



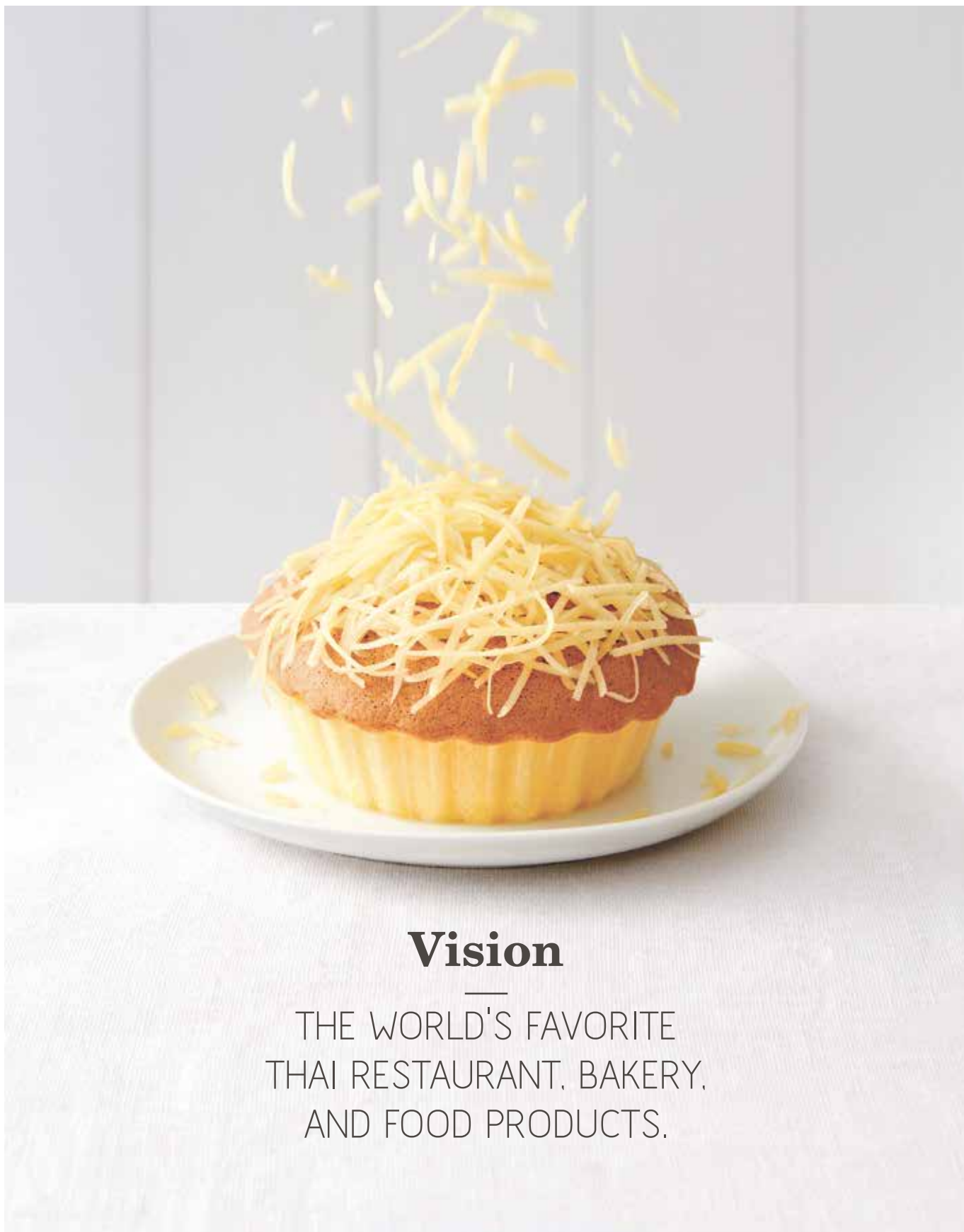
40

YEARS OF HAPPINESS

ANNUAL
REPORT
2013

S&P SYNDICATE PUBLIC COMPANY LIMITED
2034/100-107, ITALTHAI TOWER, 23RD-24TH FLOOR,
NEW PETCHBURI ROAD, BANGKAPI,
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Vision

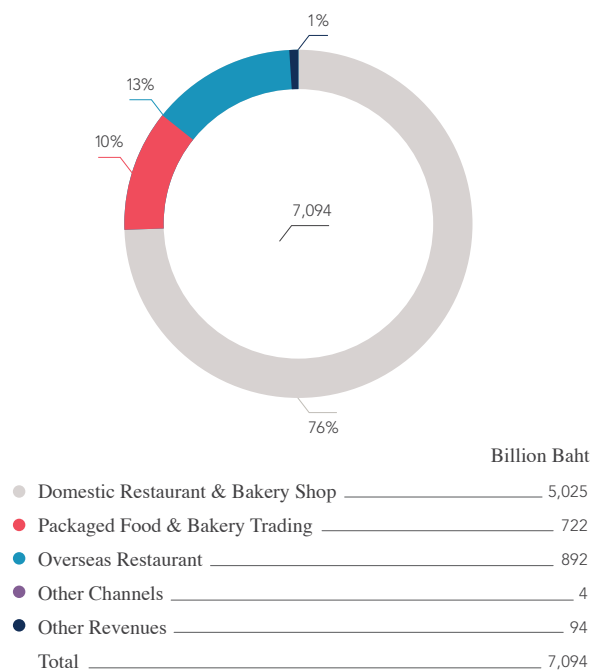
THE WORLD'S FAVORITE
THAI RESTAURANT, BAKERY,
AND FOOD PRODUCTS.

Financial Highlights

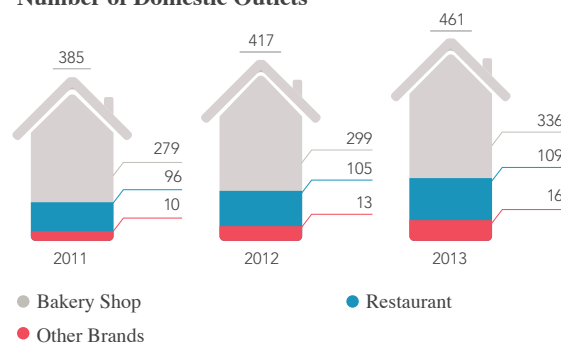
Income Statement (Million Baht)	2011	2012	2013
Total Revenues	5,941	6,635	7,094
Revenues from Sales and Services	5,879	6,527	7,000
Gross Profit	2,632	3,062	3,196
Profit Before Finance Costs and Income Tax Expenses (EBIT)	699	937	802
Net Profit	454	708	626
Balance Sheet (Million Baht)	2011	2012	2013
Total Assets	3,039	3,448	3,539
Total Liabilities	1,129	1,255	1,248
Shareholders' Equity	1,910	2,193	2,291
Paid-up Capital	523	523	490
Financial Ratio	2011	2012	2013
Gross Profit Margin (%)	44.78	46.91	45.66
Net Profit Margin (%)	7.64	10.67	8.82
Return on Major Shareholders' Equity (%)	25.59	35.68	28.92
Return on Assets (%)	15.63	21.82	17.92
Liquidity Ratio (Times)	1.60	1.70	1.47
Debt to Equity Ratio (Times)	0.59	0.57	0.54
Per Share Data (Baht per Share)	2011	2012	2013
Closing Price As at December 31	76.50	172.50	135.00
Par Value	5.00	5.00	5.00
Book Value per Share	19.48	22.36	23.36
Earnings per Share	4.63	7.22	6.38
Dividend per Share	4.00	6.00	5.50
Dividend Payout Ratio (%)	86.45	83.14	86.17

Revenue 2013

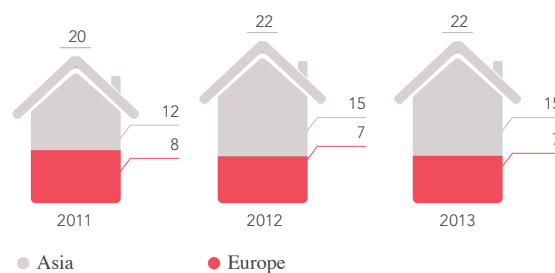
Revenue Breakdown by Distribution Channel



