chain, from the quality of raw materials and products and the use thereof by consumers, including data traceability, so as to assure the consumers of quality and safety in the use of products under the S&P, Premo, Delio, Patio and other brands.

In this connection, the Food Line of the Lat Krabang Factory has quality systems of food production accredited by agencies of the public sector, that is, Good Manufacturing Practice (GMP) and Hazard Analysis and Critical Control Points (HACCP) by the Food and Drug Administration (FDA), the Department of Agriculture and the Department of Fisheries, and also accredited by the private sector, that is, Good Manufacturing Practice (GMP), Hazard Analysis and Critical Control Points (HACCP), ISO9001 : 2008, ISO22000, IFS and BRC by SGS (Thailand) Ltd. In addition, in 2012, the Food Line had its BRC quality standard upgraded to Issue 6 and its IFS to version 6 in order that the customers would be more assured of quality and safety regarding exported products, and in this year of 2012 the frozen food product Quick Meal was awarded the Thai Select prize, which serves as a standard awarded by the Department of Export Promotion, Ministry of Commerce, to Thai business operators and restaurants selected by the Board in Sydney, Australia.

In addition, the Food Line had a project to apply to the Department of Livestock Development for an extension of the scope of factory accreditation for the purpose of exporting finished frozen foods containing chicken as a component (EST Number), so as to increase the opportunity of sales to EU and other countries, and it was expected that the project would be completed by 2013.

The standardization systems and prizes so received confirm that the Food Line attaches importance to the quality and safety of goods so as to assure consumers of the use of products, and it will be determined to make continuous developments so as to conform to the market growth and international standards of quality and to respond to the needs of customers both inside and outside the country.

The Bakery Line has always carried out productions continuously under quality systems acceptable to international standards. In this regard, the Sukhumvit Factory has had its productions accredited pursuant to the Good Manufacturing Practice (GMP) regarding the safety management system for food quality by the Food and Drug Administration and the Department of Agriculture. And this year the scope of accreditation for the Hazard Analysis and Critical Control Points (HACCP) was extended for 4 new products and the Thai Industrial Standard, ISO/IEC 17025, was also awarded, which standard is for the central testing laboratory of the Factory, which performs the duty to inspect raw materials, finished products and the environment.

The Bangna Factory has had its productions accredited pursuant to the Good Manufacturing Practice (GMP) by the Food and Drug Administration and the Department of Agriculture and had its food safety management system accredited pursuant to the ISO 22000 : 2005, which is a standard covering good practice of the production facility, food safety and production system and can confirm the quality and safety from the production facility to the consumers.

S&P Syndicate Public Company Limited has been aware of environmental importance regarding the care of ditches and canals. To this, S&P responded to the invitation of the Human Resource Institute, Thammasat University, on November 24, 2012, to participate in the “Unity of Thai Forces to Keep Water Clear in All Ditches and Canals” Project by giving support to ditches and canals in Min Buri District.

– REPORT OF THE BOARD –

OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The consolidated and the separate financial statements are prepared in Thai Baht and are prepared in compliance with the Notification of the Department of Business Development dated September 28, 2011 regarding “The Brief Particulars in the Financial Statements B.E. 2554” and in accordance with the Regulation of the Stock Exchange of Thailand dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2554, and in accordance with Thai Financial Reporting Standards and practices generally accepted in Thailand.

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
Chairperson



Pravesvudhi Raiva
President

– REPORT OF THE AUDIT COMMITTEE –

S&P Public Co. Ltd.'s audit committee was appointed by the company's board of directors comprising 3 Independent Directors, with Ms. Cattleya Saengsastra as Chairman of the audit committee, and Ms. Sophavadee Uttamobol and Mr. Piya Sorsothikul, the audit committee, has the responsibility of reviewing financial statements, internal control, and internal audit to comply with law and regulations without any conflict of interests, assessing risk management, encouraging good corporate governance, and proposing to appoint auditor and its remunerations to the board of directors.

In 2012, the Audit Committee held 4 meetings with the company's external auditor, the Internal Audit Department, and Management team. Key summary of the meeting are as follows:

1. Quarterly and yearly review financial position of the company and its subsidiaries: the meetings were held with the auditor, internal audits, Finance and accounting manager, and involved persons, to consider and review the Company's financial reports and accounting systems to ensure that the financial statements had been prepared in conformity with accounting standards, issued by the Federation of Accounting Professions, which is based on 2547 Accounting Act, and that information had been sufficiently disclosed in notes to financial statements, as well as adoption of new financial reporting standards suggested by the auditor. The audit committee viewed that there is no material misrepresent of the financial reports prepared by the company and the auditor expresses its opinion without any condition of the financial position of the company and its subsidiaries. The audit committee endorsed the auditor's report and the company's and its subsidiaries' financial positions and forwarded it to the board of directors for consideration and proposed to shareholders for approval on the Annual General Meeting.
2. Review of internal control and internal audit: the meetings were held with the internal audits to assess internal audit of the core and supporting activities and the computer system used for financial recording. The audit committee had an opinion that the company has sufficient internal control suited with its business and management. And The Company has adopted the internal controls system together with the authorization in writing to all departments with in the organization for their operation, including as a reference for internal auditing.
3. For internal auditing, the company had set proper budget of headcounts and expenses to pursue annual audit plan. In 2012, the audit results were as planned, and the audit committee monitored the plan quarterly and provided suggestions for improvement and increase efficiency.
4. Review rules and regulations comply: The audit committee reviewed the internal audits work and found that majority comply with rules and regulations. The minority issues were resolved. The audit committee had also meetings with the management of legal, finance and accounting, and management team on the changing of laws and regulations during the year, which have implications to the business operations. Then, the audit committee decided guidelines and communicated to Board of Directors, Management and staff to follow on. In addition, the committee also followed up the implementation of the new adopted financial reporting and had an opinion that there is no material issue.
5. Assessment of risk management: In 2012, the board of directors has appointed the Risk Management Committee and approved the risk management manual to be used with in the organization. Ther manual includes risk factors identification in both internal factors such as strategy risk, financial risk, operational risk and information technology risk, and external factors such as catastrophe risk, and also includes risk assessment, prioritization and management. As the risk factors are presented in the annual report, having identified opportunities, impacts and risk management that resulted in a decrease of risk to acceptable level, and the last year's operating result grew satisfactorily although the risk of the economic conditions increased.

6. Review intra-company transactions regarding conflicts of interest: The audit committee considered the proper and adequacy of internal audit and information disclosure for intra-company transactions made in 2012 which may lead to conflict of interest. The results were that the company and its subsidiaries engaged in normal business transactions and that adequate information were properly disclosed.

7. In order to promote good corporate governance, in 2012, the company has campaigned the code of conducts with in the organization, as well as joining the Anti-Corruption Network, and also developed internal control system, authorization and risk management as prior mentionen in No. 1 and No. 4 above. Furthermore, the company has focused on information technology system as well and evaluated its propriety and adequacy to support continued growth.

8. Propose to appoint the auditor and its remuneration: The audit committee reviewed the qualification, performance, and services of the auditor and agreed that the current auditor satisfactorily perform well. The committee had a consensus to propose Deloitte Touche Tohmatsu Jaiyos Co., Ltd to be the company auditor for 2013 to the Board of Directors to consider and propose to the shareholders for approval.

To maintain the effectiveness and independence of the internal audit works from Management, the audit committee has one meeting with the auditor without Management. The audit committee had an open-door policy for the internal audit team and the auditor to meet and report or consult on related matters and the development to the high standard of internal audit works.



Cattleya Saengsastra
Chairperson of The Audit Committee

– 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 financial statements of S&P Syndicate Public Company Limited and its subsidiaries and the separate financial statements of S&P Syndicate Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2012, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Thai Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the aforementioned consolidated and 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, 2012, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Thanawan Anuratbodee
Certified Public Accountant (Thailand)
Registration No. 3440

BANGKOK
February 26, 2013

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

— S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES —

STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
ASSETS		2012	2011	2012	2011
CURRENT ASSETS					
Cash and cash equivalents	5	443,457,851	672,788,572	313,295,311	563,499,281
Temporary investments	6	831,527,004	375,738,267	825,090,407	369,443,164
Trade and other receivables	7 and 16	254,983,793	219,811,352	232,519,811	192,100,729
Short-term loans to related parties	8 and 16	7,500,000	-	7,500,000	-
Inventories	9	270,787,396	239,509,700	261,139,000	227,837,774
Other current assets		14,228,916	22,140,445	9,311,037	13,058,487
Total Current Assets		1,822,484,960	1,529,988,336	1,648,855,566	1,365,939,435
NON-CURRENT ASSETS					
Deposits used as collateral	10	24,338,760	20,583,660	20,583,660	20,583,660
Investments in associates	11 and 16	57,353,117	42,308,582	48,998,000	48,998,000
Investments in subsidiaries	11 and 16	-	-	50,998,700	40,999,300
Other long-term investment	12	10,000,000	-	10,000,000	-
Property, plant and equipment	13	1,222,471,723	1,162,085,209	975,652,424	915,015,605
Leasehold right	14	87,411,313	98,135,714	69,982,080	79,278,215
Intangible assets	15	8,102,950	3,894,976	8,102,950	3,894,976
Long-term deposits		168,247,941	148,997,515	126,460,783	113,792,947
Deferred tax assets	17	18,603,956	15,189,023	18,525,797	15,130,673
Other non-current assets		29,149,966	18,025,290	11,976,765	17,795,567
Total Non-current Assets		1,625,679,726	1,509,219,969	1,341,281,159	1,255,488,943
TOTAL ASSETS		3,448,164,686	3,039,208,305	2,990,136,725	2,621,428,378

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

— S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES —

STATEMENTS OF FINANCIAL POSITION (CONTINUED) AS AT DECEMBER 31, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
LIABILITIES AND SHAREHOLDERS' EQUITY		2012	2011	2012	2011
CURRENT LIABILITIES					
Bank overdraft	18	-	1,579,573	-	-
Trade and other payables	16 and 19	834,502,025	710,399,935	731,282,654	629,197,616
Current portion of long-term borrowings from financial institutions	20	35,103,805	29,502,639	-	-
Current portion of financial lease liabilities	21	3,440,248	3,177,992	3,440,248	3,177,992
Current income tax payable		130,770,440	153,780,303	122,049,612	148,156,689
Provision for customer loyalty programmes		3,161,274	1,762,842	3,161,274	1,762,842
Other current liabilities					
Value added tax payable		43,932,140	43,907,675	24,546,624	24,421,490
Others		22,374,374	13,585,246	14,032,584	10,872,911
Total Current Liabilities		1,073,284,306	957,696,205	898,512,996	817,589,540
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	20	78,295,475	90,114,641	-	-
Financial lease liabilities	21	3,179,535	2,490,134	3,179,535	2,490,134
Deferred tax liabilities	17	1,702,867	1,711,181	-	-
Employee benefit obligation	22	95,100,663	73,149,848	88,827,904	66,952,095
Other non-current liabilities		3,817,703	3,775,923	-	-
Total Non-current Liabilities		182,096,243	171,241,727	92,007,439	69,442,229
TOTAL LIABILITIES		1,255,380,549	1,128,937,932	990,520,435	887,031,769

— S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES —

STATEMENTS OF FINANCIAL POSITION (CONTINUED) AS AT DECEMBER 31, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
LIABILITIES AND SHAREHOLDERS' EQUITY		2012	2011	2012	2011
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
104,686,273 ordinary shares of 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 of 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
RETAINED EARNINGS					
Appropriated					
Legal reserve	23	52,343,137	52,343,137	52,343,137	52,343,137
Treasury shares reserve	24	250,951,475	250,951,475	250,951,475	250,951,475
Unappropriated		894,293,806	612,463,400	732,254,003	468,641,558
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(33,215,222)	(37,148,694)	1,607,236	-
TOTAL ATTRIBUTIONS TO OWNERS OF THE PARENT		2,377,785,110	2,092,021,232	2,250,567,765	1,985,348,084
TREASURY SHARES	24	(250,951,475)	(250,951,475)	(250,951,475)	(250,951,475)
NON-CONTROLLING INTERESTS		65,950,502	69,200,616	-	-
TOTAL SHAREHOLDERS' EQUITY		2,192,784,137	1,910,270,373	1,999,616,290	1,734,396,609
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,448,164,686	3,039,208,305	2,990,136,725	2,621,428,378

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

— S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES —

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2012	2011	2012	2011
Revenues from sales and services		6,526,636,529	5,878,501,443	5,663,165,823	5,117,263,002
Cost of sales and services		(3,464,754,481)	(3,246,049,768)	(3,242,804,296)	(3,043,123,017)
Gross profit		3,061,882,048	2,632,451,675	2,420,361,527	2,074,139,985
Other incomes					
Gain on exchange rate - net		1,001,221	4,155,793	420,973	2,118,827
Dividend income		-	-	3,389,860	2,447,450
Gain on sale of investment of a subsidiary		19,046,296	-	-	-
Unrealised gain on revaluation of temporary investments		13,877,216	2,587,144	13,877,276	2,587,144
Interest income		16,177,590	10,984,852	15,755,571	10,640,391
Others		57,994,884	44,990,213	45,811,037	28,438,703
Profit before expenses		3,169,979,255	2,695,169,677	2,499,616,244	2,120,372,500
Selling expenses		(206,443,559)	(183,358,513)	(205,067,886)	(183,358,513)
Administrative expenses		(1,992,742,812)	(1,757,734,534)	(1,352,606,686)	(1,192,541,991)
Management benefit expenses		(52,425,198)	(54,498,405)	(42,932,027)	(39,583,088)
Finance costs		(4,646,930)	(3,887,133)	(8,317)	(727)
Total expenses		(2,256,258,499)	(1,999,478,585)	(1,600,614,916)	(1,415,484,319)
Share of profit (loss) of an associate		18,434,395	(417,373)	-	-
Profit before income tax expenses		932,155,151	695,273,719	899,001,328	704,888,181
Income tax expenses	17	(219,608,912)	(240,939,686)	(210,505,591)	(231,239,141)
PROFIT FOR THE YEAR		712,546,239	454,334,033	688,495,737	473,649,040

— S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES —

STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2012	2011	2012	2011
OTHER COMPREHENSIVE INCOME (LOSS)					
Exchange differences on translation of financial statements		4,794,996	8,180,910	-	-
Unrealized gain on revaluation of available-for-sales securities		141,248	127,879	-	-
Income tax relating to components of other comprehensive income (loss)		1,588,486	(27,336)	1,607,236	-
Actuarial loss on defined employee benefit plan		(9,128,411)	-	(8,036,182)	-
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR, NET OF TAX		(2,603,681)	8,281,453	(6,428,946)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		709,942,558	462,615,486	682,066,791	473,649,040
PROFIT ATTRIBUTABLE TO:					
Owners of the Parent		707,805,927	453,811,491	688,495,737	473,649,040
Non-controlling interests		4,740,312	522,542	-	-
TOTAL COMPREHENSIVE INCOME		712,546,239	454,334,033	688,495,737	473,649,040
ATTRIBUTABLE TO:					
Owners of the Parent		702,610,988	453,591,851	682,066,791	473,649,040
Non-controlling interests		7,331,570	9,023,635	-	-
		709,942,558	462,615,486	682,066,791	473,649,040
BASIC EARNINGS PER SHARE - BAHT	25	7.22	4.63	7.02	4.83
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES - SHARES	25	98,081,673	98,081,673	98,081,673	98,081,673

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDER' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011 CONSOLIDATE FINANCIAL STATEMENTS

UNIT : BAHT

		EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT										Non-controlling interests	Total shareholders' equity
Notes	Issue And Paid-Up Share Capital	Premium On Ordinary Shares	Retained Earnings		Other Components Of Shareholders' Equity			Total attributions to owners of the parent	Treasury shares				
			Appropriated	Unappropriated	Legal reserve	Exchange differences on translation of financial statements	Unrealized gain on revaluation of available-for-sale securities			Income tax relating to components of other comprehensive income (loss)			
			Legal reserve	Treasury shares reserve	Legal reserve								
BEGINNING													
BALANCE AS AT JANUARY 1, 2011	523,431,365	689,980,549	52,343,137	250,951,475	477,417,346	(37,045,144)	154,786	(38,696)	1,957,194,818	(250,951,475)	74,768,710	1,781,012,053	
Total comprehensive income (loss) for the year ended December 31, 2011	-	-	-	-	453,811,491	(320,183)	127,879	(27,336)	453,591,851	-	9,023,635	462,615,486	
Dividend paid	-	-	-	-	(318,765,437)	-	-	-	(318,765,437)	-	(14,591,729)	(333,357,166)	
ENDING BALANCE AS AT DECEMBER 31, 2011	523,431,365	689,980,549	52,343,137	250,951,475	612,463,400	(37,365,327)	282,665	(66,032)	2,092,021,232	(250,951,475)	69,200,616	1,910,270,373	

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

STATEMENTS OF CHANGES IN SHAREHOLDER' EQUITY (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011
CONSOLIDATE FINANCIAL STATEMENTS

UNIT : BAHT

EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT												Non-controlling interests	Total shareholders' equity
Notes	Issue And Paid-Up Share Capital	Premium On Ordinary Shares	Retained Earnings		Other Components Of Shareholders' Equity			Total attributions to owners of the parent	Treasury shares				
			Appropriated		Unappropriated	Exchange differences on translation of financial statements	Unrealized gain on revaluation of available-for-sale securities	Income tax relating to components of other comprehensive income (loss)					
BEGINNING BALANCE AS AT JANUARY 1, 2012	523,431,365	689,980,549	52,343,137	250,951,475	612,463,400	(37,365,327)	282,665	(66,032)	2,092,021,232	(250,951,475)	69,200,616	1,910,270,373	
Total comprehensive income for the year ended December 31, 2012	-	-	-	-	698,677,516	2,203,738	141,248	1,588,486	702,610,988	-	7,331,570	709,942,558	
Dividend paid	-	-	-	-	(416,847,110)	-	-	-	(416,847,110)	-	-	(416,847,110)	
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(4,813,113)	(4,813,113)	
Decrease in non-controlling interests resulting from sale of investment of subsidiary	-	-	-	-	-	-	-	-	-	-	(5,768,571)	(5,768,571)	
ENDING BALANCE AS AT DECEMBER 31, 2012	523,431,365	689,980,549	52,343,137	250,951,475	894,293,806	(35,161,589)	423,913	1,522,454	2,377,785,110	(250,951,475)	65,950,502	2,192,784,137	

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDER' EQUITY (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011 CONSOLIDATE FINANCIAL STATEMENTS

UNIT : BAHT

	Notes	Issued and paid-up share capital	Premium on ordinary shares	RETAINED EARNINGS			Other components of shareholders' equity		Treasury shares	Total Shareholders' equity
				Appropriated	Unappropriated		Other comprehensive income	Income tax relating to components of other comprehensive income		
BEGINNING BALANCE AS AT JANUARY 1, 2011										
Total comprehensive income for the year ended December 31, 2011	26	523,431,365	689,980,549	52,343,137	250,951,475	313,757,955	-	-	(250,951,475)	1,579,513,006
Dividend paid		-	-	-	-	473,649,040 (318,765,437)	-	-	-	473,649,040 (318,765,437)
ENDING BALANCE AS AT DECEMBER 31, 2011		523,431,365	689,980,549	52,343,137	250,951,475	468,641,558	-	-	(250,951,475)	1,734,396,609
BEGINNING BALANCE AS AT JANUARY 1, 2012		523,431,365	689,980,549	52,343,137	250,951,475	468,641,558	-	-	(250,951,475)	1,734,396,609
Total comprehensive income for the year ended December 31, 2012	26	-	-	-	-	680,459,555 (416,847,110)	1,607,236	-	-	682,066,791 (416,847,110)
Dividend paid		-	-	-	-		-	-	-	
ENDING BALANCE AS AT DECEMBER 31, 2012		523,431,365	689,980,549	52,343,137	250,951,475	732,254,003	1,607,236		(250,951,475)	1,999,616,290

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, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM OPERATING ACTIVITIES		2012	2011	2012	2011
Profit before income tax expenses		932,155,151	695,273,719	899,001,328	704,888,181
Adjustments :					
Depreciation and amortization		260,492,459	263,719,237	217,593,590	229,014,936
Unrealized gain on exchange rate		(694,782)	(227,185)	(14,577)	(227,185)
Unrealized gain on revaluation of temporary investments		(14,159,941)	(1,836,948)	(13,877,276)	(1,836,887)
Doubtful account-cash advance to a related company		-	-	-	3,178,285
Share of (profit) loss of an associate		(18,434,395)	417,373	-	-
Gain on sale of investment of a subsidiary		(19,046,296)	-	-	-
Loss on impairment of property, plant and equipment		1,000,000	-	1,000,000	-
Loss on write-off of property, plant and equipment		15,496,078	7,623,874	3,917,696	5,503,315
Gain on sales of temporary investments		-	(750,257)	-	(750,257)
Gain on sales of property, plant and equipment		(593,450)	(362,726)	(593,450)	(362,726)
Dividend received from an associated company		-	-	(3,389,860)	(2,447,450)
Employee benefit obligation expenses		15,592,543	12,761,203	14,838,766	11,884,198
Interest income		(16,177,590)	(10,984,852)	(15,755,571)	(10,640,391)
Interest expense		4,646,930	3,887,133	8,317	727
Profit from operations before changes in operating assets and liabilities		1,160,276,707	969,520,571	1,102,728,963	938,204,746

— S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES —

STATEMENTS OF CASH FLOWS (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM OPERATING ACTIVITIES (Continued)		2012	2011	2012	2011
Operating assets (increase) decrease					
Trade and other receivables		(41,992,214)	(9,786,689)	(47,919,082)	(9,201,439)
Inventories		(31,277,696)	(36,256,148)	(33,301,226)	(33,745,321)
Other current assets		5,884,497	(8,389,398)	1,720,418	(2,521,545)
Long-term deposits		(14,844,405)	(17,060,284)	(12,667,836)	(10,825,646)
Other non-current assets		(11,124,676)	(15,980,329)	5,818,802	(17,120,505)
Operating liabilities increase (decrease)					
Trade and other payables		101,225,790	41,659,149	98,145,544	16,420,498
Provision for customer loyalty programmes		1,398,432	(2,083,993)	1,398,432	(2,083,993)
Value added tax payable		24,465	9,817,499	125,134	4,454,190
Other current liabilities		8,789,126	(823,712)	3,159,670	3,562,822
Other-non current liabilities		41,780	782,443	-	-
Cash received from operations		1,178,401,806	931,399,109	1,119,208,819	887,143,807
Cash received for interest		18,204,622	7,013,381	17,782,603	6,668,920
Cash paid for employee benefit		(2,770,139)	(2,366,000)	(999,138)	(2,366,000)
Cash paid for interest		(4,646,930)	(3,887,133)	(8,317)	(727)
Cash paid for income tax		(244,453,535)	(190,650,136)	(238,400,556)	(179,524,135)
Net cash provided by operating activities		944,735,824	741,509,221	897,583,411	711,921,865

— S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES —

STATEMENTS OF CASH FLOWS (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM INVESTING ACTIVITIES		2012	2011	2012	2011
Increase in deposit used as collateral		(3,755,100)	-	-	-
Cash payments for investment in temporary investments		(441,487,548)	(903,721,500)	(441,769,966)	(900,721,500)
Cash received from sales of temporary investments		-	750,924,791	-	750,924,791
Dividend received from an associate		3,389,860	-	3,389,860	2,447,450
Cash payment for investment in a subsidiary		-	-	(9,999,400)	-
Cash received from sale of investment of a subsidiary		19,360,012	-	-	-
Cash payment for other long-term investment		(10,000,000)	-	(10,000,000)	-
Cash payment for purchases of property, plant and equipment		(291,740,303)	(334,808,356)	(263,507,698)	(242,336,791)
Proceeds from sales of property, plant and equipment		1,128,304	433,200	1,128,304	433,200
Cash payments for purchases of intangible assets		(5,501,540)	(2,072,000)	(5,501,540)	(2,072,000)
Cash payments for purchases of leasehold right		(2,245,868)	(17,686,977)	-	-
Net cash used in investing activities		(730,852,183)	(506,930,842)	(726,260,440)	(391,324,850)

— S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES —

STATEMENTS OF CASH FLOWS (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

(UNIT : BAHT)

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM FINANCING ACTIVITIES		2012	2011	2012	2011
Cash received from bank overdraft		(1,579,573)	1,579,573	-	-
Cash repayments for short-term borrowings from financial institutions		-	(3,746,539)	-	-
Cash repayments for long-term borrowings from financial institutions		(16,649,000)	(22,360,850)	-	-
Cash received from long-term borrowings from financial institutions		10,431,000	62,093,510	-	-
Dividend paid to non-controlling interests		(4,813,113)	-	-	-
Cash repayments for financial lease liabilities		(4,710,247)	(4,439,304)	(4,710,247)	(4,439,304)
Dividend paid		(416,831,271)	(322,413,972)	(416,831,271)	(322,413,972)
Net cash used in financing activities		(434,152,204)	(289,287,582)	(421,541,518)	(326,853,276)
Unrealized exchange loss of cash and cash equivalents		14,556	227,185	14,577	227,185
Differences on translation of financial statements		(9,076,714)	(14,930,076)	-	-
Net decrease in cash and cash equivalents		(229,330,721)	(69,412,094)	(250,203,970)	(6,029,076)
Cash and cash equivalents as at January 1,		672,788,572	742,200,666	563,499,281	569,528,357
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	5	443,457,851	672,788,572	313,295,311	563,499,281

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

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 CONSOLIDATED
AND SEPARATE FINANCIAL STATEMENTS

2.1 Basis for preparation and presentation of the financial statements

The consolidated and the separate financial statements are prepared in Thai Baht and are prepared in compliance with the Notification of the Department of Business Development dated September 28, 2011 regarding "The Brief Particulars in the Financial Statements B.E. 2554" and in accordance with the Regulation of the Stock Exchange of Thailand dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2554, and in accordance with Thai Financial Reporting Standards and practices generally accepted in Thailand.

For the convenience of readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements which are issued for domestic financial reporting purposes.

The Federation of Accounting Professions has issued the Notifications regarding the new and revised Thai Accounting Standards ("TAS"), Thai Financial Reporting Standards ("TFRS"), Thai Accounting Standards Interpretation ("TSI"), Thai Financial Reporting Interpretations ("TFRI") and Guideline on Accounting as follows:

- 1) The following TAS, TFRS, TSI and Guideline on Accounting which are effective on January 1, 2013:

TAS

TAS 12	Income Taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates

TFRS

TFRS 8	Operating Segments
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TSI

TSI 10	Government Assistance - No Specific Relation to Operating Activities
TSI 21	Income Taxes - Recovery of Revalued Non Depreciable Assets
TSI 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Guideline On Accounting

Guideline on Accounting regarding Transferring and Accepting Transfer of Financial Assets

2) The following TSI and TFRI which are effective on January 1, 2014:

TSI

TSI 29 Disclosure - Service Concession Arrangements

TFRI

TFRI 4 Determining Whether an Arrangement Contains a Lease

TFRI 12 Service Concession Arrangements

TFRI 13 Customer Loyalty Programmes

The Company's management will adopt the above relevant TAS, TFRS, TSI, TFRI and Guideline on Accounting in the preparation of the Company's and its subsidiaries' financial statements when they become effective, except TAS 20, TSI 10, TSI 21, TSI 25, TSI 29, TFRI 12 and Guideline on Accounting regarding Transferring and Accepting Transfer of Financial Assets which are not applicable to the Company's and its subsidiaries' business activities. The management is currently assessing the full impact on the Company's and its subsidiaries' financial statements in the period of initial application. However, the Company have elected to early adopt TAS 12 "Income Taxes" and TFRI 13 "Customer Loyalty Programmes" since the year ended December 31, 2011.

2.2 Basis for preparation of consolidated financial statements

The consolidated financial statements for the years ended December 31, 2012 and 2011, include the financial statements of the Company and its subsidiaries in which the Company has controlled or invested over 50% of their voting rights. These subsidiaries are detailed as follows:

Subsidiaries	Business type	Country of registration	Percentage of holdings (%) As at December 31,	
			2012	2011
S&P Global Co., Ltd.	Investment in other companies	Thailand	80.00	80.00
S&P Asset Co., Ltd.	Office rental	Thailand	99.93	99.93
S&P Food Solution Co., Ltd.	Restaurant (Ceased operation)	Thailand	99.99	99.99
S&P International Foods Co., Ltd.(1)	Restaurant	Thailand	99.99	-

(1) On July 5, 2012, the Board of Executive Directors' Meeting of S&P Syndicate Public Co., Ltd., passed a resolution to approve an investment in S&P International Foods Co., Ltd., with the registered share capital of Baht 10,000,000. S&P Syndicate Public Co., Ltd. holds 99.99% of the S&P International Foods Co., Ltd.'s share capital.

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

	Business type	Country of registration	Percentage of holdings (%) As at December 31,	
			2012	2011
Shares held directly by S&P Global Co., Ltd.				
S&P Restaurant Limited	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⁾	Restaurant	Taiwan	50.00	50.00
	(Ceased operation)			
Patio International Limited ⁽¹⁾	Restaurant	Taiwan	60.00	60.00
	(Ceased operation)			
Patara International Restaurant Management (Beijing) Co., Ltd.	Restaurant	The People's Republic of China	91.25	91.25
Thai Development SA ⁽²⁾	Restaurant	Switzerland	-	45.00
Patara Restaurant, Vienna GmbH ⁽³⁾	Restaurant	Austria	52.30	50.00
Shares held indirectly by Theme Foods Pte. Ltd.				
Siam Kitchen Sdn. Bhd. ⁽⁴⁾	Restaurant	Malaysia	99.99	99.99
	(Ceased operation)			
Shares held indirectly by S&P Restaurant Limited and Thai Development SA				
Patara Restaurant, Vienna GmbH ⁽³⁾	Restaurant	Austria	-	43.05
Shares held indirectly by S&P Restaurant Limited				
Patara Fine Thai Cuisine Limited ⁽⁵⁾	Restaurant	England	96.00	96.00
	(No operation)			

	Business type	Country of registration	Percentage of holdings (%) As at December 31,	
			2012	2011
Suda Limited ⁽⁵⁾	Restaurant (No operation)	England	96.00	96.00
Patara Restaurant, Vienna GmbH ⁽³⁾	Restaurant	Austria	40.80	-
Shares held indirectly by SK Catering Pte. Ltd.				
Bangkok Jam Co., Ltd.	Restaurant	Taiwan	50.00	50.00
Bangkok Jam Sdn. Bhd ⁽⁶⁾	Restaurant	Malaysia	50.00	-

(1) During the year 2007, Patara Taiwan Company Limited has ceased its operation and its assets had been transferred to Patio International Limited.

In October 2011, Patio International Limited has ceased its operation and its fixed assets had been sold to Bangkok Jam Co., Ltd.

(2) On August 31, 2012, S&P Global Co., Ltd. sold all shares of Thai Development SA., which operated as a Thai restaurant under "THAI" brand in Switzerland to a third party of 90 shares (with a par value of CHF 1,000 per share) which was 45% of the issued and paid-up share capital. Total value of the sale price is of CHF 731,250 (CHF 8,125 per share) or equivalent of Baht 23.77 million. After the disposal of the shares, Thai Development SA. will no longer a subsidiary of S&P Global Co., Ltd.

Therefore, the consolidated statement of financial position as at December 31, 2012 did not include the statement of financial position of such subsidiary and included the results of operations of such subsidiary until August 31, 2012 in the consolidated statement of comprehensive income for the year ended December 31, 2012.

(3) During August 2012, Thai Development SA transferred its shares in Patara Restaurant, Vienna GmbH of 16,000 shares or equivalent to 2.3% of paid-up share capital to S&P Global Co., Ltd. As a result, S&P Global Co., Ltd. directly held the shares of Patara Restaurant, Vienna GmbH increased from 50% to 52.3%.

In addition, the result of the disposal of the shares of Thai Development SA held by S&P Global Co., Ltd. has effected the portion of shares indirectly held by S&P Global Co., Ltd. in Patara Restaurant, Vienna GmbH to be decreased from 43.05% to 40.80%.

(4) During the year 2005, Siam Kitchen Sdn. Bhd. has ceased its operations in Malaysia and is in process of dissolution.

(5) S&P Restaurant Limited invested in Patara Fine Thai Cuisine Limited in 2006 and invested in SUDA Limited in 2010 in the amount of Pound 1 in each company, which is 100% holding of issued and paid-up share capital of each company. Those companies have never been operated. As a result, S&P Global Co., Ltd. indirectly held the shares of Patara Fine Thai Cuisine Limited and SUDA Limited by 96%.

(6) On December 3, 2011, the Board of Directors' Meeting of SK Catering Pte. Ltd., passed a resolution to approve an investment in Bangkok Jam Sdn. Bhd., which has registered share capital of MYR 100,000, and has issued and paid-up share capital of MYR 2 SK Catering Pte. Ltd. invested amounting to 1 MYR or at 50% of paid-up share capital.

In February 2012, Bangkok Jam Sdn. Bhd. increased its registered share capital from MYR 100,000 to MYR 500,000. SK Catering Pte. Ltd. additionally invested amounting to MYR 349,998. As a result, total issued and paid-up share capital of Bangkok Jam Sdn. Bhd. is MYR 350,000. Thus, SK Catering Pte. Ltd. has the portion of investment increasing from 50% to 100%. Therefore, S&P Global Co., Ltd. indirectly held shares of Bangkok Jam Sdn. Bhd. at 50%.

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, 2012 and 2011, do not include the financial statements of Siam Kitchen Sdn. Bhd., which is a subsidiary registered in Malaysia which is owned by Theme Foods Pte. Ltd. as the amount is immaterial. As at December 31, 2012 and 2011, the carrying value of such investment is nil.