Number of Domestic Outlets

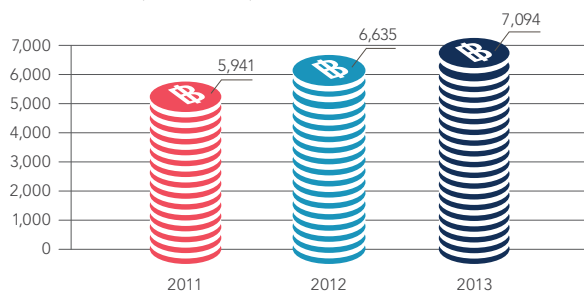


Number of Overseas Restaurants

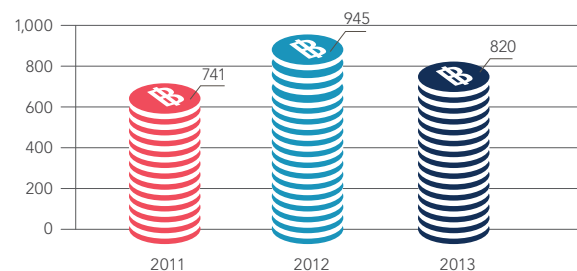


Performance 2013

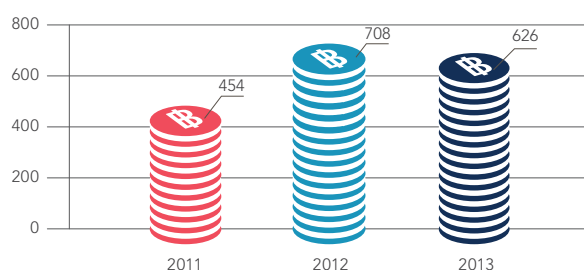
Total Revenue (Million Baht)



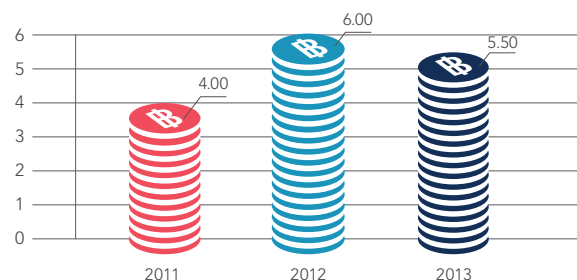
Operating Cashflows (Million Baht)



Net Profit (Million Baht)



Dividend per Share (Baht per Share)



Board Of Directors



THE WORLD'S FAVORITE THAI RESTAURANT, BAKERY, AND FOOD PRODUCTS.



MRS. PATARA SILA-ON
: Chairperson



MS. CATTLEYA SAENGSASTRA
: Independent Director,
Chairperson of the Audit Committee



LT. VARAKORN RAIVA
: Vice Chairperson of the Board of
Directors, Chairperson of the Executive
Committee



MS. SOPHADEE UTTAMOBOL
: Independent Director,
Audit Committee Director



MR. PRAVESVUDHI RAIVA
: President



MR. AVIRUTH WONGBUDDHAPITAK
: Independent Director,
Chairperson of Nomination and
Remuneration Committee



MR. KACHORNDEJ RAIVA
: Director



MRS. PATAMAWALAI RATANAPOL
: Independent Director,
Nomination and Remuneration Committee



MRS. KESSUDA RAIVA
: Executive Vice President,
Nomination and Remuneration Committee,
President for S&P Global Co., Ltd



MR. PIYA SOSOTHIKUL
: Independent Director, Audit Committee,
Nomination and Remuneration Committee,
Risk Management Committee



MR. VITOON SILA-ON
: Director and Company Secretary,
Chairperson of Risk Management
Committee, Senior Vice President -
Domestic Operations



MR. JOHN SCOTT HEINECKE
: Director, Risk Management Committee

Message from Chairperson



◊ THE WORLD'S FAVORITE
THAI RESTAURANT, BAKERY,
AND FOOD PRODUCTS. ◊

Dear Shareholders,

For the past 40 years, S&P has impressively grown in both domestic and international market. We now move forward into the year of 2014, which, according to the Chinese zodiac sign, is the year of the horse; an auspicious implication that all of us will exert our effort to manage all new challenges in business with graceful, swift and powerful manner as the horse's characters. We will thus continue doing our best to maintain our vision that we will be **"The World's favorite Thai restaurant, bakery, and food products."**

Also, for the past 40 years, we have striven to offer the best products and service to our customers as well as constructed the strategy in business expansion to cover all over the country and abroad – in both AEC group and other countries. We have prepared and developed our human resource to be equipped with knowledge and skill through our S&P Learning Center, S&P Training Center and our outlets – the real workplaces. Essentially, we take good care of our staff as they are part of our family; they then passionately and willingly deliver the best service to our customers.

Our impressive and proud expansion into the 41st year is achieved through the endless support from our customers. We will continue to deliver the best products and service to our customers.

On behalf of the Board of Directors, I would like to extend my gratitude and appreciation to our shareholders, business partners, customers, our management team and our staff for their continuous support in the company's endeavor. We will collaborate to achieve the sustainable growth with the consideration of good governance.



MRS. PATARA SILA-ON
Chairperson

Message from CEO



◊ THE WORLD'S FAVORITE
THAI RESTAURANT, BAKERY,
AND FOOD PRODUCTS. ◊

Dear Shareholders,

• The year of 2013 become another great milestone for S&P since our business has already been operated for 40 years. It is 40 years of commitment to sustainably grow to be the leader in producing premium food and bakery as well as providing superb service. Though the past 2013 year was difficult for business due to political unrest and the economic slowdown, with the great cooperation from our management team and staff and also the well supporting from our customers, S&P could achieve a satisfied performance with the total sale of 7,000.2 million baht and net profit of 626.0 million baht.

• From the first day of our establishment in October 14, 1973, S&P was a small outlet in Soi Prasarnmit selling food and ice cream, now we have outlets all over the country and also in Europe and Asia. Still, we have determined to make S&P become where the customer could always find “simply delicious” menu. This has been done through the practice that focusing **“not for the short-term profit, but for the long-term customers”**.

• S&P have thrived with stable and sustainable growth by adopting the management concept of “S&P Simply Excellent”.

• **People Excellence:** We give priority to human resource in all levels of the Company since we realize that the strong organization could not achieve without quality staff. In 2013, we continue to emphasize on **recruiting** via various programs including the scouting for medium-level operation staff, scouting for the management-level staff. For human resource **development**, we have organized training and activities by our learning and training center. Also for **retaining** the staff, we take good care of our staff by providing reward, welfare, health care and recreational activities in order to make everybody feel that we are all in the same family.

• **Product Excellence:** In addition to the emphasis on controlling the taste and quality of our products to always meet the standard and the customers’ satisfaction, we also have continued to create new products year after year. For 2013, we have introduced more than 70 new products to the market with a warm welcome from the customers. Besides, we have brought Umenohana, a new restaurant serving kaiseki style food and well known for its signature tofu and big crab menu, to open its first ever franchise restaurant outside Japan.

• **Process Excellence:** We have moved our head office from Thong Lo Road to Ital Thai Tower, 23rd and 24th Floor, on New Petchaburi Road. This change has brought our staff from all sections to work together in one working space, it helps enhancing the coordination between sections effectively and efficiently. And within this new office, we also have it equipped with the new information technology, modern office equipments, and well-furnished meeting rooms for working process of all divisions to achieve their best performance.

• **Operation Excellence:** This year, we have opened totally 461 outlets; 187 within Bangkok area and 274 in upcountry. This expansion had in line with our strategy plan emphasizing more on provincial locations due to their increasing power of purchasing especially those people in urbanized cities.



MR. PRAVESVUDHI RAIVA
PRESIDENT

At the same time, for the development of our operation and service, we have adopted the FG ordering system to be utilized in our business. Significantly, throughout the year, our internal audit has worked in assessing and controlling the quality of our product and service in order to ensure our customer that we have delivery the same standard product and service in every outlets.