The consolidated financial statements for the years ended December 31, 2012 and 2011, 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 and investments recorded by the equity method as at December 31, 2012 and 2011, revenues and the share of profit (loss) from investments recorded by the equity method in associates for the years ended December 31, 2012 and 2011 accounted for by the percentage of total assets, net assets (total assets net of total liabilities), consolidated revenues and total net profit, respectively, in the consolidated financial statements are summarized below:

Company's name	CONSOLIDATED FINANCIAL STATEMENTS							
	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 consolidated revenues for the years ended December 31,		Share of profit (loss) as percentage of net profit for the years ended December 31,	
	2012	2011	2012	2011	2012	2011	2012	2011
Shares held by S&P Syndicate Public Company Limited								
Subsidiaries:								
S&P Global Co., Ltd. and subsidiaries (Proportion of subsidiaries of S&P Global Co., Ltd. are presented below)	13.43	14.85	-	-	12.86	12.75	-	-
S&P Asset Co., Ltd.	0.45	0.42	-	-	0.14	0.14	-	-
S&P Food Solution Co., Ltd.	0.01*	0.01*	-	-	-	-	-	-
S&P International Foods Co., Ltd.	0.78	-	-	-	0.09	-	-	-
Associates:								
HD Distributors (Thailand) Co., Ltd.	-	-	2.62*	2.22*	-	-	2.60*	(0.09)*
Foodhouse Catering Service Co., Ltd. (**)	-	-	-	-	-	-	-	-
	14.67	15.28	2.62	2.22	13.09	12.89	2.60	(0.09)

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

** The Company has fully recorded allowance for impairment of investment in Foodhouse Catering Services Co., Ltd. since 2010.

Company's name	CONSOLIDATED FINANCIAL STATEMENTS							
	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 consolidated revenues for the years ended December 31,		Share of profit (loss) as percentage of net profit for the years ended December 31,	
	2012	2011	2012	2011	2012	2011	2012	2011
Shares held directly by S&P Global Co., Ltd.								
S&P Restaurant Limited	5.41	6.07	-	-	4.66	4.39	-	-
Patara (Geneva) SA	0.53*	0.80*	-	-	1.12*	1.34*	-	-
Theme Foods Pte. Ltd.	0.34*	0.55*	-	-	0.81*	0.83*	-	-
SK Catering Pte. Ltd.	2.81*	1.44*	-	-	3.34*	3.04*	-	-
Patara Taiwan Company Limited	0.01*	0.01*	-	-	-	-	-	-
Patio International Limited	-	0.01*	-	-	-	0.24*	-	-
Thai Developments SA	-	0.94*	-	-	0.89*	1.58*	-	-
Patara International Restaurant Management (Beijing) Co., Ltd.	0.39*	0.53*	-	-	0.25*	0.22*	-	-
Patara Restaurant, Vienna GmbH	1.91*	2.54*	-	-	0.77*	0.80*	-	-
	11.40	12.89	-	-	11.84*	12.44	-	-
Shares held directly by SK Catering Pte. Ltd.								
Bangkok Jam Co., Ltd.	0.75*	0.85*	-	-	0.79*	0.31*	-	-
Bangkok Jam Sdn. Bhd	0.37*	-	-	-	0.23*	-	-	-
	12.52	13.74	-	-	12.86	12.75	-	-

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

** The Company has fully recorded allowance for impairment of investment in Foodhouse Catering Services Co., Ltd. since 2010.

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

Cash and cash equivalents are cash on hand, deposits at banks' savings accounts and current accounts, and short-term highly liquid investments with maturities within three months, excluding cash at banks 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 comprehensive 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.

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 of each receivable.

3.4 Inventories

Inventories of the Company and its subsidiaries are carried at the lower of cost or net realizable value. The cost of inventories of the Company and its four 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 associates and subsidiaries

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

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

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

3.6 Other long-term investment

Other long-term investment is debt security which the Company has the intent and ability to hold it until maturity is classified as held-to-maturity and carried at the amortized cost, net of valuation allowances for impairment, if any.

3.7 Property, plant and equipment

Land of the Company is stated at cost less provision for impairment, if any.

Plant and equipment of the Company and its domestic and overseas subsidiaries are stated at cost, less accumulated depreciation and provision for impairment, if any.

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:

Buildings and building improvements	5 - 30 years
Factory buildings	5 - 30 years
Machinery and equipment	5 - 15 years
Office furniture and equipment	3 - 5 years
Vehicles	5 years

Depreciation of equipment of overseas subsidiaries is calculated by the straight-line and the declining 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 comprehensive income.

3.8 Intangible asset

Intangible asset consists of software development cost.

Intangible asset is stated at costs less accumulated amortization.

Amortization is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

Software development costs	5 years
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3.9 Leasehold right

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

Leasehold right amortization of the Company and its subsidiaries is being amortized by using the straight-line method over the lease periods as follows:

Leasehold right of the Company	3 - 30 years
Leasehold right of subsidiaries	15 - 20 years

3.10 Provision for customer loyalty programm

The provision for customer loyalty programm represents current obligations arising from reward point program granted to the Company's customers, which is calculated based on the estimates of redemption rate of the accumulated points used by the customers for the rewards and the average prices of the rewards and is presented as current liabilities in the statement of financial position.

3.11 Employee benefit obligation

The Company and its subsidiaries have accounted for post-employment benefits obligation under the Thai Labor Protection Act based on actuarial assumptions using Projected Unit Credit Method at the end of reporting period, such as discount rates, inflation rates, expected rates of salary increase and turnover rates.

The expense for defined employee benefit plans is recognized as personnel expenses in the statement of comprehensive income.

The actuarial gains (losses) are recognized in other comprehensive income and transferred immediately to the retained earnings in the period in which they arise.

3.12 Lease

Operating lease

Long-term lease for assets which a significant portion of the risks and rewards of ownership are still retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive 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 fair value of the equipment at the contractual date or estimated present value of the underlying lease payments. 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 comprehensive income.

3.13 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.

3.14 Foreign currency transactions

Transactions in foreign currencies occurred 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 comprehensive 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 statements of financial position 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.

3.15 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. For domestic sales, title is considered to have passed when goods are dispatched to customers. For export sales, title is passed to the buyer when the Company delivers the goods to the common carrier who acts as an agent for 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 dividend is declared.

Other income are recognized on an accrual basis.

3.16 Income tax

Income tax - income (expense) represent the sum of the tax currently payable and deferred tax.

3.16.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it includes items of expenses that are tax deductible and if further excludes items of income or expense that are not taxable or non-deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date.

3.16.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available for utilizing all or part of the deferred tax assets.

Deferred tax assets and liabilities are measured at the tax rates those are expected to apply in the period in which the asset is realized or the liability settled, based on tax rates that have been enacted or substantively enacted by the statement of financial position date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and the Company intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis or to realized the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Income tax - income (expense) related to profit or loss from normal activities are presented in the statement of comprehensive income except for current and deferred taxes of related items that recognized directly in the shareholders' equity in the same or different period.

3.17 Basic earnings per share

Basic earnings per share are computed by dividing profit attributable to the owners of the parent for the year by the weighted average number of ordinary shares outstanding during the year.

3.18 Use of accounting estimates

The preparation of financial statements in accordance with Thai Financial Reporting Standards 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:

4.1.1 Liabilities incurred from acquisition of assets for the years ended December 31, 2012 and 2011

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Liabilities incurred as at January 1,	41,307	36,045	41,307	34,444
<u>Add</u> Purchases of plant and equipment	320,262	343,667	273,094	252,797
Purchases of intangible asset	5,501	2,072	5,501	2,072
Purchases of leasehold right	2,246	17,687	-	-
<u>Less</u> Cash payments				
- plant and equipment	(291,740)	(334,808)	(263,507)	(242,337)
- intangible asset	(5,501)	(2,072)	(5,501)	(2,072)
- leasehold right	(2,246)	(17,687)	-	-
Purchases of fixed assets under finance lease agreements	(5,662)	(3,597)	(5,662)	(3,597)
Liabilities incurred from acquisition of assets as at December 31,	64,167	41,307	45,232	41,307
Liabilities under finance lease agreements (including current portion)				
Balance brought forward	5,668	6,510	5,668	6,510
<u>Add</u> Purchases of fixed assets under finance lease agreements	5,662	3,597	5,662	3,597
<u>Less</u> Cash payments	(4,710)	(4,439)	(4,710)	(4,439)
Balance carried forward	6,620	5,668	6,620	5,668

4.1.2 Accrued dividends for the years ended December 31, 2012 and 2011

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Accrued dividends as at January 1,	977	4,626	977	4,626
<u>Add</u> Dividend declaration during the year	416,848	318,765	416,848	318,765
<u>Less</u> Dividend paid	(416,832)	(322,414)	(416,832)	(322,414)
Accrued dividends as at December 31,	993	977	993	977

4.1.3 On January 5, 2012, trade receivables and advance payments to an associate were converted to be short-term loan to an associate in the form of promissory note of Baht 7.5 million (see Note 8.2).

4.1.4 On August 31, 2012, S&P Global Co., Ltd. sold all shares of Thai Development SA. Total value of the sale price is CHF 731,250 or approximately Baht 23.77 million of which CHF 596,250 or approximately Baht 19.36 million was received. The remaining amount of CHF 135,000 or approximately Baht 4.41 million will be received at CHF 27,000 or approximately Baht 0.88 million per year within 5 years.

4.2 Amounts of total unused credit facilities as at December 31, 2012 and 2011 are as follows:

Unit : Thousand Baht

	Million Baht		Million Pound Sterling		Million US Dollars		Million Euro	
	2012	2011	2012	2011	2012	2011	2012	2011
Short-term loans	355.00	345.00	-	-	-	-	-	-
Bank overdrafts	91.00	91.00	0.20	0.17	-	-	0.10	0.10
Letters of guarantee	263.07	276.13	-	-	-	-	-	-
FOREX Credit limited	95.00	95.00	-	-	1.00	1.00	-	-
Total	804.07	807.13	0.20	0.17	1.00	1.00	0.10	0.10

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Cash	8,123	7,914	6,825	6,550
Bank deposits in savings and current accounts	435,335	492,376	306,470	388,252
Time deposits with maturity not more than 3 months (interest rate 3% - 4% per annum)	-	102,499	-	98,697
Bills of exchange with maturity not more than 3 months (interest rate 3.10% - 3.35% per annum)	-	70,000	-	70,000
	443,458	672,789	313,295	563,499

6. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Time deposits with maturity more than 3 months but not more than 1 year (interest rate 2.50% - 3.70% per annum)	240,012	30,012	240,000	30,000
Bills of exchange with maturity 5 - 6 months (interest rate 3.30% - 4.00% per annum)	50,000	50,000	50,000	50,000
Trading securities				
- Fixed income open-ended funds	320,342	89,779	320,342	89,779
- Private funds	214,748	199,664	214,748	199,664
Available-for-sales securities				
- Fixed income open-ended funds	6,425	6,283	-	-
Total temporary investments	831,527	375,738	825,090	369,443

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

Unit : Thousand Baht

As at December 31, 2012	Cost value As at December 31, 2012	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2012
Trading securities			
- Fixed income open-ended funds	315,337	5,005	320,342
- Private funds	200,000	14,748	214,748
Available-for-sales securities			
- Fixed income open-ended funds	6,000	425	6,425

Unit : Thousand Baht

As at December 31, 2011	Cost value As at December 31, 2011	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2011
Trading securities			
- Fixed income open-ended funds	87,606	2,173	89,779
- Private funds	200,000	(336)	199,664
Available-for-sales securities			
- Fixed income open-ended funds	6,000	283	6,283

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

Unit : Thousand Baht

As at December 31, 2012	Cost value As at December 31, 2012	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2012
Trading securities			
- Fixed income open-ended funds	315,337	5,005	320,342
- Private funds	200,000	14,748	214,748

Unit : Thousand Baht

As at December 31, 2011	Cost value As at December 31, 2011	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2011
Trading securities			
- Fixed income open-ended funds	87,606	2,173	89,779
- Private funds	200,000	(336)	199,664

7. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Trade receivables - other companies	219,886	181,271	207,529	165,546
Trade receivables - related parties	7,768	13,328	7,896	15,177
	227,654	194,599	215,425	180,723
Less Allowance for doubtful accounts	(4,338)	(2,406)	(3,948)	(3,948)
Total trade receivables	223,316	192,193	211,477	176,775
Advance payments to related parties	587	4,944	8,286	7,560
Less Allowance for doubtful accounts	-	-	(2,505)	(2,505)
	587	4,944	5,781	5,055
Other receivables - other companies	5,736	3,779	5,610	3,779
Prepaid expenses	25,345	18,895	9,651	6,491
Total trade and other receivables	254,984	219,811	232,519	192,100

Trade accounts receivable as at December 31, 2012 and 2011 are classified by aging as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Trade accounts receivable Other companies				
Current	105,245	107,052	92,888	91,580
Overdue				
3 months or less	112,268	70,596	112,268	70,596
Over 3 months up to 6 months	188	1,044	188	1,044
Over 6 months up to 12 months	-	81	-	81
Over 12 months	2,185	2,498	2,185	2,245
Total	219,886	181,271	207,529	165,546
Related parties				
Current	3,239	4,854	3,313	4,908
Overdue				
3 months or less	188	3,477	188	3,477
Over 3 months up to 6 months	1,465	176	1,465	176
Over 6 months up to 12 months	1,073	2,158	1,127	2,158
Over 12 months	1,803	2,663	1,803	4,458
Total	7,768	13,328	7,896	15,177
Total trade accounts receivable	227,654	194,599	215,425	180,723
<u>Less</u> Allowance for doubtful accounts	(4,338)	(2,406)	(3,948)	(3,948)
Trade accounts receivable	223,316	192,193	211,477	176,775

8. SHORT-TERM LOANS TO RELATED PARTIES

Short-term loans to related parties as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Short-term loan to a subsidiary (see Note 8.1)	-	-	3,178	3,178
Short-term loan to an associate (see Note 8.2)	7,500	-	7,500	-
	7,500	-	10,678	3,178
<u>Less</u> Allowance for doubtful accounts	-	-	(3,178)	(3,178)
	7,500	-	7,500	-

8.1 On July 8, 2011, the Company has lent of TWD 3 million or approximately Baht 3.18 million to Patio International Limited in order to repay the loan from a financial institution which was guaranteed by the Company. Such company issued promissory note, carried fixed interest at the rate of 3.5 percent per annum, which was matured on December 31, 2011 and was defaulted. However, such company is going to be closed. As a result, the Company has fully recorded allowance for doubtful account.

8.2 On January 5, 2012, the Company entered into a settle debts memorandum with Foodhouse Catering Services Co., Ltd. The Company had trade accounts receivable and cash advance with such company as at December 31, 2011 of Baht 6.78 million and Baht 4.68 million, respectively, which were converted to be short-term loan in the form of promissory note of Baht 7.5 million (see Note 4.1.3), carrying fixed interest at the rate of 5 percent per annum and is callable on demand. For the remaining debts amounting to Baht 3.96 million, the Company has already received by cash in January 2012.

9. INVENTORIES

Inventories as at December 31, consist of:

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Finished goods	95,755	56,776	95,755	56,776
Work in process	163	176	163	176
Raw materials	118,951	116,438	109,572	104,766
Packaging materials	46,060	56,406	45,791	56,406
Spare parts and supplies	9,845	9,049	9,845	9,049
Goods in transit	13	665	13	665
Total Inventories	270,787	239,510	261,139	227,838

For the years ended December 31, 2012 and 2011, the costs of inventories recorded as expenses in the consolidated financial statements are Baht 3.46 million and Baht 3.25 million, respectively and in the separate financial statements are Baht 3.24 million and Baht 3.04 million, respectively.

10. DEPOSITS USED AS COLLATERAL

- 10.1 As at December 31, 2012 and 2011, cash at banks of the Company of Baht 0.58 million was used as collateral against letter of guarantee from a bank for electricity usage (see Note 32.3).
- 10.2 As at December 31, 2012 and 2011, 12-month fixed deposit of the Company at a local commercial bank of Baht 20 million was pledged as collateral for loan of Patara Restaurant, Vienna GmbH, an indirect subsidiary, in the amount of EUR 1.8 million (see Note 20).
- 10.3 As at December 31, 2012, 12-month fixed deposit of SK Catering Pte. Ltd. of SGD 150,000 or approximately Baht 3.76 million was pledged as collateral for loan of Bangkok Jam Co., Ltd, with a commercial bank (as at December 31, 2011 : nil) (see Note 20).

11. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

Investments recorded by the equity method in the consolidated financial statements as at December 31, consist of:

Unit : Thousand Baht									
	Type of business	Relationship	Paid-up capital	Holding % Share	At cost method	At equity method	Dividend income For the year ended December 31,	2012	2011
Shares held by S&P Syndicate Public Company Limited Associates :				2012	2011	2012	2011	2012	2011
	Agency for food distribution	Co-shareholders and management team	100,000	47.99	48,998	57,353	42,309	3,390	2,447
	Catering	Co-shareholders and co-management team	10,000	49.97	4,997	-	-	-	-
	Less Allowance for impairment of investment				(4,997)	-	-	-	-
Total investments in associates					48,998	57,353	42,309	3,390	2,447
Shares held by S&P Global Co., Ltd. Subsidiary :									
	Ceased operation	Co-shareholders and co-management team	2,845	50.00	1,423	-	-	-	-
	Total investments in subsidiary				1,423	-	-	-	-

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

Unit : Thousand Baht

	Type of business	Relationship	Paid-up capital		Holding % Share		At cost method		Dividend income For the year ended December 31,	
			2012	2011	2012	2011	2012	2011	2012	2011
Shares held by S&P Syndicate Public Company Limited Associates :										
	Agency for food distribution	Co-shareholders and co-management team	100,000	100,000	47.99	47.99	48,998	48,998	3,390	2,447
	Catering	Co-shareholders and co-management team	10,000	10,000	49.97	49.97	4,997	4,997	-	-
	Less Allowance for impairment of investment						(4,997)	(4,997)	-	-
							-	-	-	-
							48,998	48,998	3,390	2,447
Subsidiaries :										
S&P Global Co., Ltd.	Invest in other companies	Co-shareholders and co-management team	50,000	50,000	80.00	80.00	40,000	40,000	-	-
	Office rental	Co-shareholders and co-management team	1,000	1,000	99.93	99.93	999	999	-	-
	Restaurant (Ceased and operation)	Co-shareholders and co-management team	20,000	20,000	99.99	99.99	10,034	10,034	-	-
	Less Allowance for impairment of investment						(10,034)	(10,034)	-	-
							-	-	-	-
S&P International Food Co., Ltd.	Restaurant	Co-shareholders and co-management team	10,000	-	99.99	-	10,000	-	-	-
Total investments in subsidiaries							50,999	40,999	-	-

12. OTHER LONG-TERM INVESTMENT

Other long-term investment as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Security Held-to-Maturity				
Subordinated debenture 10 years (interest rate at 4.375% per annum)	10,000	-	10,000	-
	10,000	-	10,000	-

13. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, consist of:

As at December 31, 2012

Unit : Thousand Baht

	Consolidated Financial Statements					
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (out)	Differences on translation of Financial Statements	Balance as at December 31, 2012
Cost						
Land	261,053	-	-	-	-	261,053
Buildings and building improvements	184,463	-	-	-	962	185,425
Factory buildings	188,795	139	-	208	-	189,142
Machinery and equipment	941,338	76,034	(52,983)	21,758	1,108	987,255
Office furniture and equipment	1,432,679	107,618	(39,081)	109,886	440	1,611,542
Vehicles	53,303	8,945	(1,803)	-	21	60,466
Total cost	3,061,631	192,736	(93,867)	131,852	2,531	3,294,883
Accumulated depreciation						
Buildings and building improvements	(76,198)	(4,563)	-	-	(64)	(80,825)
Factory buildings	(103,406)	(6,460)	-	-	-	(109,866)
Machinery and equipment	(708,188)	(75,481)	42,958	-	1,933	(738,778)
Office furniture and equipment	(1,039,276)	(154,501)	33,205	-	(1,176)	(1,161,748)
Vehicles	(38,734)	(5,039)	1,673	-	(24)	(42,124)
Total accumulated depreciation	(1,965,802)	(246,044)	77,836	-	669	(2,133,341)
Building improvements and equipment under construction and installation	66,256	127,526	-	(131,852)	-	61,930
	1,162,085					1,223,472
Less Allowance for impairment-building improvements and equipment	-	(1,000)	-	-	-	(1,000)
Property, plant and equipment	1,162,085					1,222,472

As at December 31, 2011

Unit : Thousand Baht

Consolidated Financial Statements						
	Balance as at December 31, 2010	Additions	Decreases	Transfer in (out)	Differences on translation of Financial Statements	Balance as at December 31, 2011
Cost						
Land	261,053	-	-	-	-	261,053
Buildings and building improvements	133,296	33,095	-	15,246	2,826	184,463
Factory buildings	188,795	-	-	-	-	188,795
Machinery and equipment	831,781	94,348	(19,049)	29,451	4,807	941,338
Office furniture and equipment	1,320,050	76,716	(46,756)	74,756	7,913	1,432,679
Vehicles	47,158	5,577	(2,185)	2,646	107	53,303
Total cost	2,782,133	209,736	(67,990)	122,099	15,653	3,061,631
Accumulated depreciation						
Buildings and building improvements	(71,382)	(4,513)	-	-	(303)	(76,198)
Factory buildings	(88,808)	(14,598)	-	-	-	(103,406)
Machinery and equipment	(644,754)	(76,550)	16,490	-	(3,374)	(708,188)
Office furniture and equipment	(930,519)	(147,110)	41,814	-	(3,461)	(1,039,276)
Vehicles	(35,867)	(4,760)	1,991	-	(98)	(38,734)
Total accumulated depreciation	(1,771,330)	(247,531)	60,295	-	(7,236)	(1,965,802)
Building improvements and equipment under construction and installation	54,411	133,931	-	(122,099)	13	66,256
Property, plant and equipment	1,065,214					1,162,085
Depreciation for the years ended December 31,						
2012						246,044
2011						247,531
Cost of fully depreciated fixed assets still in use as at December 31,						
2012						1,573,126
2011						1,386,998

As at December 31, 2012

Unit : Thousand Baht

Separate Financial Statements					
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (out)	Balance as at December 31, 2012
Cost					
Land	261,053	-	-	-	261,053
Buildings and building improvements	37,227	-	-	-	37,227
Factory buildings	188,795	139	-	208	189,142
Machinery and equipment	823,926	59,156	(13,193)	21,758	891,647
Office furniture and equipment	1,245,629	77,327	(24,768)	109,886	1,408,074
Vehicles	51,123	8,946	(1,395)	-	58,674
Total cost	2,607,753	145,568	(39,356)	131,852	2,845,817
Accumulated depreciation					
Buildings and building improvements	(35,808)	(1,269)	-	-	(37,077)
Factory buildings	(103,406)	(6,460)	-	-	(109,866)
Machinery and equipment	(636,029)	(63,161)	12,651	-	(686,539)
Office furniture and equipment	(946,848)	(131,135)	20,857	-	(1,057,126)
Vehicles	(36,902)	(4,979)	1,394	-	(40,487)
Total accumulated depreciation	(1,758,993)	(207,004)	34,902	-	(1,931,095)
Building improvements and equipment under construction and installation	66,256	127,526	-	(131,852)	61,930
	915,016				976,652
Less Allowance for impairment-building improvements and equipment	-	(1,000)	-	-	(1,000)
Property, plant and equipment	915,016				975,652

As at December 31, 2011

Unit : Thousand Baht

Separate Financial Statements					
	Balance as at December 31, 2010	Additions	Decreases	Transfer in (out)	Balance as at December 31, 2011
Cost					
Land	261,053	-	-	-	261,053
Buildings and building improvements	35,506	1,721	-	-	37,227
Factory buildings	188,795	-	-	-	188,795
Machinery and equipment	744,703	61,653	(11,880)	29,450	823,926
Office furniture and equipment	1,150,303	62,657	(42,088)	74,757	1,245,629
Vehicles	45,324	5,317	(2,164)	2,646	51,123
Total cost	2,425,684	131,348	(56,132)	106,853	2,607,753
Accumulated depreciation					
Buildings and building improvements	(34,536)	(1,272)	-	-	(35,808)
Factory buildings	(88,808)	(14,598)	-	-	(103,406)
Machinery and equipment	(583,772)	(63,469)	11,212	-	(636,029)
Office furniture and equipment	(853,814)	(130,409)	37,375	-	(946,848)
Vehicles	(34,187)	(4,685)	1,970	-	(36,902)
Total accumulated depreciation	(1,595,117)	(214,433)	50,557	-	(1,758,993)
Building improvements and equipment under construction and installation	51,660	121,449	-	(106,853)	66,256
Property, plant and equipment	882,227				915,016
Depreciation for the years ended December 31,					
2012					207,004
2011					214,433
Cost of fully depreciated fixed assets still in use as at December 31,					
2555					1,543,694
2554					1,357,566

Buildings of S&P Restaurant Limited with the cost value of GBP 1.30 million or approximately Baht 64.15 million has been secured for long-term loans with a commercial bank (see Note 20).

As at December 31, 2012 and 2011, lease assets included above, where the Company is a lessee under financial leases, comprise vehicles and office equipment as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Cost - capitalized finance leases	19,318	14,676	19,318	14,676
Less Accumulated depreciation	(8,208)	(5,117)	(8,208)	(5,117)
Net book value	11,110	9,559	11,110	9,559

14. LEASEHOLD RIGHT

Leasehold right as at December 31, consists of:

Unit : Thousand Baht

Consolidated Financial Statements			
		2012	2011
Cost			
Beginning balances as at January 1,		380,268	361,386
Additions		2,246	17,687
Decreases		(30,679)	-
Differences on translation of financial statements		470	1,195
Ending balances as at December 31,		352,305	380,268
Accumulated amortization			
Beginning balances as at January 1,		(282,132)	(266,015)
Additions		(13,156)	(15,011)
Decreases		30,679	-
Differences on translation of financial statements		(285)	(1,106)
Ending balances as at December 31,		(264,894)	(282,132)
Net book value			
As at December 31, 2012			87,411
As at December 31, 2011			98,136

Unit : Thousand Baht

Separate Financial Statements		
	2012	2011
Cost		
Beginning balances as at January 1,	333,574	333,574
Decreases	-	-
Additions	(30,679)	-
Ending balances as at December 31,	302,895	333,574
Accumulated amortization		
Ending balances as at January 1,	(254,296)	(240,891)
Additions	(9,296)	(13,405)
Decreases	30,679	-
Ending balances as at December 31,	(232,913)	(254,296)
Net book value		
As at December 31, 2012		69,982
As at December 31, 2011		79,278

15. INTANGIBLE ASSET

Intangible asset as at December 31, consists of:

As at December 31, 2012

Unit : Thousand Baht

Consolidated Financial Statements					
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (out)	Balance as at December 31, 2012
Cost					
Software development costs	8,768	5,501	-	-	14,269
Total cost	8,768	5,501	-	-	14,269
Accumulated Amortization					
Software development costs	(4,873)	(1,293)	-	-	(6,166)
Total Accumulated Amortization	(4,873)	(1,293)	-	-	(6,166)
Intangible asset	3,895				8,103

As at December 31, 2011

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at December 31, 2010	Additions	Decreases	Transfer in (out)	Balance as at December 31, 2011
Cost					
Software development costs	6,696	2,072	-	-	8,768
Total cost	6,696	2,072	-	-	8,768
Accumulated Amortization					
Software development costs	(3,696)	(1,177)	-	-	(4,873)
Total Accumulated Amortization	(3,696)	(1,177)	-	-	(4,873)
Intangible asset	3,000				3,895
Amortization for the years ended December 31,					
2012					1,293
2011					1,177

As at December 31, 2012

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (out)	Balance as at December 31, 2012
Cost					
Software development costs	8,768	5,501	-	-	14,269
Total cost	8,768	5,501	-	-	14,269
Accumulated Amortization					
Software development costs	(4,873)	(1,293)	-	-	(6,166)
Total Accumulated Amortization	(4,873)	(1,293)	-	-	(6,166)
Intangible asset	3,895				8,103

As at December 31, 2011

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at December 31, 2010	Additions	Decreases	Transfer in (out)	Balance as at December 31, 2011
Cost					
Software development costs	6,696	2,072	-	-	8,768
Total cost	6,696	2,072	-	-	8,768
Accumulated Amortization					
Software development costs	(3,696)	(1,177)	-	-	(4,873)
Total Accumulated Amortization	(3,696)	(1,177)	-	-	(4,873)
Intangible asset	3,000				3,895
Amortization for the years ended December 31,					
2012					1,293
2011					1,177

16. TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with its subsidiaries, associates and other related parties. Certain portions of the Company's assets, liabilities, sales, other incomes, costs of sales, selling expenses and administrative expenses represent transactions occurred with its subsidiaries, associates and other related parties. These parties are related through common shareholders and/or directorships. Those significant transactions with subsidiaries, associates and other related parties as included in the financial statements are determined at 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 transactions occurred with the related parties are as follows :

16.1 Significant balance with related parties are as follows:

Unit : Thousand Baht

Account name/ Company's name	Relationship	As at December 31,			
		Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
Trade accounts receivable (included in trade and other receivables)					
S&P Global Co., Ltd.	Subsidiary	-	-	54	54
S&P Food Solution Co., Ltd.	Subsidiary	-	-	1,795	1,795
Less Allowance for doubtful account		-	-	(1,795)	(1,795)
		-	-	-	-
S&P International Foods Co., Ltd.	Subsidiary	-	-	74	-
HD Distributors (Thailand) Co., Ltd.	Associate	191	320	191	320
Foodhouse Catering Services Co., Ltd.	Associate	3,212	6,781	3,212	6,781
The Minor Food Group Public Co., Ltd.	Related company	1,167	2,344	1,167	2,344
Other related companies	Related company	1,403	3,883	1,403	3,883
		5,973	13,328	6,101	13,382
Advance payments to related parties - net (Interest rate percentage per annum)					
S&P Global Co., Ltd. (No interest)	Subsidiary	-	-	146	82
S&P Food Solution Co., Ltd. (No interest)	Subsidiary	-	-	2,535	2,535
Less Allowance for doubtful account		-	-	(2,505)	(2,505)
		-	-	30	30
S&P International Food Co., Ltd. (No interest)	Subsidiary	-	-	5,018	-
HD Distributors (Thailand) Co., Ltd. (No interest)	Associate	179	262	179	262
Foodhouse Catering Services Co., Ltd. (No interest)	Associate	408	4,682	408	4,682
		587	4,944	5,781	5,056
Short-term loans to related parties (Interest rate percentage per annum)					
Patio International Limited (3.5% p.a.)	Subsidiary	-	-	3,178	3,178
Less Allowance for doubtful account		-	-	(3,178)	(3,178)
		-	-	-	-

Unit : Thousand Baht

Account name/ Company's name (Continued)	Relationship	As at December 31,			
		Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
Foodhouse Catering Services Co., Ltd. (5% p.a.)	Associate	7,500	-	7,500	-
		7,500	-	7,500	-
Investments in associates					
HD Distributors (Thailand) Co., Ltd.	Associate	57,353	42,309	48,998	48,998
Foodhouse Catering Services Co., Ltd.	Associate	4,997	4,997	4,997	4,997
<u>Less</u> Allowance for impairment of investment		(4,997)	(4,997)	(4,997)	(4,997)
		-	-	-	-
		57,353	42,309	48,998	48,998
Investments in subsidiaries					
S&P Global Co., Ltd.	Subsidiary	-	-	40,000	40,000
S&P Asset Co., Ltd.	Subsidiary	-	-	999	999
S&P Food Solution Co., Ltd.	Subsidiary	-	-	10,034	10,034
<u>Less</u> Allowance for impairment of investment		-	-	(10,034)	(10,034)
		-	-	-	-
S&P International Foods Co., Ltd.	Subsidiary	-	-	10,000	-
		-	-	50,999	40,999
Trade accounts payable (included in trade and other payables)					
S&P Asset Co., Ltd.	Subsidiary	-	-	306	171
HD Distributors (Thailand) Co., Ltd.	Associate	1,860	4,031	1,860	4,031
		1,860	4,031	2,166	4,202
Advance received from related parties (No interest)					
S&P Global Co., Ltd.	Subsidiary	-	-	20	5
HD Distributors (Thailand) Co., Ltd.	Associate	-	74	-	74
		-	74	20	79

16.2 Movements of short-term loans to related parties

Movements of short-term loans to related parties for the years ended December 31, 2012 and 2011 are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Patio International Limited				
Beginning balance	-	-	3,178	-
Add Additional loan granted during the year	-	-	-	3,178
Less Repayment received during the year	-	-	-	-
Ending balance	-	-	3,178	3,178
Less Allowance for doubtful debts	-	-	(3,178)	(3,178)
	-	-	-	-
Foodhouse Catering Services Co., Ltd				
Beginning balance	-	-	-	-
Add Additional loan granted during the year	7,500	-	7,500	-
Less Repayment received during the year	-	-	-	-
Ending balance	7,500	-	7,500	-

16.3 Significant transactions with related parties are as follows:

Unit : Thousand Baht

Account name/ Company's name	Relationship	For the years December 31,			
		Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
Revenues from sales					
S&P Global Co., Ltd.	Subsidiary	-	-	69	578
S&P International Foods Co., Ltd.	Subsidiary	-	-	16	-
HD Distributors (Thailand) Co., Ltd.	Associate	621	950	621	950
Foodhouse Catering Service Co., Ltd.	Associate	6,750	6,238	6,750	6,238
The Minor Food Group Public Co., Ltd.	Related company	25,631	32,188	25,631	32,188
Other related companies	Related company	36,304	26,679	36,304	26,679
		69,306	66,055	69,391	66,633
Rental income from buildings and equipment					
S&P Global Co., Ltd.	Subsidiary	-	-	360	408
HD Distributors (Thailand) Co., Ltd.	Associate	896	1,017	896	1,017
		896	1,017	1,256	1,425