• **Organization Excellence:** In addition to our effort to create the ideal working environment to all people in our organization, we have also extended our good intension to create a better society by continuing our CSR projects that have received good responses every year. These includes our education and training project via our S&P Learning Center, S&P Kitchen for Kids project that designed to support those in-need school in upcountry area, Cake A Wish Make A Wish Project, Dhamma Practice at Raiva House etc. Specially, this year we have been awarded “The Transparency Organization” from the Office of the National Anti-Corruption Commission (NACC); this once again guaranteed our good corporate governance and at the same time encourage us to maintain our working standard.

• WE strongly believe that our advance into the 41st year will continue in alignment with our vision of being **“the world’s favorite Thai restaurant, bakery, and food products”** domestically and internationally. For domestic growth, we try to expand in accordance with our Company’s 5-year strategic plan whereas within AEC we have planned and coordinated until we are expecting our first outlet in Cambodia this year. And we always look for our opportunities to have our new outlets in Europe and China.

• Our success would be impossible without the continual and strong support from our shareholders, our customers, our business partners, and essentially the great collaboration from our management team and our staff of all divisions, who share the same value of providing the products and service **“not for the short-term profit, but for the long-term customers”**, hand in hand endeavor to work through all obstacles. On behalf of the Company, I would like to extend the heartfelt gratitude and appreciation to all of you who have been with us till we advance into our 41st year and we determined to sustainably grow in order to deliver the best to our shareholders, our customer, our business partner, our staff and also our society.



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Nature of Business

Company's History

Restaurant and Bakery business group was founded in October 14, 1973. From food, ice cream and desserts restaurants in Soi Sukhumvit 23 (Soi Prasarnmit), the Company introduced its bakery line and became the leader in custom-made cake decoration and cartoon-designed cake in Thailand as well as in impressive package designing. S&P food and bakery are well-accepted by customers which support the store expansion in major areas in Bangkok and upcountry. In 1980, the Company opened its landmark outlet in Siam Square and applied new marketing strategy to bring in more customers. In addition to this, S&P was among the first operators that opened its restaurant in the department store. For the upcountry expansion, Chiang Mai was where S&P had its first provincial outlet.

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 the contemporary Thai restaurant brands **Patara**; the international restaurant brands **Patio**; the high quality food in unique ambience restaurants brand **Vanilla**; the quality coffee outlet brands **BlueCup**; Thai sweets brand **Simply Thai**; cookies brand **Delio**; Carrageenan jelly brand **Jelio Jelly**. Significantly, S&P is deemed as the pioneer and still the leader in moon cake market with two quality brands, **S&P** and **Golden Dragon**, and with its well-designed and premium package.

For the overseas business, the Company opened its first Thai restaurant under the name **Patara** in London, England, in 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, 2013, the Company has totally 22 overseas restaurants in 7 countries around the world; England, Switzerland, Austria, Taiwan, Singapore, China and Malaysia, under various brands including Patara, SUDA, Siam Kitchen, Bangkok Jam and Bangkok Beat 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, in order to expand its business to cover wider range of customer groups especially

those admirers of Japanese cuisine, in 2012 the Company has brought Maisen - a top brand in Tonkatsu restaurant in Japan - to open its first outlet abroad for the first time. Recently in 2013, the Company introduced a Japanese restaurant serving authentic kaiseki cuisine under the brand **Umenohana**; also the first time to have outlet outside Japan.

The year of 2013 auspiciously marked the 40 years of its operation, in order to be the leader in food and bakery business, the Company has striven to develop and create the new products as well as to expand its business to cover all over the country and abroad without failing to offer its customers with the quality products and good service.

Business Overview

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 and 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, 2013, the Company operates 461 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 & Bakery	61	48	109
S&P Bakery Shop	113	223	336
BlueCup	2	1	3
Vanilla Group	4	-	4
Patio	1	-	1
Bangkok Shokudo	1	-	1
Patara	1	-	1
Grand Seaside	-	1	1
Maisen	3	1	4
Umenohana	1	-	1
Total	187	274	461

Remark : The Company operates 250 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, 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 customers 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 Brasserie: Café / Patisserie Salon de the Creperie / Chocolatier / Confiserie**

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

- **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 customers.

- **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.

- **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) Bangkok Shokudo

A contemporary restaurant serves the Thai fusion menu. The restaurant has been modernized to offer the contemporary urban lifestyle with the trendy atmosphere, the creative menu and the outstanding decoration.



(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

The restaurant offers seafood and Thai fusion food in a relaxing ambience at Laem Farn, Sriracha, Chonburi Province.

(8) BlueCup Coffee

BlueCup Coffee is quality coffee outlets in the S&P shop and restaurant. It started up for the first time on January 21, 2002 at Siriraj Hospital, which at that time the coffee market has just 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 250 S&P sales outlets all over the country. In addition to this, BlueCup Coffee also has a standalone-store type with its first outlet at Central World Shopping Plaza and Complex and the latest one at Suvarnabhumi Airport. 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 holds 80% and 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, 2013, the Company operates 22 restaurants in seven countries, as follows.

	England	Switzerland	Austria	Tiwan	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, Singapore, China and Austria.

• SUDA: Thai Cafe Restaurant

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



- **Siam Kitchen: Authentic Thai Restaurant**

Siam Kitchen chain is well-accepted in Singapore. The Halal certified chain 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 Bristro”.



2.2 S&P Asset Co.,Ltd.

Paid up capital of 1 million baht, of which the company holds 99.93% and 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 holds 99.99% and 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.

Established 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 for Tonkatsu as soft enough to cut with chopsticks, making 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 Silom Complex (B Floor), Suvarnabhumi Airport and Siam Paragon Shopping Center.



2.5 Umenohana S&P Co.,Ltd.

Established on June 26, 2013 to operate Japanese restaurant and food products in Thailand with the paid up capital of 25 million baht where 60% of its shares are held by S&P Syndicate Public Company Limited and another 40% are held by Umenohana Co.,Ltd. It currently operates a franchise Japanese restaurant “Umenohana”

• Umenohana

Umenohana is a Japanese restaurant with three main concepts as follows; (1) it is an authentic kaiseki cuisine deeming that the food consumption is not merely feeding one's hunger but fulfilling one's inner satisfaction, (2) It offers beyond-expectation deliciousness focusing that each dish must always be special, especially its signature dishes – those menus made of Tofu or King Crab, and (3) It provides customers with unforgettable experience from well and consistently trained staff.



3 Business Operations by Associate Companies

3.1 HD Distributors (Thailand) Co.,Ltd.

Paid up capital of 100 million baht, of which the company holds 47.99% and 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 23 Häagen Dazs Cafés and many more in hotels, restaurants, hypermarket and leading supermarkets.



• Foodhouse Catering Services Co.,Ltd.

Paid up capital of 10 million baht, of which the company holds 49.97% and engages in various food businesses related such as operation of canteens, food production, contracts, food preparation for institutions such as hospitals, factories, and school. This is a joint venture with Property Care Services (Thailand) Co. Ltd., a subsidiary of OCS (U.K.) Co. Ltd. under the brand “Food house”.





Products and Services

1. Bakery Products

Being the leader in cake and bakery products for more than 40 years, the company continues to introduce new products and packaging designed 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 2013, the company has increased value to the product by adding the copyright of Angry Birds design to cakes.



1.2 Cupcake

Given the success of our pound cake and cake slices, we are determined to develop new ideas and the cupcake was born with new designs emphasizing different flavors. Convenient for all occasions, our cupcakes come in cute, chic, and even DIY styles. Our cupcakes maintain freshness and taste in each and everyone of them.

1.3 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.



1.4 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.





1.5 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 GABA rice, high calcium bread, pumpkin bread, and carrot bread.



1.6 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. For the year of 2013, the Company has introduced 3 new fresh baked cookies; Macadamia & White Choc Chewy Cookie, Double Choco Chewy Cookie, and Oatmeal & Cranberry Chewy Cookie.

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.



1.7 Mooncake

The Company is dedicated to delivering fresh Mooncake with longer shelf life. As a leader and well accepted by the customers 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.



1.8 Thai Sweet Delicacies

In addition to a variety of both traditional and contemporary Thai sweets in irresistible packages, the Company also 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 offers not only impressive varieties, but also carefully cooked to ensure tastiness and healthiness. Our packaging design is not only modern look, but 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 various new menus including Stir-Fried Salmon with Thai Herbs and Rice, Black Glutinous Rice in Coconut Cream, Water Chestnut Coated with Tapioca Starch in Coconut Cream.



2.2 Sausage: Premo

We have various types of sausage, ham, and bacon under "Premo" brand to meet diverse demands of middle-to-upper group customers. With our exclusive formula, we select the finest quality of meat and delicately produce it under high standards to ensure excellent quality products. S&P Sausages are distributed through modern trade channels nationwide. In the past year, the company has continuously introduced new products to the market including Italian with Mozzarella Cheese Sausage, and Pork Basil Sausage.



2.3 Caragenan Jelly: Jelio 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. The latest one introduced in 2013 is blackcurrant flavor.

2.4 Dry Mix: Royalee

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

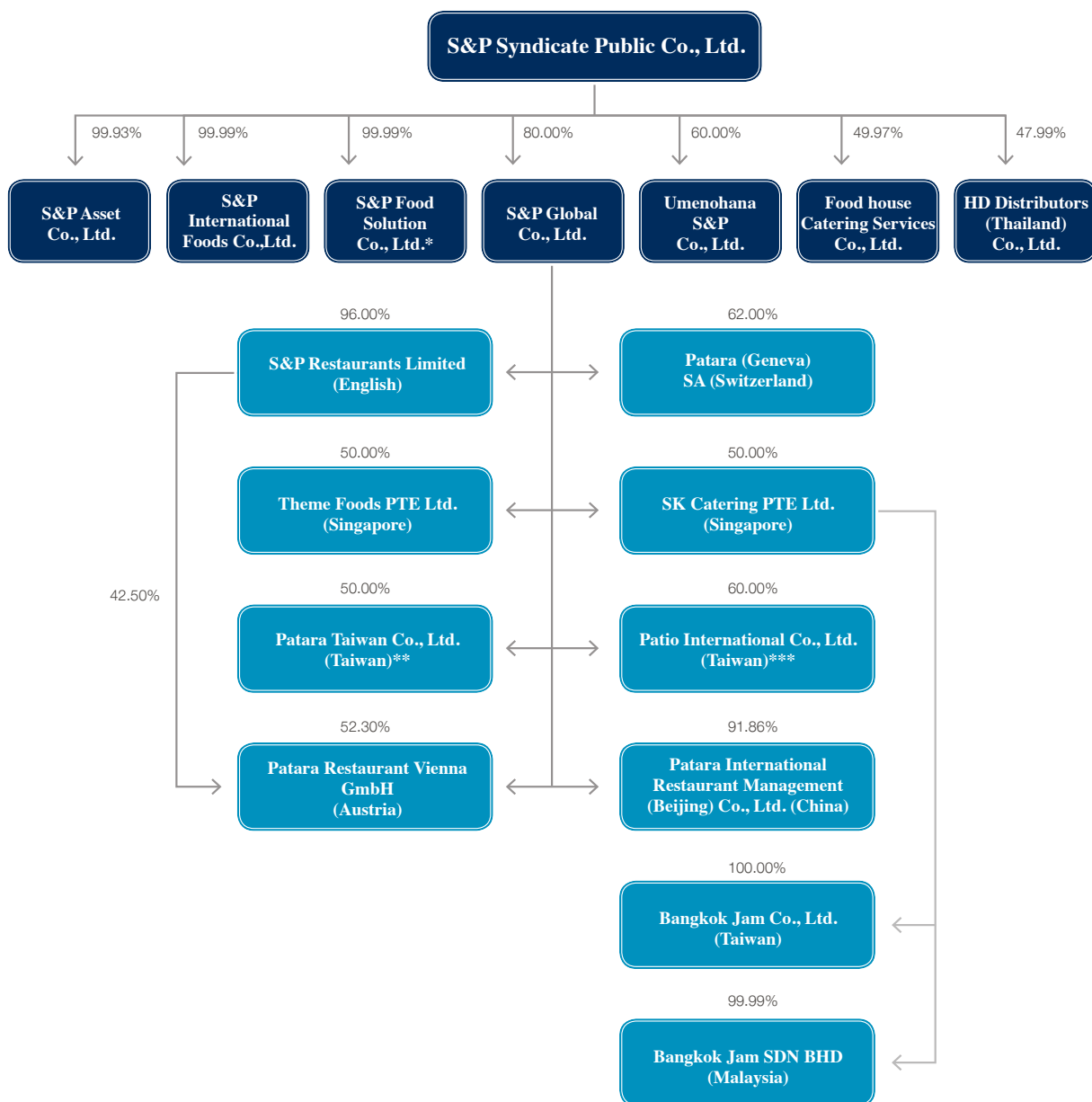
S&P Group provides home and office delivery services for its products through 1344 “hotline” to meet every customer’s need and life style with fresh food and fast delivery. We deliver you not only food and services but also value and convenience.



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, 2010
- ** Has ceased its operation since September 30, 2007
- *** Has ceased its operation since October 16, 2011

Organization Chart



The average number of employees in 2013 = 7,257

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. Patamavalai | 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. Patamavalai | 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 4 members.

- | | | | |
|-----|------------|----------------|--|
| (1) | Mr. Vitoon | Sila-On | Chairperson of the Risk Management Committee |
| (2) | Mr. John | Scott Heinecke | Risk Management Committee |
| (3) | Mr. Piya | Sosothikul | Risk Management Committee |

Executive Committee

The Executive Committee comprises 7 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
(7)	Ms. Patamavalai	Ratanapol	Executive Committee Director

Management Team

(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. Somjit	Kititeerakul	Vice President for Bakery
(6)	Mr. Chongchana	Chantamas	Vice President for Food Operations
(7)	Mr. Pakorn	Tiewcharoen	Vice President-Trade
(8)	Mrs. Khanyupar	Achakulwisut	Vice President-Finance and Accounting

Remark: Details of all Directors and Executives are shown later under the topic Details of All Directors and Executives

Economic Situation and Competition

In macro perspective, Thailand in 2013 encountered the economic slowdown resulting from factors both inside and outside the country. On one hand for the global economy, though the European, the US and the Japanese economies have shown the sign of recovery, it was not enough to ensure the confidence of the general investors due to the new round of war in the Middle East. Also, the Chinese economy has lost its allure comparing to the previous period. On the other hand, the domestic economy have severely affected from the decline in private consumption and investment. This, according to the Kasikorn Research Center, was a result of the high level of household debt, the end of the first car project, the decrease in farmers' income, and the fluctuating commodity prices. Moreover, from the beginning of the year till around the mid-year period, the baht value had been strengthened as a result of the inflow of international capital. The country's export thus lost its competitive ability, exacerbating the situation after the previous increasing in labor cost. Later on, though the baht have devalued, the export sector could not improve much since the demand from those trade counterpart countries have also declined. For the whole year, the growth of the country's export was approximately 3.7 percent. The country's GDP that has been adjusted several times also limited to the level of around 3 - 4 percent.

Specifically focusing on food and bakery market, in 2013 the competition still continued in its high level. According to Kasikorn Research Center, it was forecasted that the market value for chained restaurant in 2013 was worth 97,431 million baht with the growth of 14% comparing to the previous year (worth 85,466 million baht). The outstanding ones with higher growth than their competitors were those offering Asian cuisine especially Japanese and Thai restaurants. The popular trend, the effective marketing strategy, and also the change in Thai consumer behavior that opts to dine more in these chained restaurants were the main contribution factors to their growth. For the bakery market, its market value in 2012 as shown in the study by Larive (Thailand) equaled 27 billion baht. Within the past few years, the growth of those main players in the market was approximately 10% per annum and it was expected to continue growing with two-digit number for some years. The promising trend in bakery market was congruent with the Thai people's expense on snack that was rather high comparing with its neighboring countries; averagely 126 baht per time - higher than Singaporean and Philippines that paid 99 and 69 baht per time respectively (This figures have been collected in March 2013.) The new trend in bakery market, according to Kasikorn Research Center, is the increase in healthy products, the introduction of new franchises from abroad, the innovation of bakery products in response to local taste, the change in dining out behavior for bakery - more people will enjoy eating bakery at its outlet especially ones with homemade or fresh-baked style. Moreover, people are likely to pay more for bakery consumption especially those offering satisfaction in taste, quality and stylishness.