Unit : Thousand Baht

Account name/ Company's name (Continued)	Relationship	For the years December 31,			
		Consolidated Financial Statements		Separate Financial Statements	
		2012	2011	2012	2011
Dividend income					
HD Distributors (Thailand) Co., Ltd.	Associate	-	-	3,390	2,447
		-	-	3,390	2,447
Other income					
S&P Global Co., Ltd.	Subsidiary	-	-	1,409	-
S&P Asset Co., Ltd.	Subsidiary	-	-	96	96
S&P International Foods Co., Ltd.	Subsidiary	-	-	2,054	-
HD Distributors (Thailand) Co., Ltd.	Associate	68	302	68	302
Foodhouse Catering Services Co., Ltd.	Associate	1,895	4,773	1,895	4,773
		1,963	5,075	5,522	5,171
Share of profit (loss) of an associate					
HD Distributors (Thailand) Co., Ltd.	Associate	18,434	(417)	-	-
		18,434	(417)	-	-
Purchases of goods					
HD Distributors (Thailand) Co., Ltd.	Associate	11,311	12,664	11,311	12,664
		11,311	12,664	11,311	12,664
Rental and other expenses					
S&P Global Co., Ltd.	Subsidiary	-	-	120	41
S&P Asset Co., Ltd.	Subsidiary	-	-	3,954	3,478
S.R. Estate Ltd.	Common director	432	432	432	432
Seacon Development Public Co., Ltd	Common director	514	-	514	-
Directors	Directors	3,413	3,413	3,413	3,413
		4,359	3,845	8,433	7,364
Service expenses					
S&P Asset Co., Ltd.	Subsidiary	-	-	1,208	988
Development Public Co., Ltd	Common director	2,437	-	2,437	-
		2,437	-	3,645	988
Management benefit expenses					
- Short-term benefits	Management	51,422	52,944	42,165	38,462
- Long-term benefits	Management	1,003	1,554	767	1,121
		52,425	54,498	42,932	39,583

17. DEFERRED INCOME TAX AND INCOME TAX EXPENSES

The movements of deferred tax assets and liabilities during the year are as follows:

As at December 31, 2012

Unit : Thousand Baht

	Consolidated Financial Statements			
	Balance As at December 31, 2011	Addition	Utilized	Balance As at December 31 2012
Deferred tax assets resulted from				
Allowance for doubtful accounts	489	27	(7)	509
The difference of depreciation expense	1,026	-	(415)	611
Allowance for impairment of investments	999	-	-	999
Provision for customer loyalty programmes	406	321	-	727
Employee benefit obligation	13,391	2,958	(190)	16,159
Actuarial loss on defined employee benefit plan (recognized changes in other comprehensive income)	-	1,607	-	1,607
Total	16,311	4,913	(612)	20,612
Deferred tax liability resulted from				
Unearned revenues	(1,122)	(1,649)	763	(2,008)
Total	(1,122)	(1,649)	763	(2,008)
Deferred tax assets	15,189	3,264	151	18,604
Deferred tax liabilities resulted from				
Revaluation of available-for-sales securities (recognized changes in other comprehensive income)	(66)	(19)	-	(85)
The difference of depreciation expense	(1,645)	(476)	503	(1,618)
Deferred tax liabilities	(1,711)	(495)	503	(1,703)

As at December 31, 2011

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance As at December 31, 2010	Addition	Utilized	Effects of tax rate reduction	Balance As at December 31 2011
Deferred tax assets resulted from					
Allowance for doubtful accounts	722	-	(7)	(226)	489
The difference of depreciation expense	-	1,728	(189)	(513)	1,026
Provision for impairment of investments	1,499	-	-	(500)	999
Provision for customer loyalty programmes	1,154	237	(862)	(123)	406
Employee benefit obligation	17,230	3,565	(710)	(6,694)	13,391
Total	20,605	5,530	(1,768)	(8,056)	16,311
Deferred tax liability resulted from					
Unearned revenues	-	(1,682)	-	560	(1,122)
Total	-	(1,682)	-	560	(1,122)
Deferred tax assets	20,605	3,848	(1,768)	(7,496)	15,189
Deferred tax liabilities resulted from					
Revaluation of available-for-sales securities (recognized changes in other comprehensive income)	(39)	(34)	-	7	(66)
The difference of depreciation expense	(1,304)	(341)	-	-	(1,645)
Deferred tax liabilities	(1,343)	(375)	-	7	(1,711)

As at December 31, 2012

Unit : Thousand Baht

	Separated Financial Statements			
	Balance As at December 31, 2011	Addition	Utilized	Balance As at December 31 2012
Deferred tax assets resulted from				
Allowance for doubtful accounts	431	-	-	431
The difference of depreciation expense	1,026	-	(415)	611
Provision for impairment of investments	999	-	-	999
Provision for customer loyalty programmes	406	321	-	727
Employee benefit obligation	13,391	2,967	(199)	16,159
Actuarial loss on defined employee benefit plan (recognized changes in other comprehensive income)	-	1,607	-	1,607
Total	16,253	4,895	(614)	20,534
Deferred tax liability resulted from				
Unearned revenues	(1,122)	(1,649)	763	(2,008)
Total	(1,122)	(1,649)	763	(2,008)
Deferred tax assets	15,131	3,246	149	18,526

As at December 31, 2011

Unit : Thousand Baht

	Separated Financial Statements				
	Balance As at December 31, 2010	Addition	Utilized	Effects of tax rate reduction	Balance As at December 31 2011
Deferred tax assets					
Allowance for doubtful accounts	646	-	-	(215)	431
The difference of depreciation expense	-	1,728	(189)	(513)	1,026
Provision for impairment of investments	1,499	-	-	(500)	999
Provision for customer loyalty programmes	1,154	237	(862)	(123)	406
Employee benefit obligation	17,230	3,565	(710)	(6,694)	13,391
Total	20,529	5,530	(1,761)	(8,045)	16,253
Deferred tax liability					
Unearned revenues	-	(1,682)	-	560	(1,122)
Total	-	(1,682)	-	560	(1,122)
Deferred tax assets	20,529	3,848	(1,761)	(7,485)	15,131

Income tax for the years ended December 31, consist of the following:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Current income tax	219,814	228,197	210,663	218,855
Adjustment prior year income tax expenses	1,630	6,986	1,630	6,986
Deferred tax expenses relating to the origination and reversal of temporary differences	(1,835)	(1,739)	(1,787)	(2,087)
Deferred income taxes related to reduction corporate income tax rate	-	7,496	-	7,485
Income tax per the statements of comprehensive income	219,609	240,940	210,506	231,239

The reconciliation between income tax - income (expense) and accounting income for the years ended December 31, are follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Accounting profit before income tax	932,155	695,273	899,001	704,888
Applicable tax rates	15 - 25%	15 - 30%	23%	30%
Current income tax	217,251	220,069	206,770	211,466
Adjustment prior year income tax expenses	1,630	6,986	1,630	6,986
Deferred tax expenses reflect corporate tax reduction	-	7,496	-	7,485
Tax effect of non-deductible expenses (benefits)	728	6,389	2,106	5,302
Income tax per the statements of comprehensive income	219,609	240,940	210,506	231,239

Corporate income tax for the Company and domestic subsidiary are calculated on net profit for the period, adjusted by adding back certain expenses and deducting exempted income in compliance with the Revenue Code at the rates of 23% and 30% of net taxable profit for the periods of 2012 and 2011, respectively. Corporate income tax for another domestic subsidiary is calculated on net profit for the period adjusted by adding back certain expenses and deducting exempted income in compliance with the Revenue Code at the rates for Small and Medium Enterprises for calculation of the current income tax per income tax return form for the periods of 2012 and 2011.

On October 11, 2011, the Thai Cabinet approved a reduction of the corporate income tax rates from 30% to 23% of profits for companies or juristic partnerships with a 2012 accounting period ending on or after December 31, 2012, and to 20% for companies or juristic partnerships with an accounting period beginning on or after January 1, 2013 and according to the Royal Decree No. 530 dated December 14, 2011, the corporate income tax rates will be reduced from 30% to 23% for the accounting periods beginning on or after January 1, 2012 and to 20% for the accounting periods beginning on or after January 1, 2013 and 2014.

The Company and its subsidiary used a tax rate of 20%, for calculation of deferred tax as at December 31, 2012 and both 20% and 23% for calculation of deferred tax as at December 31, 2011.

Overseas subsidiaries used tax rates of each country for calculation of the current income tax per income tax return form and for calculation of deferred tax for the years ended December 31, 2012 and 2011.

18. BANK OVERDRAFT

As at December 31, 2011, S&P Restaurant Limited has bank overdraft with a financial institution amounting to GBP 32,330 or approximately Baht 1.58 million. Bank overdraft carried interest at the rate of 0.5% per annum above the bank's lending base rate. (as at December 31, 2012 : Nil)

19. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, consist of :

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Trade payables - other companies	396,328	377,970	356,208	346,990
Trade payables - related parties	1,860	4,031	2,166	4,202
Advance received from related parties	-	74	20	79
Accounts payable - acquisition of assets	64,167	41,307	45,232	41,307
Unearned revenues	18,086	13,158	18,086	13,158
Other payables	79,912	63,498	79,218	63,498
Accrued expenses	274,149	210,362	230,352	159,964
	834,502	710,400	731,282	629,198

20. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Long-term borrowings from financial institutions as at December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Long-term borrowings from financial institutions	113,399	119,618	-	-
Less Current portion of long-term borrowings from financial institutions	(35,104)	(29,503)	-	-
	78,295	90,115	-	-

Long-term borrowings from financial institutions of the subsidiaries are as follows:

	Terms	Currency	Facility	Repayment Date and due date	Interest Rate (% p.a.)	As at December 31, 2012		As at December 31, 2011	
						Currency	Thousand Baht	Currency	Thousand Baht
Thai Development SA Loan from overseas commercial banks	Repayable of CHF 25,000 per installment on a quarterly basis	CHF	400,000	June 30, 2009 to March 31, 2013 (see Note 2.2)	4.25	-	-	125,000	4,211
Patara Restaurant, Vienna GmbH ⁽¹⁾ Loan from overseas commercial banks	Repayable of EUR 200,000 per installment on semi-annual basis	EUR	1,800,000	March 26, 2011 to March 26, 2016	3.85	1,400,000	56,779	1,400,000	57,438
S&P Restaurant Limited ⁽²⁾ Loan from overseas commercial banks	Repayable of GBP 7,500 per installment on a monthly basis	GBP	450,000	May 2011 to April 2016	0.5 above bank base rate				
Loan from overseas commercial banks	Repayable of GBP 37,500 per installment on a quarterly basis	GBP	600,000	October 2012 to June 2016	0.5 above bank base rate	562,500	27,757	600,000	29,315
Bangkok Jam Co., Ltd. Loan from overseas commercial banks	Repayable of TWD 834,000 per installment on a quarterly basis	TWD	10,000,000	December 16, 2011 to September 16, 2014	2.75 above bank base rate	5,830,000	6,150	9,166,000	9,599
Loan from overseas commercial banks ⁽³⁾	Repayable of TWD 834,000 per installment on a quarterly basis	TWD	10,000,000	May 8, 2012 to February 6, 2015	2.75 above bank base rate	7,498,000	7,909	-	-
Total long-term loans of subsidiaries							113,399		119,618
Less Current portion of long-term loans in the consolidated financial statements							(35,104)		(29,503)
							78,295		90,115

(1) Patara Restaurant, Vienna GmbH has a long-term loan facility of EUR 1.8 million with a commercial bank. The subsidiary had withdrawn the loan to full credit limit and the loan was due for full repayment on March 26, 2015. On March 16, 2012, the terms of the original long-term loan facility agreement with such commercial bank was revised and amended. The third installment under the original agreement on March 26, 2012, will be postponed to March 26, 2013. Therefore, such loan shall be due for the final repayment on March 26, 2016. Patara Restaurant, Vienna GmbH used fixed deposit at bank of S&P Syndicate Public Company Limited as collateral (see Note 10.2).

(2) S&P Restaurant Limited has secured buildings with the cost value of GBP 1.30 million or approximately Baht 64.15 million as collateral for such long-term loans with a commercial bank (see Note 13) which the Company has to maintain debt coverage ratio in accordance with the condition on the above facility agreements.

(3) Bangkok Jam Co., Ltd. used a fixed deposit of SK Catering Pte. Ltd. amounting to SGD 150,000 or approximately Baht 3.76 million as collateral (see Note 10.3).

21. FINANCE LEASE LIABILITIES

The Company and its subsidiaries have entered into finance lease agreements for vehicles and office equipment under financial leases as at December 31, as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Within 1 year	3,440	3,178	3,440	3,178
Over 1 year to 5 years	3,180	2,490	3,180	2,490
Finance lease liabilities	6,620	5,668	6,620	5,668

22. EMPLOYEE BENEFIT OBLIGATION

The Company and its subsidiaries provided employee benefit obligation under the Thai Labour Protection Act, which are considered as unfunded defined benefit plans.

Amounts recognized in the statement of comprehensive income in respect of the defined benefit plans for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Current service cost	12,482	10,164	11,935	9,513
Interest cost	3,110	2,597	2,904	2,371
Expenses recorded in the statement of comprehensive income	15,592	12,761	14,839	11,884

Movements in the present value of the defined benefit obligation for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Beginning present value of defined benefit obligation				
Current service cost	73,150	62,755	66,952	57,434
Interest cost	12,482	10,164	11,935	9,513
Actuarial loss on defined employee benefit plan	3,110	2,597	2,904	2,371
	9,129	-	8,036	-
	97,871	75,516	89,827	69,318
Less Benefits paid	(2,770)	(2,366)	(999)	(2,366)
Ending present value of defined benefit obligation	95,101	73,150	88,828	66,952

For the year ended December 31, 2012, the actuarial loss is recognized in the consolidated and separate statements of comprehensive income in the amount of Baht 9.13 million and Baht 8.04 million, respectively. Such actuarial loss mainly resulted from the change in discount rate and mortality rate of the financial assumption.

The principle actuarial assumptions used to calculate the defined benefit obligation as at December 31, are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Discount rate	3.73% - 3.89%	4.25%	3.89%	4.25%
Mortality rate	Thai Mortality Table 2008	Thai Mortality Table 1997	Thai Mortality Table 2008	Thai Mortality Table 1997
Normal retirement age	60 years	60 years	60 years	60 years
Expected rate of salary increase	5%	5%	5%	5%
Employee turnover rate	0% - 35%	0% - 30%	0% - 35%	0% - 30%

23. LEGAL RESERVE

Pursuant to 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.

24. TREASURY SHARES AND TREASURY SHARES RESERVE

At the resolutions of the Board of Directors' Meeting No. 1/2010 held on February 24, 2010, the Company's directors resolved to approve the share repurchase program for financial management purpose in accordance with Section 66/1(2) of the Limited Public Company Act (No. 2) B.E. 2544 in the amount not exceeding Baht 350 million. The number of ordinary shares to be repurchased not exceeding 10.47 million shares (par value of Baht 5 per share); equal to 10% of the total number of paid-up share capital of the Company. The Company shall repurchase its ordinary shares through the main board of the Stock Exchange of Thailand during the period from March 11, 2010 to September 10, 2010. The Board of Directors has considered the share resale procedures by resale its ordinary shares through the main board of the Stock Exchange of Thailand or by public offering depending on the prevailing situation at that time of shares sold. Period for the resale of share is from March 11, 2011 to September 10, 2013 (after 6 months from the completion date of share repurchase and not exceeding 3 years from the completion date of share repurchase).

Details of treasury shares as at December 31, are as follows:

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Value of treasury shares (Thousand Baht)	250,951	250,951	250,951	250,951
Number of treasury shares (Thousand shares)	6,605	6,605	6,605	6,605
Average cost per share (Baht)	38.00	38.00	38.00	38.00
The number of treasury shares to the share capital issued by the Company (Percentage)	6.31	6.31	6.31	6.31

As at December 31, 2012 and 2011, the Company appropriated Baht 250.95 million from its retained earnings to a reserve for treasury shares.

25. BASIC EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, are calculated as follows :

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Profit attributable to owners of the parent (Thousand Baht)	707,806	453,811	688,496	473,649
Number of ordinary shares as at January 1, (Thousand shares)	98,082	98,082	98,082	98,082
Weighted average number of treasury shares during the years (Thousand shares)	-	-	-	-
Weighted average number of ordinary shares as at December 31, (Thousand shares)	98,082	98,082	98,082	98,082
Basic earnings per share (Baht)	7.22	4.63	7.02	4.83

26. APPROPRIATION OF EARNINGS AND DIVIDEND

On April 28, 2011, the annual general shareholders' meeting of the Company passed a resolution to distribute an annual dividend from the operations of the year 2010 for 98,081,673 shares from registered and paid-up share capital, deduct with treasury shares at Baht 3.25 per share, totalling Baht 318.76 million. The dividend consists of interim dividend at Baht 1.25 per share totalling Baht 122.60 million which was paid on September 10, 2010 and additional dividend of 98,081,673 shares at Baht 2.00 per share, totalling Baht 196.16 million, which was paid on May 19, 2011.

On August 10, 2011, the Company's Board of Directors' Meeting passed a resolution to pay interim dividend to shareholders of 98,081,673 shares from registered and paid-up share capital, deduct with treasury shares at Baht 1.25 per share, totalling Baht 122.60 million. The Company paid such dividend on September 9, 2011 and the remaining accrued dividends as at December 31, 2011 were Baht 0.98 million.

On April 26, 2012, the annual general shareholders' meeting of the Company passed a resolution to distribute an annual dividend from the operations of the year 2011 for 98,081,673 shares at Baht 4.00 per share, totalling Baht 392.33 million. The dividend consists of interim dividend at Baht 1.25 per share totalling Baht 122.60 million which was paid on September 9, 2011 and additional dividend of 98,081,673 shares at Baht 2.75 per share, totalling Baht 269.72 million, which was paid on May 15, 2012.

On August 9, 2012, the Company's Board of Directors' Meeting passed a resolution to pay interim dividend to shareholders of 98,081,673 shares from registered and paid-up share capital, deduct with treasury shares at Baht 1.50 per share, totalling Baht 147.12 million. The Company paid such dividend on September 7, 2012 and the remaining accrued dividends as at December 31, 2012 were Baht 0.99 million.