For S&P's food and bakery business, we have marked our 40 anniversary in 2013 with the total of 461 outlets. However, since the market in Bangkok almost reaches its saturated point, the Company then aims for more expansion in provincial areas. We expect to have averagely 50 new outlets per annum in order to hit the target of 1,000 outlets in the next 10 years. The significant strategy to sustain our growth also includes the creating or introducing new brands and, clearly and differently positions each brand. We try to achieve our target of providing a wide range of restaurant and product to meet with the rapid change in customers' behavior. At the same time, in addition our two existing plants in the North and the South, we are preparing to increase our production capacity by planning to build the new plants in the Northeast and the East within 2 - 3 years. In Bangkok, where we currently have 3 plants, we are also planning to increase our production capacity by two-fold. The challenge for S&P is the expansion in international market in order to raise the revenue from 10% to 50% in 2023 while the revenue from domestic market will become 50% (from the current of 90%.) With the world recognition and popularity of Thai cuisine, there is still a room for the growth of Thai food and bakery business.

Notable Events

For our operation in the past 2013 year, the Company has been challenged with both the slowdown of the domestic economy resulting in the decline of consumer purchasing power whereas the global economy was much fluctuated. In spite of this difficult situation, the Company still aimed to maintain the operation in accordance with our strategy plan that included the business expansion, the product development, and also the marketing activities to raise the awareness of the customers as well as to increase the sales for the Company. At the same time, the Company also managed to do the corporate social responsibility activities as well.

Business Expansion and Portfolio Development

- In 2013, the Company has expanded its core business by opening totally 67 new S&P outlets and also renovating or redecorating some of our existing outlets in 87 locations in order to keep up with the new trend and to enhance the efficiency in restaurant or bakery shop management. This expansion and development is mainly aimed to satisfy the customers' expectation.
- In May, we opened Bangkok Shokudo at the United Center Building (B1 Floor) in Silom. This contemporary restaurant serves the Thai fusion menu. The restaurant has been modernized to offer the contemporary urban lifestyle with the trendy atmosphere, the creative menu and the outstanding decoration.
- In June, Umenohana S&P Co., Ltd. was established to operate Japanese restaurant and food products in Thailand where 60% of its shares are held by S&P Syndicate Public Company Limited. It currently operates a franchise Japanese restaurant "Umenohana"; A Japanese kaiseki restaurant located on the 3rd floor of Nihonmura Mall, Soi Thong Lo 13 (opened in September).
- In response to the warm welcome from our customers, this year we have opened another 3 branches of Maisen; J Avenue branch in September, following with Suvarnabhumi Airport branch and Siam Paragon branch in November.
- To allow more customers especially those travelers to experience our delicious coffee, in November this year we have opened BlueCup stand-alone coffee shop at Suvarnabhumi Airport. Besides offering various hot and cold drinks, breakfast, sandwich and some simple menus are also available.
- Through out the 2013 year, the Company's R&D division has innovated new products for more than 70 items and could generate revenue to the Company more than 300 million baht. These new products included Angry Birds' 3-dimension cake, Choco Banana Cupcake, Cheddar Mamon, New Quick Meal (Crabmeat Chili Paste Fried Rice with Grilled Salmon, Rice with Hot & Sour Prawns & Chaom Soup, Spaghetti Prawns and Black Pepper Sauce, Spaghetti Salmon and Pesto Sauce.) In addition to this, our R&D division also renovated more than 20 items of our existing product and packaging.

Awards and Accomplishments

- The Company has been awarded "The Transparency Organization of 2012" from The Office of Anti-Corruption Commission on its 3rd award ceremony in August 14, 2013. Only 4 organizations has been awarded this year.
- Mr. Pravesvudhi Raiva has been awarded a winner for the Outstanding Entrepreneurship of Thailand in Asia Pacific Entrepreneurship Awards 2013 Ceremony in October 29, 2013. This award has been given to those being considered outstanding in business management with a commitment in creating a sustainable growth.
- The Company has been certified as a member of the Collection Action Coalition in June 5, 2013.

Sale-Oriented Marketing Activities

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

- **Summer Time in S&P:** During March 1 - May 31, 2013 S&P introduced our signature cooling down menu e.g. khao chae, mango with sticky rice. Joy Card members, AIS customers, and SCB credit card holders enjoyed a free mango lime punch when order food in "Summer Time in S&P" menu for every 350 baht.
- **40 Anniversary Delicious Coupon:** To thanks for their long-time supporting, on the occasion of our 40 anniversary we reward our customers when they dine in our restaurant up to 400 baht by giving discount coupon worth 400 baht for their next time discount.
- **50% Discount for the Second One:** For bakery sale promotion this year, we offered a 50% discount for the second piece purchasing of our 3 favorite bakery products namely pie, butter cake and banana cake. Besides widely offering delicious products to our customers, this promotion also attracted more customers with the potential of buying other products in our outlets.
- **20% Discount on Wednesday:** In order to increase sales volume of bakery product, the Company has continue from last year to adopt this marketing promotion every Wednesday. This 2013 also witnessed the well response from the customers.
- **Mooncake:** S&P has been considered as a market leader in mooncake and the original for Durian Mhonthong filling. This year's promotion included "Buy 4 Get 1" (Buy 4 boxes, and get free 1 more box). And to reach for wider customers, S&P also had its mooncakes on shelf in 7-Eleven and Family Mart.
- **BlueCup D-Day:** Every month, one day was dedicated to this promotion; customer bought 1 cup from BlueCup menu and enjoyed another cup for free of charge.
- **Cloud Nine Activity:** Another promotion from BlueCup, customer received 1 point from buying a drink from BlueCup menu. By collecting up to 9 points, the customer could enjoy another drink for free as well.

Corporate Social Responsibility Policy

Overall Policy

S&P Syndicate Public Company Limited has been doing CSR (Corporate Social Responsibility) activity 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 they are always acceptable at national and international levels of standard to customers’ satisfaction.

CSR Activities in detail

In addition to the highly concern in selecting quality raw material and deliver the best products to the customers, the Company also operates by practicing the corporate social responsibility (CSR). The important activities of the Company in the past 40 years are as follows.

Anti-corruption Policy

Being aware of the importance of complying with the corruption policy, S&P and its subsidiaries have participated in Committee Nation Associate Anti-Corruption Network (NACN) and have also been certified as a very first group member of the Thai Institute of Directors’ Private Sector Collective Action Coalition against Corruption in July 5, 2013. In addition to this, the Company and its subsidiaries have also set the code of conduct and organized the activities campaigning against corruption that led the Company to be awarded NACC Integrity Awards 2012 from The Office of Anti-Corruption Commission on its 3rd award ceremony. This award has guaranteed the good governance that the Company and its subsidiaries have been practicing throughout its operation. And for this year, in order to continue the intention in campaigning against corruption, the Company and its subsidiaries organized the activity called “Kick off – Anti-Corruption” in August 2, 2013 at the Queen Sirikit National Convention to encourage the organization’s staff to be aware of the corruption and work against it. This activity was very success with the participation from all division of the Company and its subsidiaries.

Responsibility for consumer

The Company and its subsidiaries’ policy is to focus on producing quality and safe product in according to the law and international quality standard by controlling the whole process of food chain: from the quality of raw material to the consumption of the consumers. The back tracking system also has been applied in order to ensure the consumers in quality and safety in consuming products under brand S&P, Premo, Delio, Patio. The Company and its subsidiaries determined to continue developing in line with the growth of the market and quality standard in international level to satisfy the need of the consumers domestically and internationally

(1) Food line production

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, ISO22000:2005, IFS and BRC by SGS (Thailand) Ltd.

In 2013, the food line of the Lat Krabang Factory has been inspected by the United States of Food and Drug Administration (USFDA); the inspection included the frozen ready to eat products, seafood and dessert. This was to ensure our customers in quality and safety of exporting products. Meanwhile, the factory is on the process applying for certifying the frozen ready to eat product with chicken (EST Number) from the Department of Livestock Development. This practice again has intended to raise the standard of the product quality and also the safety of the customers in European continent and other countries where this product is aimed for exporting.

(2) Bakery line production

For the past 40 years, the bakery line has always carried out production continuously under qualify systems acceptable to international standards. In this regard, the Sukhumvit Factory has had its production 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 in 2012, the scope to accreditation of 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.

The Bangna Factory has had its production accredited pursuant to the Good Manufacturing Practice (GMP) from 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.

Environment Conservation

The Company has been aware of environment conservation in many ways. In 2013, the food line of the Lat Krabang Factory initiated the energy saving project by installing the LED lamps in all production area and food packaging room. This helped save energy as much as 67% and also decrease the hazard wasted.

Also the bakery line production at Bangna Factory participated in Environmental Good Governance Project of Samut Prakarn's Office of Industry, Provincial Electricity Authority's saving energy project in industrial sector by utilizing LED lamp, also campaigning the use of plastic baskets instead of the paper ones for packing and transporting production in the factory.

Moreover, the Company also responded to the invitation to the Human Resource Institute, Thammasat University, in November 24, 2012, to participate in the "Unity of Thai Forces to Keep Water Clear in All Ditches and Canals" Projects by giving support to ditches and canals in Min Buri District.

Participating in Developing the Community and Society

(1) S&P Learning Center

From the vision of the high-ranking management regarding "human resource" stating that "Individuals in the Company, wherever they are, are deemed as important assets that must be developed for maximum efficiency", thereby conceiving a notion that supports learning in the form of learning center; 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 they are able to continue working in the organization.

For the past 2013, the S&P Learning Center attached importance to education by implementing educational program in association with nationwide academic institutes and schools, for example:

- Admitting those disadvantaged students from the Rajaprajanugroh and Suksasongkra School nationwide to school at vocational certificate level in the fields of retail business and food and nutrition. Upon the completion of their education, they could join the Company.

- Collaborating with the Department of Vocational Education in admitting vocational students at vocational certificate, higher vocational certificate, and bachelor's degree levels from provincial regions to dual system of apprenticeship in various working units of the Company and provided training on food and bakery business and also back office skills to groups of teachers and students. This year, there were more than 50 institutes sending their students to train with the Company.

- Collaborating with university level institutes to school at bachelor level in the fields of food and service, and retail business in order to cultivate the human resources equipped with the knowledge and skill in food and service business that suit with the demand of the Company. Upon their completion, the students from this program can immediately become chef or store management staff. The institutes collaborating in this program included Suan Dusit Rajabhat University and Phrae Vocational College.

- Collaborating with university level institutes in admitting the students to train in on-the-job training and career training in the Company outlets/office/factory. The institutes collaborating in this program included Thunyaburi Technology University, Assumption University, Chulalongkorn University, Kasetsart University etc.

- Collaborating with vocational school in preparing a bachelor level course for operation division in accordance with the policy of The Office of Vocational Committee such as retail, business, food and nutrition etc.



(2) S&P Kitchen for Kids, Year 5th Program

S&P Syndicate Public Company Limited had implemented the S&P Kitchen for Kids Program continuously until the 5th 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 human resource of the nation in the future. The Company aims to introduce this program to all regions of the country; the past years' areas included the North, the South, the Northeast and the West. In May and June 2013, it focused 2 locations in the Northeast: Suksasongkroh Nangrong School in Burirum, and Racha Prachanukroh 32 School in Ubolrachathani. The activities included 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 hydroponic vegetable garden and mushroom growing sheds that would provide materials of fresh and clean quality for lunch cooking and also serve as learning sources for children. Moreover, this program also prepared lunch and gave confectionery to students as well.

(3) Dhamma Practice Venue, Raiva House

In 1979, Mother Chamnong Raiva gave out, as a dhamma practice venue, the Raiva House at Tambon Bang Phra, Chon Buri Province, where she had been born and which had been built by Father Suriron Raiva, whereupon Mother Dr. Siri Krinchai was invited to introduce a training course for mental development and the training had 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 dhamma practice in association with employees of the Company.

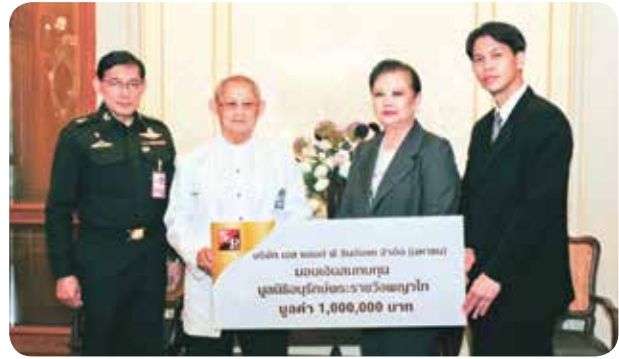
In 2013, Raiva House had provided dhamma practice totally 18 courses with 762 people from both the Company's employees and the public participated in the program

Activities for Society and Environment



(1) "Cake A Wish Make A Wish" Project

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 10th year.



(2) Donation for the Renovation of Phaya Thai Palace

In July 2013, the Company donated 1 million baht to Lieutenant General Thamrongrat Kaewkarn, The president of Phaya Thai Palace Foundation, for restoration of Phaya Thai Palace; the historical royal residence built in Rama V era.



(3) Donation for those affected by the flood

In August 2013, at the Army Wives Association on Vibhavadi Rangsit Road, the Company donated 12,000 S&P mooncakes worth of 1.1 million baht to Assoc.Prof. Naraporn Chan-ocha, the President of The Army Wives Association, to help those affected by the flood.

(4) Social Security Project: Blood Donation Dedicated to His Majesty the King, a collective campaign by employers, employees, and insured persons

The Bakery Line Production Division, S&P Syndicate Public Company Limited, in collaboration with the Social Security Office 12 (Bangkok) and Assumption Association, hold a blood donation campaign at Rajavithi Hospital in November, 2013 to commemorate H.M. the King's birthday on December 5, 2013.

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 order to achieve the duty and responsibility mentioned above, in 2013, the audit committee held 4 meetings with the auditor, the internal auditor, and involved persons. All members of the audit committee participated in every meeting and also held a meeting with the auditor without the management. Key summary of the meeting are as follows:

1. Quarterly and yearly review financial position of the company and its subsidiaries in 2013

The meetings were held with the auditor, the internal auditor, the finance and accounting manager, and involved persons, to consider and review the Company's information, evidences and accounting system, and also to inquire and to obtain the satisfied clarification of the main issues 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 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 and the accounting division agreed with, led the auditor to express its opinion without any condition in 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 and involved management division to assess internal audit and the computer system used for financial recording and operation. In reference to the Company's internal control system together with the authorization in writing to all departments within the organization for their operation, the audit committee had an opinion that the Company has sufficient internal control and the computer system suited with its business and management and was in accordance with the auditors' assessment.

3. The internal auditing

The audit committee has assessed the operation in according to the approved annual audit plan and found that the results were well beyond the target in developing the job in line with the vision; to creatively audit in order to add value to the organization as stated in the good corporate governance principle. It was found that the internal audit was able to set the mission, strategy and plan successfully when compared with the target. This could be considered from the summary in the internal audit's quarterly report that revealed what have been monitored and the opinions shared with the divisions where the assessment took place in setting the improving measures, and in following up the improvement for enhancing the efficiency of each operation unit. In addition to this, the internal quality assurance also has been set by allowing the divisions that have been audited to assess the auditing process; the result revealed that they were satisfied.

4. Review rules and regulations comply

The audit committee reviewed the internal audits and related management division and found that majority comply with rules and regulations. The minority issues were followed up and promptly resolved. Besides, there was an agenda in considering the changing of laws, accounting standard and other issues which have implications to the business operations in each quarter in order to have study and regulation conforming to the change.