The Board of Directors' Meetings of the subsidiaries passed resolutions to distribute interim dividends to ordinary shareholders for the year ended December 31, 2012 as follows:

Company's name	Board of Directors' meeting date	Dividend Paid	Amount (Currency)	Amount (Million Baht)	Dividend payment date
For the year ended December 31, 2012					
Patara (Geneva) SA	April 24, 2012	150,000	CHF	4.98	June 29, 2012
Thai Development SA	April 24, 2012	160,200	CHF	5.31	June 29, 2012
				10.29	
For the year ended December 31, 2011					
SK Catering Pte Ltd.	January 19, 2011	800,000	SGD	19.51	January 27, 2011
	June 6, 2011	150,000	SGD	3.68	July 4, 2011
Theme Food Ltd.	June 6, 2011	50,000	SGD	1.22	July 4, 2011
Patara (Geneva) SA	February 16, 2011	170,000	CHF	6.28	June 30, 2011
				30.69	

27. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2012 and 2011 are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2012	2011	2012	2011
Changes in inventories of finished goods and work in process - decrease (increase)	(38,966)	10,541	(38,966)	10,541
Raw materials and consumables used	2,093,529	2,028,019	1,876,449	1,829,327
Cost of finished goods purchased	57,523	59,612	57,523	59,612
Depreciation and amortization	260,492	263,719	217,594	229,015
Employee expenses	1,556,987	1,338,372	1,241,219	1,044,049
Transportation expense	165,761	144,588	165,743	144,588

28. 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, 2012 and 2011, the Company's contributions and subsidiaries' contributions to provident funds which were recorded as expenses in the consolidated statements of comprehensive income were Baht 15.38 million and Baht 13.39 million, respectively.

For the years ended December 31, 2012 and 2011, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of comprehensive income were Baht 12.87 million and Baht 10.88 million, respectively.

29. 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.

30. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company presents and discloses financial instruments as follows:

30.1 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 statements of financial position, the carrying amounts of the assets recorded in the statements of financial position represent the maximum exposure to credit risk.

30.2 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.

30.3 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.

30.4 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. The following methods and assumptions were used by the Company and its subsidiaries in estimating fair value of financial instruments.

Cash and cash equivalents, temporary investments, trade and other receivables, bank overdraft and short-term borrowings from financial institutions, trade and other payables, the carrying values approximate their fair values due to the relatively short period to maturity.

Long-term borrowings from financial institutions bearing floating interest rate, the carrying value is approximate its fair value and long-term loans from financial institutions bearing fixed interest rate, the carrying value is approximate its fair value as such interest rate approximated the current market rate at that time.

31. SEGMENT INFORMATION

The Company and its subsidiaries have been engaged in the food and bakery business. All business active of the Company and subsidiaries shall be classified by segments, based on revenues and results of operations for the years ended December 31, 2012 and 2011 and total assets as at December 31, 2012 and 2011 for the Company and its subsidiaries as follows:

For the years ended December 31,

Unit : Thousand Baht

Classified by geographical areas	Domestic		Overseas		Total	
	2012	2011	2012	2011	2012	2011
Revenues from sales and services	5,673,477	5,121,485	853,160	757,016	6,526,637	5,878,501
Net profit before non-controlling interests	702,001	451,606	10,545	2,728	712,546	454,334

As at December 31,

Unit : Thousand Baht

Classified by geographical areas	Domestic		Overseas		Total	
	2012	2011	2012	2011	2012	2011
Total assets	3,016,100	2,620,326	432,065	418,882	3,448,165	3,039,208

32. COMMITMENTS AND LETTERS OF GUARANTEE

As at December 31, 2012 and 2011, the Company and its subsidiaries had commitments and letters of guarantee as follows:

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

Unit : Thousand Baht		
Domestic offices, vehicles and computer equipment rental expenses	As at December 31,	
	2012	2012
Within 1 year	302,590	243,433
Over 1 year to 5 years	601,479	392,184
Over 5 years	14,986	18,169

Unit : Thousand Baht		
Overseas subsidiaries rental expenses	As at December 31,	
	2012	2012
Within 1 year	77,621	74,155
Over 1 year to 5 years	175,227	97,060
Over 5 years	148,152	108,871

32.2 As at December 31, 2012 and 2011, the Company had outstanding capital commitments relating to hire of work and purchase of materials for the construction of new branches and shops of Baht 34.93 million and Baht 39.46 million, respectively.

32.3 As at December 31, 2012 and 2011, the Company has letters of guarantee issued by a bank to guarantee for electricity usage for the Company of Baht 35.93 million and Baht 33.46 million, respectively. Such amount included the letters of guarantee of Baht 0.58 million which deposit at bank was used as collateral (see Note 10.1).

32.4 S&P International Foods Company Limited, a subsidiary company, entered into a License Agreement with an overseas company for the period from October 26, 2012 to December 31, 2021 for running the restaurant business as quarterly in each year. Such subsidiary company has to pay an initial royalty fee and running royalty fees at the rates as specified in the agreement for trademark and know-how.

32.5 S&P Syndicate Public Company Limited entered into a "Letter of Guarantee" dated October 26, 2012 with an overseas company to guarantee for all payments that the subsidiary has to pay according to the License Agreement as indicated in Note 32.4.

33. EVENTS AFTER THE REPORTING PERIOD

33.1 On November 23, 2012, the Board of Directors' meeting of S&P International Foods Co., Ltd., a subsidiary, passed a resolution to request a local financial institution for credit facilities, with no collateral which consisted of bank overdrafts of Baht 5 million and long-term borrowings of Baht 25 million including bank guarantee of Baht 5 million, totalling of Baht 35 million. S&P Syndicate Public Co., Ltd. issued a "Letter of Awareness" to such bank and has to maintain percentage of shareholding in S&P International Foods Co., Ltd. not less than 99.99% through the period of the loan agreement. In addition, such subsidiary has to maintain its debt coverage ratio as specified in the loan agreement.

On January 8, 2013, such subsidiary entered into a long-term loan agreement for 6 years with a local bank amounting to Baht 25 million, carrying interest at the rate of MLR minus 2% per annum. According to such loan agreement, such subsidiary will repay interest and principal at the end of each quarter. Such subsidiary had already withdrawn the loan of Baht 8 million in January 2013.

33.2 On February 21, 2013, S&P Global Co., Ltd. paid the remaining share capital increase of Patara International Restaurant Management (Beijing) Co., Ltd. of Baht 1.46 million (300,000 RMB).

34. RECLASSIFICATIONS

Certain reclassifications have been made in the consolidated and separate financial statements for the year ended December 31, 2011 to conform to the classifications used in the consolidated and separate financial statements for the year ended December 31, 2012 as follows:

Unit : Thousand Baht

Items	Previous classification	Current classification Financial statements	Consolidated	Separate Financial statements
Short-term loan to a related party	Trade and other receivables-advance payments to related parties-net	Short-term loan to a related party	3,178	3,178
Allowance of doubtful debts	Trade and other receivables-advance payments to related parties-net	Short-term loan to a related party	3,178	3,178
Management benefit expenses	Administrative expenses	Management benefit expenses	1,554	1,121
Unrealised gain on revaluation of temporary investments	Other income - others	Other income - Unrealised gain on revaluation of temporary investments	2,587	2,587
Interest income	Other income - others	Other income - Interest income	10,985	10,640

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized director of the Company on February 26, 2013.

– MANAGEMENT DISCUSSION –

AND ANALYSIS

In 2012, a group of companies reported the revenue from sales and services of Baht 6,527 million, an increase of Baht 648 million from the previous year, accounted for a growth of 11.03%. The net profit was Baht 708 million, an increase of Baht 254 million from the previous year, accounted for a growth of 55.97%.

Revenue from Sales and Services

The revenue from sales and services increased from Baht 5,879 million in 2011 to Baht 6,527 million in 2012, with the growth rate of 11.03%, which can be categorized into the following sales channels:

Revenue breakdown by distribution channels

Unit: Million Baht

Distribution Channels	2012		2011		Increase (Decrease) %
	Amount	%	Amount	%	
Domestic restaurant and bakery shop	5,025	76.99	4,557	77.51	10.27
Packaged food and bakery trading business	645	9.88	561	9.54	14.97
Overseas restaurant	853	13.07	757	12.88	12.68
Others*	4	0.06	4	0.07	-
Total	6,527	100.00	5,879	100.00	11.03

* Rental revenue

Domestic restaurant and bakery shop business

In 2012, the revenue from the Domestic restaurant and bakery shop business contributed to 76.99% of the revenue from sales and services. It increased by 10.27%, or by Baht 468 million due to the growth of the sales volume of the existing restaurant and bakery, and additional sales from newly opened outlets. In 2012, the Company opened 46 new outlets, consisting of 13 restaurants and 33 bakery shops. The company's total of 417 outlets as of year ended 2012 comprised 116 restaurants and 301 bakery shops. The Company's focus on opening more new outlets in provincial areas has carried on to this year due to the company's recognition of its potential and growth in consumer purchasing power in various provinces of Thailand, as well as the lower rental and labor cost when compared with Bangkok. In addition, the Company has continued to implement marketing activities through advertising on television, radio, and other types of media, by focusing on strengthening the sense of trust and goodwill towards the "S&P" brand.

Furthermore, the company has explored other opportunities to bring products under new brands to the customers such as the introduction of Maisen, a top brand in soft pork-deep-fried or Tonkatsu restaurant from Japan which has been well accepted by the customers.

Packaged food and bakery trading business

In 2012, sales from this business had a share of 9.88% of the revenue from sales and services, an increase 14.97% from the previous year amounting to Baht 84 million. This impressive growth is due to our strategy to expand customer base in line with the proliferation of modern trade businesses, and also due to our alliance with new retail concepts.

Overseas restaurant

Revenue from this business account for 13.07% of the revenue from sales and services, an increase of Baht 96 million from the previous year, with a growth rate of 12.68%. This is due to the increased popularity of to the food and service in our global branches.

In 2012, the overseas restaurant group has introduced 2 new restaurants under “Bangkok Beat Bistrto” in Malaysia and open 3 new restaurants under “Bangkok Jam” in Singapore and Taiwan.

Revenue breakdown by product type

Unit: Million Baht

Product	2012		2011		Increase (Decrease) %
	Amount	%	Amount	%	
Bakery	2,952	45.23	2,687	45.71	9.86
Domestic food and beverage	1,919	29.40	1,732	29.46	10.80
Overseas restaurant	853	13.07	757	12.88	12.68
Food products**	590	9.04	520	8.85	13.46
Other products***	213	3.26	183	3.10	16.39
Total	6,527	100.00	5,879	100.00	11.03

** 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 2012, Bakery products had the highest proportion of 45.23% when compared with the revenue from the sales and services while the proportion for the domestic food and beverage was at 29.40%. In terms of the sales growth volume, Bakery products had a growth rate of 9.86% due to new outlet expansions as well as increased sales in existing outlets, including the product development and diversification in line with consumer tastes, and the increase of sales promotion activities. Food and beverage had a growth rate of 10.80%, in which the Company had introduced the healthy choice menu, seasonal/festive menus which have been well-received by existing and new target customers.

Cost of sales and services

In 2012, the cost of sales and services slightly increased from 55.22% in 2011 to 53.09% due to the the policy to improve the efficiency of procurement process that resulted in more effective cost of sales controlling, together with the less fructuation in cost of raw material in the last year.

Expenses

In 2012, the proportion of the expense to the revenue from sales and services increased from 33.95% in 2011 to 34.49% due to the increase of marketing expenses that was mainly used to promote brand and products recognition, the increase in personnel expense due to the wage and salary increase in accordance with the government’s policy in April, 2012. The proportion of sales expense to revenue from sales and services increased from 3.12% in 2011 to 3.16%, and operation expenses increased from 29.93% in 2011 to 30.53% in 2012.

Net Profit

The growth of revenue from sales and services in 2012, together with the efficient management of sales and operation expense, resulting the increase in net profit from 7.72% in 2011 to 10.84% in 2012. The Net profit in 2012 increased from Baht 454 million in 2011 to Baht 708 million in 2012, an increase of Baht 254 million or 55.97%, and the ROE increased from 25.59% in 2011 to 35.68% in 2012.

Operating Efficiency

The group of companies had a substantial increase in returns on assets from 15.63% in 2011 to 21.82% in 2012 due to the increase of the Company's net profit.

Overview of financial status and cash flow statement of 2012

The group of companies had total assets at year end 2012 of Baht 3,448 million. The current assets and the non-current assets accounted for 50.85% and 47.15% respectively, whereas the current liabilities accounted for only 31.13% of total assets. Thus, the liquidity is as 1.70 times, due to the group of companies' rapid assets turnover from cash sales.

The net cash from operation was at Baht 945 million, as a result of Bath 1,189 million of operating cash flows before tax and the tax payment of Baht 244 million.

The change of cash flows from investing and financing activities comprised cash spent for temporary investment of Baht 442 million, investment in fixed assets of Baht 292 million, resulting from investment in production machinery, construction, and furnishing due to restaurant and bakery expansions. In addition, the dividend payment of Baht 417 million, coupled with other cash flows from the operation, the group of companies had a net decrease of the cash totaling Baht 229 million. With the large amount of existing cash at Baht 672 million as of the beginning of 2012, the cash and cash equivalent for the business as of the end of the year was at Baht 443 million.

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.

The Board of Directors' Meeting no.1/2013 held on February 26, 2013 had passed resolution to propose the Annual General Meeting of Shareholders 2013 on April 24, 2013, to adopt the interim dividend payment of Baht 1.50 per share paid on September 7, 2012, and to approve the dividend payment for 2012's operating result of Baht 6.00 per share, or the remaining dividend payment of Baht 4.50 per share. In case of the Meeting of Shareholders approves the dividend payment as proposed, the dividend payout ratio of the Company shall be 83.14%.

Details of dividend payment for operating year 2012 compared with previous years.

Dividend Details	2012	2011
1. Net Profit (Million Baht)	707.81	453.81
2. Number of shares	98,081,673	98,081,673
3. Dividend paid per share		
3.1 Interim Dividend (Baht/shares)	1.50	1.25
3.2 Additional Dividend (Baht/shares)	4.50	2.75
4. Total Dividend Paid		
4.1 Interim Dividend (Million Baht)	147.12	122.60
4.2 Additional Dividend (Million Baht)	441.37	269.72
5. Dividend Payout Ratio (%)	83.14	86.45

– S&P SUBSIDIARIES AND AFFILIATES –

Names / Location	Type of business	No. of common shares		% Holding
		Total Share	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 Conduct real estate development business by renting spaces to restaurants	10,000	9,993	99.93%
S&P Asset Company Limited 1/2 Soi Attakravi1, Sukhumvit 26 Rd, Klongtan Klongtoei, Bangkok Tel : +66 (0) 2185-1313 Fax : +66 (0) 2185-1290	Operate Japanese Restaurant under "Maisen" brand	100,000	999,994	99.99%
S&P International Foods Company Limited 1/2 Soi Attakravi1, Sukhumvit 26 Rd, Klongtan Klongtoei, Bangkok Tel : +66 (0) 2185-1313 Fax : +66 (0) 2185-1290	Operate pizza delivery and Italian food restaurant	200,000	199,997	99.99%
S&P Food Solution Company Limited * 457-457/6 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 Global Company Limited 457 Sukhumvit 55, Klongtannua, Vadhana, Bangkok Tel : +66 (0) 2185 1313 Fax : +66 (0) 2185 1274	Operate Thai restaurants in England, currently with 4 branches under "Patara"	100,000	96,000	96.00%

Names / Location	Type of business	No. of common shares		% Holding
		Total Share	No. of Shares held by S&P Group	
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 Ltd. ** 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 1 branch	600,000	300,000	50.00%
SK Catering Pte Ltd.** 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 5 branches, and under "Bangkok Jam" brand, currently with 3 branch	300,000	150,000	50.00%
Patara Taiwan Company Limited** 12 Alley 247, Sec.1 Tua Hua S. Road, Taipei, Taiwan since September 2007	Operate Thai restaurants under "Patara" brand in Taiwan, cease its operation	1,500,000	750,000	50.00%
Patio International Company Limited** 7F-3 No.28 Jen-Ai Road, Sec.3, Taipei Taiwan since October 2011 Tel : (8862) 2721-5998 Fax : (8862) 2721-6008	Operate Thai restaurants under "Patio" brand in Taiwan, cease its operation	12,000,000	7,200,000	60.00%
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	4,000,000	3,650,000	91.25%

Names / Location	Type of business	No. of common shares		% Holding
		Total Share	No. of Shares held by S&P Group	
Patara Restaurant, Vienna GmbH*** Petersplatz 1 / Goldschmiedgasse 9 / Graben, Vienna , Austria 27 – 28 / Top.Nr.7 1010 Wien Tel : +43 199 719 38 Fax : -	Operate Thai restaurants under “Patara” brand in Austria, currently with 1 branch	1,200,000	1,116,600	93.05%
Bangkok Jam Co., Ltd **** 1F, No.12, Ln.247, Sec 1, Dun-hua S. RD., Taipei, Taiwan Tel : (8862) 2731-5288 Fax : (8862)2731-5243	Operate restaurants under “Bangkok Jam” brand, currently with 3 branch	5,000,000	2,500,000	50.00%
Bangkok Jam SDN BHD ***** Utama 47400 petaling Jaya Selangor Darul Ehsan Malaysia Tel : + 603 5637 8488	No.79 A Jalan SS 21/37 Damansara Operate restaurants under “Bangkok Beat Bistro” brand, currently with 2 branch	350,000	174,999	49.99%
HD Distributors (Thailand) Company Limited 20th floor, 539/2, Gypsum Metropolitan 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	200,000	95,996	47.99%
Foodhouse Catering Services Company Limited 234 Soi Sukhvit 101 (Punnavithi), Sukhumvit Rd., Bangchak, Prakanong, Bangkok Tel : +66 (0) 2741-8800	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 has ceased its operation since August 1, 2010

** 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 510,000 shares through S&P Restaurant Co. Ltd. in the UK

**** indicates a company in which S&P Global Co., Ltd. Owns 2,500,000 shares through SK Catering Pte Ltd. in Singapore.

***** indicates a company in which S&P Global Co., Ltd. Owns 174,999 shares through SK Catering Pte Ltd. in Singapore.

– CONNECTED TRANSACTIONS –

1. Revenue and Expense between the Company , Subsidiaries and Related parties

Account name/ Company's name	Relationship	Type of Transaction	Amount (Million Baht)	
			2012	2011
S&P Global Co., Ltd.	Subsidiary	Revenues from sales	0.22	0.58
		Rental income from buildings and equipment	0.36	0.41
		Revenues from services	1.20	-
		Purchases of goods/services	0.12	-
S&P International Foods Co., Ltd.	Subsidiary	Revenues from sales	2.00	-
		Purchases of goods	0.12	-
S&P Asset Co., Ltd.	Subsidiary	Revenue from services	0.10	0.10
		Rental of premises	5.16	4.47
General Mills Thailand Co., Ltd.	Associate	Revenues from sales	6.00	6.36
HD Distributors (Thailand) Co., Ltd.	Associate	Revenues from sales	0.69	1.03
		Revenue from services	-	0.27
		Rental income from buildings and equipment	0.90	1.02
		Dividend income	3.39	2.45
		Purchases of goods/services	11.31	12.66
Foodhouse Catering Services Co., Ltd.	Associate	Revenues from sales	6.75	6.24
		Revenues from services	1.52	4.55
		Interest income	0.37	0.23
The Minor Food Group Public Co., Ltd.	Related company (Minor International Public Company Limited 's subsidiaries)	Revenues from sales	25.63	32.19
Minor DQ Limited	Related company (The Minor Food Group Public Co., Ltd's subsidiaries)	Revenues from sales	8.09	3.40
Minor Dairy Limited		Revenues from sales	5.60	3.91
Swensen's (Thai) Limited		Revenues from sales	11.17	5.95
SLRT Limited		Revenues from sales	5.43	7.05
The coffee Club (Thailand) Limited		Revenues from sales	-	0.02

Account name/ Company's name	Relationship	Type of Transaction	Amount (Million Baht)	
			2012	2011
S.R. Estate Co., Ltd.	Related company	Rental of premises	0.43	0.43
Directors	Directors	Rental of offices and storage	3.41	3.41
Seacon Development Public Co., Ltd	Directors	Rental and services	2.95	-

2. Assets and Liabilities between the Company, Subsidiaries and Related parties

Account name/ Company's name	Relationship	Type of Transaction	Amount (Million Baht)	
			2012	2011
S&P Global Co., Ltd.	Subsidiary	Trade accounts receivable	0.05	0.05
S&P Food Solution Co., Ltd.	Subsidiary	Trade accounts receivable Less Allowance for doubtful account	1.79 (1.79)	1.79 (1.79)
S&P International Foods Co., Ltd.	Subsidiary	Trade accounts receivable	0.07	-
S&P Asset Co., Ltd.	Subsidiary	Trade accounts payable	0.31	0.17
General Mills Thailand Co., Ltd.	Associate	Trade accounts payable	0.31	2.35
HD Distributors (Thailand) Co., Ltd.	Associate	Trade accounts receivable Trade accounts payable	1.86 0.19	4.03 0.32
Foodhouse Catering Services Co., Ltd.	Associate	Trade accounts receivable	3.21	6.78
The Minor Food Group Public Co., Ltd.	Related company (Minor International Public Company Limited's subsidiaries)	Trade accounts receivable	1.17	2.34
Minor DQ Limited Minor Dairy Limited SLRT Limited	Related company (The Minor Food Group Public Co., Ltd's subsidiaries)	Trade accounts receivable Trade accounts receivable Trade accounts receivable	0.41 0.50 0.13	0.07 0.79 0.67

– RISK FACTORS –

According to the rapid change of industrial environments, competition, consumer behavior, liberalization of trade and services, the development of information systems, operations, rules, regulations, and standards, that cause the increase in risk factors and possibility to the company. So the company has always focused on risk management. In order to promote the company's risk management performance, comprehensive and continuous monitoring the company has established a Risk Management Committee on February 28, 2555.

In 2012 year, the Risk Management Committee has been meeting three times to identify and rating the risk of all departments in the organization, to determind the risk management policies and practices, and assigned responsibility to provide a measure of control and manage the risks to an acceptable level. In order to achieve the goals and strategies set forth and to build trust with shareholders and other stakeholders. In addition, to the risk management committee has responsible to assess the risk of major projects with high investment value before propose to the Board of Directors of the Company. The main risk factors of the Company are as follows.

1. Strategic risk

Strategy is an important tool in determining the company's direction towards its stated goals and objectives. Therefore the company has put in place strategic and budgetary plans through which factors affecting business operation are analyzed, such as internal factors, industrial environment, and competition, as well as the opportunity to expand its business oversea. At present, the company has established the Office of Strategy to responsible for the company's strategy work.

2. Operational risk

Within the organization, each unit's operation is an important step in moving the company towards its goals and objectives. The company has increased the number if branches and points of sales, and introduced more products and new business such as a Japanese restaurant, that has taken in more employees to accommodate expansion. Therefore if the employees cannot fulfill their functions satisfactorily then this will affect the pace and efficiency of our progress. The board of directors and the management recognize this factor and have arranged for training to build appropriate competency for each level of employees. Training and operation manuals have been issued and for important functions, there is clear separation of duties to serve as checks and balances for each other, in addition to having systematic reporting. Furthermore, the company has in place an internal audit division in order to check and monitor including proposing ways to improve systems to adequately serve the organization.

3. Financial risk

The company's financial management is taking into account the liquidity risk, credit risk and market risk such as the foreign exchange volatility. So the Company has properly prepare financial projection, management gukdeline, monitoring and standards such as the appropriate debt to equity ratio, short-term assets or provision to be used in financial risk management.

4. Information and communication technology risk

As the company continues to expand its branches and points of sales, ICT plays an important role in supporting the efficient operation of each business unit. Linkage with respective subsidiary work systems, data security and access to information, and data transmission to support various types of reports for unit heads and management all help towards efficient management of information. The company has in place and ICT responsible for managing systems and ensuring the organization's readiness to support new innovations and technology. An ICT master plan has been drafted to respond to the company's business plan, which includes an ICT security plan, onward business plan, contingency plan, contributing towards enhancing work in the ICT field. There is regular reporting and monitoring of implementation of the said work plans to the management team. Nevertheless, there are other risk factor which could affect management of the organization. To this end, the board of directors and the management team have put in place a system to maintain risks at a manageable level, hence risk management continues to be improved systematically, allowing the company to better achieve its set objectives.

5. Catastrophe and political risk

The company does aware catastrophe which has negative implications to the business operations such as flooding, epidemic disease (eg. Avian flu) and political instability. The company has been prepared a plan by training staff to encounter not only natural disasters but also man-made incidents such as fire, demonstrations, and etc. Such plan has been prepared for two stages - immediate or short-term plan and medium-to-long term plan in order to restrain or relieve negative impacts iin according to the concurrence, including the measures in the event's persistent.

– SHAREHOLDER AND – MANAGEMENT STRUCTURE

Shareholder Structure

Share capital

The Company's securities comprise ordinary shares. As of December 31, 2012, 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.

Share repurchase program for financial management

At the resolutions of the Board of Directors' Meeting No.1/2010 held on February 24, 2010, the company resolved to approve the share repurchase program for financial management purpose and due to the company's excess cash liquidity. The number of ordinary shares to be repurchased not exceeding 10,468,627 shares; equal 10% of the total number of the paid-up share capital of the Company and in the amount not exceeding Baht 350 million. Period of the share repurchase has arranged during March 11, 2010 to September 10, 2010. By the end the period, the company has repurchased its ordinary shares through the Stock Exchange of Thailand for 6,604,600 shares; equal to 6.31% of the total number of the paid-up share capital for the total amount of Baht 250,951,475.

Shareholders

The first 10 majority shareholders whose names appeared in the register of shareholders as of February 1, 2013 are as follows:

Group of Shareholders	Number of Shares	Percent
1 The Sila-On and Raiva Groups	41,700,462	39.83
2 Minor International Public Company Limited	30,717,084	29.34
3 S&P Syndicate Public Company Limited	6,604,600	6.31
4 Mrs. Supapan Pichaironarongsongkram	3,469,000	3.31
5 SOMERS (U.K.) LIMITED	2,271,200	2.17
6 Mr. Aryuth Charnsethikul	1,478,200	1.41
7 CREDIT SUISSE AG SINGAPORE BRANCH	1,250,000	1.19
8 Mrs. Parinya Khancharoensuk	1,042,462	1.00
9 Mr. Niti Osathanukruea	960,100	0.92
10 Mr. Phithak Phisethsith	830,000	0.79

Management Structure

(1) Board of Directors

As of December 31, 2012, the Board of Directors comprises 12 members.

Names / Position	Total Attendances				Total
	BOD & AGM	Audit Committee's Meeting	Nomination and Remuneration's Committee	Risk Management Committee	
1. Mrs. Patara Sila-On / Chairperson of the Board of Directors	5/5	-	-	-	510,000
2. Lt. Varakorn Raiva / Vice Chairperson of the Board of Directors	5/5	-	-	-	340,000
3. Mr. Pravesvudhi Raiva / President	5/5	-	-	-	340,000
4. Mrs. Kessuda Raiva / Executive Vice Director and Nomination and Remuneration's Committee	4/5	-	-	-	320,000
5. Mr. Vitoon Sila-On / Director and Company Secretary	5/5	-	-	3/3	385,000
6. Ms. Cattleya Saengsastra / Independent Director and Chairperson of the Audit Committee	5/5	4/4	-	-	880,000
7. Ms. Sophavadee Uttamobol / Independent Director and Audit Committee	5/5	4/4	-	-	780,000
8. Mr. Piya Sosothikul / Independent Director and Nomination and Remuneration's Committee (Appointed on November 9, 2011)	5/5	4/4	2/2	3/3	710,000
9. Mr. Aviruth Wongbuddhapitak / Independent Director and chairperson of Nomination and Remuneration's Committee	5/5	-	2/2	-	610,000
10. Mr. John Scott Heinecke / Director (Appointed on February 28, 2012)	4/5	-	-	2/3	360,000
11. Ms. Patamawalai Ratanapol / Director and Nomination and Remuneration's Committee	4/5	-	1/1	-	570,000

Names / Position	Total Attendances				Total
	BOD & AGM	Audit Committee's Meeting	Nomination and Remuneration's Committee	Risk Management Committee	
12. Mr. Kachorndej Raiva / Director	5/5	-	-	-	340,000
Former Board members who resigned during 2010					
1. Mr. Dusit Nontanakorn /Independent Director and Audit Committee (Passed away on September 6, 2011)	-	-	-	-	100,000
2. Mrs. Pratana Mongkolkul / Director (Resigned on December 16, 2011)	-	-	-	-	160,000
Total					6,405,000

Note: The remuneration received from holding the position of director are as follows:

- Gratuity was fixed at Baht 360,000 for the chairperson of the board and Baht 240,000 for each director
- The regular remuneration for non-executive directors was fixed at Baht 20,000 per month, the chairperson of the audit committee at Baht 15,000 per month and the members of audit committee at Baht 10,000 per month
- The meeting allowance for the board of director was fixed at Baht 30,000 Baht per attendance for chairperson of the board and Baht 20,000 per attendance for each director
- The meeting allowance for the audit committee was fixed at Baht 30,000 Baht per attendance for chairperson of the audit committee and Baht 20,000 per attendance for each member of audit committee
- The meeting fee for the nomination and remuneration committee was fixed at Baht 15,000 Baht per attendance for chairperson of the nomination and remuneration committee and Baht 10,000 per attendance for each member of nomination and remuneration committee
- The meeting fee for the risk management committee was fixed at Baht 15,000 Baht per attendance for chairperson of the risk management committee and Baht 10,000 per attendance for each member of risk management

With effective from the date of Annual General Meeting of Shareholders held on April 26, 2012 onward.

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.

(2) 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. 1/2011, held on February 23, 2011, in accordance to the rules and regulations issued by the Board of the Stock Exchange of Thailand.

- 1) To review the Company’s financial reporting process to ensure that it is accurate and adequate.
- 2) To review the Company’s internal control system and internal audit system to ensure that they are suitable and efficient, and also to implement the Control Self Assessment System for the company’s operations.
- 3) To review the Company’s compliance with the law on securities and exchange, the Exchange’s regulations, and the laws relating to the Company’s business.
- 4) To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange’s regulations, and are reasonable and for the highest benefit of the Company.
- 5) To promote practical and effective management.
- 6) To supervise, control, and manage the company’s business risks.
- 7) To approve the appointment, transfer, dismissal of the Chief of an internal audit unit, including overseeing the Chief’s evaluation and training.
- 8) To approve the manpower budget, investment budget, administration budget, and the administration of auditing budget.
- 9) To consider, select and nominate an independent person to be the Company’s auditor, and to propose such person’s remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
- 10) To prepare, and to disclose in the Company’s annual report, an audit committee’s report which must be signed by the audit committee’s chairperson.
- 11) To notify and advice the Board of Directors regarding matters of business importance, including suggestions on whether to hire external specialized consultants on the company’s expenses to help advice the Board on such matters.
- 12) To perform any other act as assigned by the Company’s board of directors, with the approval of the audit committee.

The Audit committee meets regularly at least once every three months, and each meeting summary is directly reported to the Executive Committee. In 2012, there were a total of five 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.

(3) Nomination and Remuneration Committee

The Board of Directors' meeting No. 1/2011 held on February 23, 2011, has passed the resolution approved the appointment of Nomination and Remuneration Committee to consider the principal and procedure of seeking qualified person to be appointed as a director, and to determine the remuneration of the board of directors of the company. The Nomination and Remuneration Committee consists of at least 3 directors and the Board of Directors shall elect 1 of the member of the Nomination and Remuneration Committee to be the Chairperson of the Nomination and Remuneration Committee. The term of the member of the Nomination and Remuneration Committee lasts for 2 years from the date of appointment, the members whose term of office has expired are eligible for reappointment.

Nomination and Remuneration Committee's scope of authority and duties

To consider the principal and procedure of seeking qualified person to be appointed as a director, and to determine the remuneration of the board of directors of the company in order to propose to the board of directors, including may invite the management to attend the meeting for discussion in accordance with the Securities and Exchange Commission and company's regulation as follows;

Nomination

- 1) Consider and propose the board of directors the nomination of the qualified person as a director, and if necessary to the general shareholders' meeting for approval
- 2) Consider the number, proportion, and experience of board of directors to be suitable to the company's situation, and giving recommendation in searching for a qualified person to be appoint as a director

Remuneration

Consider and propose the board of directors the necessary and appropriate yearly compensation for members of board of directors, various subcommittees and the executives from the president upward, and if necessary, to the general shareholder's meeting for approval.

(4) Risk Management Committee

The board of directors's meeting No. 1/2012 held on February 28, 2012, has passed the resolution appointed the Risk Management Committee to look after the company's risk management due to the current business environment is constantly changing. After the appointment, the risk management committee will prepare the risk management committee's charter to define the roles and responsibilities of the committee to propose the board of directors for approval accordingly.

Risk Management Committee's scope of authority and duties

The Board of Directors's Meeting No. 2/2012 held on May 10, 2012, has passed the resolution approved the Risk Management Committee's authority and duties as follows;

- 1) To determine risk management policy and strategy, monitoring and evaluating the company's risk management
- 2) Oversee the operating result of the company in various aspects.

(5) Executive Committee

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 authorization 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; authorize 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 authorization of the Executive Board, together with the signatures of authorized 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.

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 offenses, 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 shall go through the Nomination and Remuneration Committee which was appointed by the Board of Directors' meeting No. 1/2011 held on February 23, 2011, to 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:
 - 2.1 A shareholder has one vote per share;
 - 2.2 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);

- 2.3 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 chairperson 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 whose 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 date 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 Chairperson 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:
 - 5.1 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;
 - 5.2 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;
 - 5.3 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;
 - 5.4 Being a director who is not related to or is not a close relative of an executive or majority shareholder of the Company;
 - 5.5 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;

5.6 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;

5.7 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. 2/2010, at which Mr. Vitoon Sila-On, 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

1) Remuneration for Board Members

The 2012 General Shareholders Meeting, held on April 26, 2012, resolved to approve the directors' remuneration divided into the following:

Board / Committee	Position	Regular Remuneration for Non-Executive Director (Baht/Director/Month)	Meeting Allowance (Baht/Director/Meeting)
Board of Directors	Chairperson	-	30,000
	Member	20,000	20,000
Audit Committee	Chairperson	15,000	30,000
	Member	10,000	20,000
Nomination and Remuneration Committee	Chairperson	-	15,000
	Member	-	10,000
Risk Management committee	Chairperson	-	15,000
	Member	-	10,000

The regular remuneration and the meeting allowance mentioned above, if approved by the Meeting of Shareholders, will be effective as from May 2012 until the Nomination and Remuneration Committee considers that the remuneration is not suitable to or consistent with the overall economic condition. It will then be proposed to the Board of Directors for consideration and approval for alterations thereto would be sought from the Meeting of Shareholders.