5. Assessment of risk management

This year the audit committee has assessed the risk management by the risk management committee and found that its operation conformed to the regulation in risk management and could also manage to decrease the risk, especially those significant ones, to the acceptable level. This could be evidently witnessed from the continuously improved performance when compared

to the past years. In this annual report, the significant risk factors are presented. Moreover, for the major extension projects and new projects, the Company has set the regulation for risk assessment including the forecast of those risk factors impeding the success of the project and the methods to decrease the risk in advance.

6. Review intra-company transactions regarding conflicts of interest

The audit committee considered the proper and adequacy of internal auditing the intra-company transactions or connected transaction which may lead to conflict of interest. It was found that in 2013 the company and its subsidiaries engaged in normal business transactions and these intra-company transactions were also considered normal transactions according to an announcement of The Stock Exchange of Thailand. The adequate information was properly disclosed in the annual report.

7. The promotion of good corporate governance

This year the Company promoted the development of the internal control system together with the effective self-control assessment, the authorization in writing to all departments within the organization for their operation, the proper assessment of risk management, the business management in according to the changed scenario, and the organization of the activities to promote the communication to staff in all levels to effectively understand and act according to the code of conduct. Specially, in anti-corruption aspect, the Company has been awarded “The Transparency Organization” from The Office of Anti-Corruption Commission and also has been certified by IOD as a member of the Collective Action Coalition against Corruption.

8. Propose to appoint the auditor and its remuneration

The audit committee reviewed the performance and qualification 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 2014 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 the Managements, the audit committee has one meeting with the auditor without the Managements. 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, 2013, 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, 2013, 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, 2014

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

S&P Syndicate Public Company Limited And Subsidiaries

Statement Of Financial Position

As At December 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
ASSETS		2013	2012	2013	2012
CURRENT ASSETS					
Cash and cash equivalents	5.1	546,855,517	443,457,851	372,043,713	313,295,311
Temporary investments	6	439,211,582	831,527,004	427,086,031	825,090,407
Trade and other receivables	7 and 16	267,822,322	254,983,793	258,671,081	232,519,811
Short-term loans to related parties	8 and 16	7,500,000	7,500,000	81,468,780	7,500,000
Inventories	9	317,951,587	270,787,396	302,752,505	261,139,000
Other current assets		15,559,977	14,228,916	6,824,789	9,311,037
Total Current Assets		1,594,900,985	1,822,484,960	1,448,846,899	1,648,855,566
NON-CURRENT ASSETS					
Deposits used as collateral	10	4,470,604	24,338,760	583,660	20,583,660
Investments in associates	11 and 16	62,510,912	57,353,117	48,998,000	48,998,000
Investments in subsidiaries	11 and 16	-	-	105,996,000	50,998,700
Other long-term investment	12	10,000,000	10,000,000	10,000,000	10,000,000
Property, plant and equipment	13	1,489,904,511	1,222,471,723	1,181,361,609	975,652,424
Leasehold rights	14	92,429,955	87,411,313	70,041,731	69,982,080
Intangible assets	15	13,781,941	8,102,950	13,624,219	8,102,950
Long-term deposits		213,664,495	168,247,941	153,926,464	126,460,783
Deferred tax assets	17	24,788,661	18,603,956	24,710,502	18,525,797
Other non-current assets		32,700,893	29,149,966	18,082,779	11,976,765
Total Non-current Assets		1,944,251,972	1,625,679,726	1,627,324,964	1,341,281,159
TOTAL ASSETS		3,539,152,957	3,448,164,686	3,076,171,863	2,990,136,725

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

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Financial Position (continued)

As At December 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
LIABILITIES AND SHAREHOLDERS' EQUITY		2013	2012	2013	2012
CURRENT LIABILITIES					
Bank overdrafts	18	2,057,658	-	-	-
Trade and other payables	16 and 19	875,372,420	834,502,025	759,407,894	731,282,654
Current portion of long-term borrowings from financial institutions	20	24,357,908	35,103,805	-	-
Current portion of financial lease liabilities	21	1,808,476	3,440,248	1,808,476	3,440,248
Current income tax payable		109,311,235	1 30,770,440	100,082,814	122,049,612
Provision for customer loyalty programmes		5,075,237	3 ,161,274	5,075,237	3,161,274
Other current liabilities					
Value added tax payable		49,092,009	43,932,140	25,346,590	24,546,624
Others		19,316,205	22,374,374	16,126,631	14,032,584
Total Current Liabilities		1,086,391,148	1,073,284,306	907,847,642	898,512,996
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	20	41,486,591	78,295,475	-	-
Financial lease liabilities	21	1,146,312	3,179,535	1,146,312	3,179,535
Deferred tax liabilities	17	2,438,114	1,702,867	-	-
Employee benefit obligation	22	112,832,717	95,100,663	105,722,258	88,827,904
Other non-current liabilities		3,643,604	3,817,703	-	-
Total Non-current Liabilities		161,547,338	182,096,243	106,868,570	92,007,439
TOTAL LIABILITIES		1,247,938,486	1,255,380,549	1,014,716,212	990,520,435

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Financial Position (Continued)

As At December 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)		2013	2012	2013	2012
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	23				
Authorized share capital					
98,081,673 ordinary shares of					
Baht 5 each		490,408,365		490,408,365	
104,686,273 ordinary shares of					
Baht 5 each			523,431,365		523,431,365
Issued and paid-up share capital					
98,081,673 ordinary shares		490,408,365		490,408,365	
Baht 5 each, fully paid					
104,686,273 ordinary shares			523,431,365		523,431,365
Baht 5 each, fully paid					
PREMIUM ON ORDINARY SHARES		689,980,549	689,980,549	689,980,549	689,980,549
RETAINED EARNINGS					
Appropriated					
Legal reserve	24	52,343,137	52,343,137	52,343,137	52,343,137
Treasury shares reserve	25	-	250,951,475	-	250,951,475
Unappropriated		989,365,404	894,293,806	827,116,364	732,254,003
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(19,399,317)	(33,215,222)	1,607,236	1,607,236
TOTAL ATTRIBUTIONS TO OWNERS OF THE PARENT		2,202,698,138	2,377,785,110	2,061,455,651	2,250,567,765
TREASURY SHARES	25	-	(250,951,475)	-	(250,951,475)
NON-CONTROLLING INTERESTS		88,516,333	65,950,502	-	-
TOTAL SHAREHOLDERS' EQUITY		2,291,214,471	2,192,784,137	2,061,455,651	1,999,616,290
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,539,152,957	3,448,164,686	3,076,171,863	2,990,136,725

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

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Comprehensive Income

For The Year Ended December 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2013	2012	2013	2012
Revenues from sales and services		7,000,152,983	6,526,636,529	6,046,715,384	5,663,165,823
Cost of sales and services		(3,804,207,560)	(3,464,754,481)	(3,547,575,068)	(3,242,804,296)
Gross profit		3,195,945,423	3,061,882,048	2,499,140,316	2,420,361,527
Net gain on exchange rate		9,656,246	1,001,221	5,164,572	420,973
Dividend income		-	-	3,859,840	3,389,860
Gain on sale of investment of a subsidiary		-	19,046,296	-	-
Unrealised gain on revaluation of temporary investments		6,792,444	13,877,216	6,792,115	13,877,276
Interest income		8,295,673	16,177,590	8,751,210	15,755,571
Other income		69,300,480	57,994,884	57,672,326	45,811,037
Selling expenses		(271,225,555)	(206,443,559)	(247,798,917)	(205,067,886)
Administrative expenses		(2,175,675,961)	(1,992,742,812)	(1,517,468,227)	(1,352,606,686)
Management benefit expenses		(50,106,257)	(52,425,198)	(39,439,986)	(42,932,027)
Finance costs		(4,277,009)	(4,646,930)	(122,836)	(8,317)
Share of profits of associates		9,017,635	18,434,395	-	-
Profit before income tax expenses		797,723,119	932,155,151	776,550,413	899,001,328
Income tax expense	17	(163,093,118)	(219,608,912)	(150,741,432)	(210,505,591)
PROFIT FOR THE YEAR		634,630,001	712,546,239	625,808,981	688,495,737