The annual gratuity was fixed at 360,000 Baht for the Chairperson of the board and 240,000 Baht each for the 11 directors of the Company. The gratuity amounts in total to 3,000,000 Baht, and shall be paid in accordance to the period of holding their position.

The comparison of director's remuneration in 2012 and 2011 are as follows;

Remuneration	2012		2011	
	Person	Baht	Person	Baht
Regular Remuneration for Non-Executive Director	6	1,820,000	7	1,210,000
Meeting Allowance	12	1,625,000	12	2,075,000
Gratuity	14	2,960,000	16	2,500,000
Total		6,405,000		5,785,000

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 Executive Committee and Executives

The Company has fixed the Executive Committee and 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 2012, the Company paid remuneration as salaries, bonuses, special rewards and travel expenses to 12 executive committee and executives of totally Baht 29.81 million

3) Other Remuneration

In addition, beside the salaries and bonuses, the Company has fixed the remuneration and welfare in both monetary and non-monetary with fairness and reasonable by consideration of the Company's ability and comparison with other organizations. Other remuneration and welfare are such as company cars, provident fund, life insurance, accident insurance, annual health examination, medical fee and allowance for the death of family member.

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 or an auditor during the election process, where the information regarding the candidates including names, professional work experiences, whether he or she is a board member of another company, and other relevant information would be included in the shareholders' meeting invitation.
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 1 months 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 at least 5 months in advance before the meeting of shareholders;
7. The Company encourages all of its directors to attend meetings of shareholders continuously and regularly every year. In particular, the Chairperson of the Board of Directors, the Chairperson of the Audit Committee 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 at least 5 months in advance before the meeting of shareholders ;

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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 chairperson 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 Chairperson, 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 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 executives 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 2012 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 2013 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 and Provident Fund.
- Society and Environment : The Company is determined to conduct economically and 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 are indicated in the heading "Social and Environment Policies".

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.snpfood.com or via the email address presidentoffice@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	Chairperson, Audit Committee
2) Miss Sophavadee	Uttamobol	Member, Audit Committee
3) Mr. Piya	Sosothikul	Member, Audit Committee
4) Mrs. Chirley	Sawangkong	Secretary, Audit Committee

The purpose is to be in charge of the quality of financial reports and internal control systems. In 2012, 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
- 2 other directors
- 4 independent directors, equal to one-fourth of the whole Board

3. Combination or Separation of Positions

- The Board Chairperson is the representative of the group of majority shareholders, who, in 2012, hold in aggregate 39.83 percent of the shares.
- The Board Chairperson 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 4 independent directors and 2 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 has 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

As the company has expanded its investment continuously, then it needs to develop and standardize the internal control system in order to improve the operating performance and help to achieve the company's goal. To reduce executives' burden and allows easier operation, in 2012 the company has established a regulation in the internal control system within the organization. It is covering all aspects of the business operation, such as sales, marketing, personnel management, finance and accounting system, it can be used as both for the operating reference work and for internal control.

The company recognizes the importance of the independency, fairness and creativity, and includes these aspects to the vision of all departments. And also initiates the quality assurance in organization level such as establishment of auditing development team that is not directly responsible for internal audit, to evaluate the operating result of internal auditing with in the organization in 2 levels; the audited departments evaluate the internal auditor, and the internal auditor to evaluate itself. The evaluating result from both levels will be use to improve the internal audit's performance and to monitor the result from internal auditing.

4.5 Risk Management System

The company is committed to the development of risk management to increase efficiency and effectiveness. In 2012, the company has established a Risk Management Committee to responsible for the organizational risk management other than risk management team that responsible for the departmental level. In the past year, the risk management committee had 3 meetings, to identify the risk factors of all departments across the organization, risk prioritized, established the guilelines for risk management of the company, and assigned responsibility to provide the measures to control and manage the risks to an acceptable level in order to achieve the goals and strategies set forth, and build trust with shareholders and other stakeholders. The risk management committee has considered the change of risk factors and economis condition that may affect the company's operation in each quarter, evaluated major projects proposed by the executive committee to ensure the risk management and monitoring of each project is appropriate and be able to achieve its goal before propose to the Audit Committee and the Board of Directors accordingly.

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 2012, the Board of Directors held 4 meetings in total. The Chairperson of the board attended all the Board meetings, and during the meetings the chairperson 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. 1/2013, held on February 26, 2013, resolved to approve the Board's self-assessment form used for the evaluation of the performance of the duties of the Board of Directors for 2012 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. Result of the evaluation was considered by the Nomination and Remuneration Committee and 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.

Human Resources Policy

The company recognizes the importance of human resources as a valuable resource to the organization. Then the company is committed to develop our personnel to be ready for the business competition, develop staff caring system and skill development programs at all level in order to maintain and enhance their value to the organization, and also to retain valuable employees to enjoy working with the company. Therefore, in recent years the company has focused on the development of executive officers in accordance with the strategic plan of the organization, the major courses include Action Plan in Action, Problem analysis problem solving and decision making, How to effective delegating and controlling in order to develop the executives to be able to convey the ongoing development of employees and support business growth in both domestic and foreign.

Furthermore, the company supports the operation of the S&P Learning Center which authorized from the Ministry of Education to offer course of vocational certificate on retail business, food and nutrition. The company has signed the memorandum of understanding (MOU) with the Office of Vocational Education to open vocational course in Dual Vocational Training system for students across the country that offer the vocation training in the company's outlets. The students in this program will be able to gain experience and earning during school. In addition, the company is cooperating with institution of education to develop undergraduate program of culinary technologies and services in order to produce higher capability chef and restaurant manager.

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	2012		2011	
	Number of Persons	Remuneration (Million Baht)	Number of Persons	Remuneration (Million Baht)
Local Offices	435	182.16	399	167.96
Branch Operation Dept.	4,009	653.46	3,747	543.90
Factories	1,987	294.95	1,711	253.45
Total	6,431	1,130.57	5,857	965.31

Internal Control

The Board has assessed the adequacy of the internal control system in accordance with the guidelines of the Coso to oversee the proper environment, a globalized risk management system and consistency monitoring the operation of the managements, including the development of information and communication systems up to date and appropriate for the business, and efficient monitoring system.

In 2012 the company has established a regulation in the internal control system within the organization in order to improve the operating performance and help to achieve the company's goal and help the executives increase their performance. The regulation is covering major aspects of the business operation such as sales, marketing, credit, procurement, business planning, manufacturing, quality assurance, personnel management, finance and accounting system, information technology system, and internal control management.

The Company's internal control system can be described as follows;

1. Organization and Environment

The organization structure of the company has clearly defined the duties, responsibilities. The objectives were defined by planning and budgeting with measurement which has been used as the reference for the operation. To create incentives to the employees, the company has provided the reasonable remuneration in form of salary and welfare at competitive level.

The company has prepared regulations and ethic to be used as a basic guide and operating manuals for employees. All employees will be trained on a regular basis. The Company has allocated budget, equipment and workplace that encourage performance and safety.

2. Objective Setting

The objectives of internal control have been clearly defined in order to create efficiency, business wise, including the defined duties and responsibilities of each department to encourage their achievement.

3. Event Identification

The company has considered the events that can caused the weakness in the internal control system, the adequate and appropriate internal control to cover all functions, and the study of cases, plobrems and constraints in order to provide the employees the lessons and measures to prevent from happening again.

4. Risk Assessment

The company has more emphasized on risk management, and established the risk management committee in 2012, in addition to the existing risk management team. The risk management committee has approved the risk management manual that provides all departments with in the company the understanding of risk management's objectives, policies and risk management procedures. The manual also includes the risk indentification, risk rating, risk controlling, risk mitigatin, including monitoring and assessment in order to increase the risk management performance of the company.

5. Risk Management Policy

The company has identified the risk factors of the company, its possibilities and prioritized those factors, then determined the appropriate strategy to manage, prevent and set the measure to response. In addition, the company has established the warning sign of each risk factor in order to monitor and manage such risks

6. Controlling Activities

The company has clearly defined the duties and authorities of all executives and officers in written with clearly separation of the duties of operators, controllers and evaluators to achieve a proper controlling, and also result in transparency and prevent fraudulent act. And the defined procedures for each transaction that takes account the interest of the company.

7. Information and Communication

In 2012, the company emphasized on the development of information system to ensure the information with in the company is accurate, complete, up to date and adequate for the managements to make any decision as well as the sufficiency of the security of information systems.

8. Monitoring

The company has a system to monitor its performance against goals and plans set out on a quarterly basis. In case of the operating result differs from the specified target significantly, the managements will analyze the cause, solution and recommendations, and report to the Board of Directors In addition, all departments with in thre company have been monitored through KPI continually.

– DETAILS OF ALL DIRECTORS AND EXECUTIVES –

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mrs. Patara Sila-On Chairperson of the Board of Directors	71	Honorary Degree Business Administration in Management, Rajamangala University Of Technology Isan Doctor in Letters (Honorary) Pine Manor College, Massachusetts, USA Business Administration BBA Boston University, USA	7.11	Eldest sister	Past 5 years / Chairperson of the Board of Directors	S&P Syndicate Public Co., Ltd.
Lt. Varakorn Raiva Vice Chairperson of the Board of Directors, Chairperson of the Executive Committee	65	MA Economics University of Indiana, USA BBA Chulalongkorn University, Bangkok, Thailand	2.10	First brother	Past 5 years / Vice Chairperson of the Board of Directors	S&P Syndicate Public Co., Ltd.
Mr. Pravesvudhi Raiva President	62	BBA Political Science University of Indiana, USA Chulalongkorn University Training Program MMP - Modern Management Program MMM - Modern Marketing Management Director Certification Program Certificate (DCP) Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	5.83	Third brother	Past 5 years / President Director	S&P Syndicate Public Co., Ltd. Charm Issara Development Public Co., Ltd.
Mr. Kachorndej Raiva Director	63	BBA Accounting Chulalongkorn University Bangkok, Thailand Director Certification Program Certificate (DCP) Thai Institute of Directors Association	1.96	Second brother	Past 5 years / Executive Committee Director	S&P Syndicate Public Co., Ltd.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mrs.Kessuda Raiva Executive Vice President, Nomination and Remuneration Committee, President for S&P Golbal Co.,Ltd.	59	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 Capital Market Academy Leader Program 10/2010 Capital Market Academy Poopalungpandin Delegation (Class 1) Chulalongkorn University	7.25	Spouse of Mr. Pravesvudhi Raiva	2008 - Present / Executive Vice President 2006 – 2010 / Director	S&P Syndicate Public Co., Ltd.
Mr. Vitoon Sila-On Director and Company Secretary, Chairperson of Risk Management Committee, Senior Vice President -Domestic Operations	45	MBA Kenan-Flagler Business School University of North Carolina Chapel Hill, NC, USA BBA Boston University Boston, MA 02215, USA Directors Certification Program Certificate (DCP) Directors Accreditation Program Certificate (DAP) Thai Institute of Directors Association	1.07	Son of Mrs. Patara Sila-On	2010 - Present / Director 2007 - 2010 / 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.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Ms. Cattleya Saengsastra Independent Director, Chairperson of the Audit Committee	65	BBA Accounting (Hons.) Chulalongkorn University Bangkok, Thailand Training Thammasat University Program Management Development Program - JJ Kellogg North Western University Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	0.011	- None -	Past 5 years / Independent Director Chairperson of the Audit committee Director, Executive Committee Director	S&P Syndicate Public Co., Ltd. Dynasty Ceramic Public Co., Ltd.
Ms. Sophavadee Uttamobol Independent Director, Audit Committee Director		MBA Business Administration Chulalongkorn University, Bangkok, Thailand BBA Bachelor of Law 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 and Chairperson of the Audit committee	S&P Syndicate Public Co., Ltd. Bumrungrad Hospital Public Co., Ltd.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. Aviruth Wongbuddhapitak Independent Director, Chairperson of Nomination and Remuneration Committee	65	MBA Accounting Information System New York University, U.S.A. BBA Accounting Chulalongkorn University Bangkok, Thailand Directors Certification Program Certificate (DCP) Thai Institute of Directors Association	-	- None -	2010 - Present / Independent Director	S&P Syndicate Public Co., Ltd.
					2009 - Present / Independent Director and Audit Committee 2006 - Present / Independent Director Chairperson of the Audit committee Advisor	TMB Bank Public Co., Ltd. Advanced Info Service Public Co., Ltd. The Siam Cement Public Co., Ltd.
Mrs. Patamawalai Ratanapol Director, Nomination and Remuneration Committee	57	MBA Business Administration Emporia State University, U.S.A. BBA Chulalongkorn University Bangkok, Thailand Directors Certification Program Certificate (DCP) Thai Institute of Directors Association	-	- None -	2003 - Present / Director, Executive Committee Director 1995 - Present / Director	(SCC) Thai Plastic and Chemicals Public Co., Ltd. Deves Insurance Public Co., Ltd.
					2010 - Present / Director 1999 - Present / Chief People Officer Chief Operating Officer	S&P Syndicate Public Co., Ltd. Minor Corporation Public Co., Ltd. and Subsidiaries The Minor Food Group Plc's and Subsidiaries

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. Piya Sosoithikul Independent Director, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee	42	MBA Business Administration Harvard University, U.S.A. ME Chemical Engineering Massachusetts Institute of Technology (MIT) U.S.A. BE Chemical Engineering Massachusetts Institute of Technology (MIT) U.S.A. B.Econ. Economics Massachusetts Institute of Technology (MIT) U.S.A. Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	-	- None -	2010 - Present / Independent Director and Audit Committee 2001 - Present / Executive Committee - Present / Executive Committee - Present / Executive Committee - Present / Director - Present / Director - Present / Director - Present / Executive Committee	S&P Syndicate Public Co., Ltd. Bualuang Securities PLC Seacon Co., Ltd. Thaichuros Co., Ltd. Nanyang Marketing Co., Ltd. Nanyang Industry Co., Ltd. Seacon Development PLC Erawana Co., Ltd.
Mr. John Scott Heinecke Director, Risk Management Committee	42	BA International Business Washington State University U.S.A. BA International Business Washington State University U.S.A. Directors Certification Program Certificate (DCP) Australian Institute of Company Director Association Directors Finance Program Certificate (DEP) Australian Institute of Company Director Association	-	- None -	2012 - Present / Director 2010 - Present / Executive Committee 2009 - Present / Chief Human Resource Officer 2010 - Present / Vice President	S&P Syndicate Public Co., Ltd. S&P Syndicate Public Co., Ltd. Minor Corporation Public Co., Ltd. And Subsidiaries The Minor Food Group Plc's and Subsidiaries

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mrs. Patcharee Chandrachoti Vice President for Operations Department	61	Commerce Diploma, Chao Phraya Commercial College	0.025%	None	Past 5 years Vice President for Operations Department	S&P Syndicate Public Co., Ltd.
Mr. Somjit Kitiweerakul Vice President for Bakery	51	Bachelor of Science (Biotechnology), Kasetsart University - Master of Art, Ramkhamhaeng University	-	None	Past 5 years Vice President for Bakery	S&P Syndicate Public Co., Ltd.
Mr. Chongchana Chantamas Vice President for Food Operations	48	Bachelor of Science (Food Science and Technology), Kasetsart University	-	None	Past 5 years Vice President for Food Operations	S&P Syndicate Public Co., Ltd.
Mr. Pakorn Tiewcharoen Vice President-Trade	42	MBA, Business Administration, SASIN-Kellogg Program - BBA, Business Administration, Assumption 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)

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mrs. Khanyupar Achakulwisut Vice President Finance and Accounting	52	Accounting (2nd Honoured) Chulalongkorn University, Bangkok, Thailand Certified Public Accountant (Thailand) since 1986	-	None	Past 5 years Senior Vice President	S&P Syndicate Public Co., Ltd.

— 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	(02) 185-1313
Facsimile	(02) 185-1274
Email address	presidentoffice@snpfood.com.
Homepage	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 (02) 596-9000 Facsimile (02) 832-4994-6
Corporate auditors	Deloitte Touche Tohmatsu Jaiyos Co., Ltd. Rajanakarn Building, 25th. Floor 183 South Sathon Road, Yannawa, Sathon, Bangkok 10120 Telephone (02) 676-5700 Facsimile (02) 676-5757
Legal counsel	Dr. Suvarn Valaisathien Law Office 68 Soi 8, Sukhumvit Road, Klongtoey, Bangkok 10110 Telephone (02) 253-3427 Facsimile (02) 653-1135

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”)



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S&P SYNDICATE PUBLIC COMPANY LIMITED
457-457/6 SUKHUMVIT 55, KLONGTONNUA, VADDHANA,
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