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Comprehensive Income (Continued)

For The Year Ended December 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2013	2012	2013	2012
OTHER COMPREHENSIVE INCOME (LOSS)					
Exchange differences on translation of financial statements		17,616,356	4,794,996	-	-
Unrealized gain on revaluation of available-for-sales securities		188,625	141,248	-	-
Income tax relating to components of other comprehensive income (loss)		(37,728)	1,588,486	-	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		17,767,253	(2,603,681)	-	(6,428,946)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		652,397,254	709,942,558	625,808,981	682,066,791
PROFIT ATTRIBUTABLE TO:					
Owners of the Parent		626,018,218	707,805,927	625,808,981	688,495,737
Non-controlling interests		8,611,783	4,740,312	-	-
		634,630,001	712,546,239	625,808,981	688,495,737
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the Parent		639,834,123	702,610,988	625,808,981	682,066,791
Non-controlling interests		12,563,131	7,331,570	-	-
		652,397,254	709,942,558	625,808,981	682,066,791
BASIC EARNINGS PER SHARE	26	6.38	7.22	6.38	7.02
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	26	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

Statement of Changes In Shareholders' Equity

For The Year Ended December 31, 2013

Consolidated Financial Statements

UNIT : BAHT

Equity attributable to owners of the parent													Non-controlling interests	Total shareholders' equity
	Notes	Issued 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	Other comprehensive income (loss)								
				Legal reserve	Treasury shares reserve		Exchange differences on translation of financial statements	Unrealized gain on re-valuation 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	
Decrease in non-controlling interests resulting from sale of investment of a subsidiary		-	-	-	-	-	-	-	-	-	-	(5,768,571)	(5,768,571)	
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	
Dividends paid	27	-	-	-	-	(416,847,110)	-	-	-	(416,847,110)	-	-	(416,847,110)	
Dividends paid to non-controlling interests	27	-	-	-	-	-	-	-	-	-	-	(4,813,113)	(4,813,113)	
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	

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Changes In Shareholders' Equity(Continued)

For The Year Ended December 31, 2013

Consolidated Financial Statementst

UNIT : BAHT

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Equity attributable to owners of the parent											Non-controlling interests	Total shareholders' equity
Notes	Issued 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	Other comprehensive income (loss)	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, 2013	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
Capital reduction and write-off of treasury shares 23 and 25	(33,023,000)	-	-	-	(217,928,475)	-	-	-	(250,951,475)	250,951,475	-	-
Reversal of treasury shares reserve 25	-	-	-	(250,951,475)	250,951,475	-	-	-	-	-	-	-
Increase in non-controlling interests resulting from investing in a subsidiary	-	-	-	-	-	-	-	-	-	-	11,828,742	11,828,742
Total comprehensive income for the year ended December 31, 2013	-	-	-	-	626,018,218	13,665,008	188,625	(37,728)	639,834,123	-	12,563,131	652,397,254
Dividends paid 27	-	-	-	-	(563,969,620)	-	-	-	(563,969,620)	-	-	(563,969,620)
Share dividends paid by subsidiary 27	-	-	-	-	-	-	-	-	-	-	(1,826,042)	(1,826,042)
ENDING BALANCE AS AT DECEMBER 31, 2013	490,408,365	689,980,549	52,343,137	-	989,365,404	(21,496,581)	612,538	1,484,726	2,202,698,138	-	88,516,333	2,291,214,471

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

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Changes In Shareholders' Equity

For The Year Ended December 31, 2013

Separate Financial Statements

UNIT : BAHT

	Note	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		
				Legal reserve	Treasury shares reserve					
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		-	-	-	-	680,459,555	1,607,236	-	682,066,791	
Dividends paid	27	-	-	-	-	(416,847,110)	-	-	(416,847,110)	
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	
BEGINNING BALANCE AS AT JANUARY 1, 2013		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	
Capital reduction and write-off of treasury shares	23 and 25	(33,023,000)	-	-	-	(217,928,475)	-	250,951,475	-	
Reversal of treasury shares reserve	25	-	-	-	(250,951,475)	250,951,475	-	-	-	
Total comprehensive income for the year ended December 31, 2013		-	-	-	-	625,808,981	-	-	625,808,981	
Dividends paid	27	-	-	-	-	(563,969,620)	-	-	(563,969,620)	
ENDING BALANCE AS AT DECEMBER 31, 2013		490,408,365	689,980,549	52,343,137	-	827,116,364	1,607,236	-	2,061,455,651	

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

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Cash Flows

For The Year Ended December 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM OPERATING ACTIVITIES		2013	2012	2013	2012
Profit before income tax expenses		797,723,119	932,155,151	776,550,413	899,001,328
Adjustments :					
Depreciation and amortization		289,618,044	260,492,459	244,497,777	217,593,590
Unrealized gain on exchange rate		(822,941)	(694,782)	(1,693,580)	(14,577)
Unrealized gain on revaluation of temporary investments		(6,792,444)	(14,159,941)	(6,792,115)	(13,877,276)
Doubtful account-trade receivable		31,800	-	-	-
Doubtful account-cash advance to a related company		-	-	460,541	-
Share of profits of associates		(9,017,635)	(18,434,395)	-	-
Gain on sale of investment of a subsidiary		-	(19,046,296)	-	-
Loss on impairment of property, plant and equipment		53,000	1,000,000	53,000	1,000,000
Loss on write-off of property, plant and equipment		14,069,481	15,496,078	10,852,176	3,917,696
Loss on write-off of leasehold rights		773,942	-	773,942	-
Gain on sales of temporary investments		(3,919,357)	-	(3,919,357)	-
Gain on sales of property, plant and equipment		(1,761,875)	(593,450)	(1,761,875)	(593,450)
Dividend received from an associated		-	-	(3,859,840)	(3,389,860)
Employee benefit obligation expenses		17,732,054	15,592,543	16,894,354	14,838,766
Interest income		(8,295,673)	(16,177,590)	(8,751,210)	(15,755,571)
Interest expense		4,277,009	4,646,930	122,836	8,317
Profit from operations before changes in operating assets and liabilities		1,093,668,524	1,160,276,707	1,023,427,062	1,102,728,963
Operating assets (increase) decrease					
Trade and other receivables		(12,870,329)	(41,992,214)	(26,611,811)	(47,919,082)
Inventories		(47,164,191)	(31,277,696)	(41,613,505)	(33,301,226)
Other current assets		(3,368,197)	5,884,497	449,112	1,720,418
Long-term deposits		(45,416,554)	(14,844,405)	(27,465,681)	(12,667,836)
Other non-current assets		(3,550,927)	(11,124,676)	(6,106,014)	5,818,802

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Cash Flows (Continued)

For The Year Ended December 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM INVESTING ACTIVITIES		2013	2012	2013	2012
Operating liabilities increase (decrease)					
Trade and other payables		18,453,939	101,225,790	7,127,937	98,145,544
Provision for customer loyalty programmes		1,913,963	1,398,432	1,913,963	1,398,432
Value added tax payable		5,159,869	24,465	799,966	125,134
Other current liabilities		(3,058,169)	8,789,126	2,094,047	3,159,670
Other-non current liabilities		(174,099)	41,780	-	-
Cash received from operations		1,003,593,829	1,178,401,806	934,015,076	1,119,208,819
Cash received for interest		10,332,809	18,204,622	10,788,346	17,782,603
Cash paid for employee benefit		-	(2,770,139)	-	(999,138)
Cash paid for interest		(4,015,091)	(4,646,930)	(122,836)	(8,317)
Cash paid for income tax		(190,039,509)	(244,453,535)	(178,892,935)	(238,400,556)
Net cash provided by operating activities		819,872,038	944,735,824	765,787,651	897,583,411
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash payments for short-term loans to related parties		-	-	(77,905,173)	-
Cash received for short-term loans to a related party		-	-	4,996,188	-
Increase in deposit used as collateral		20,000,000	(3,755,100)	20,000,000	-
Cash payments for investment in temporary investments		(766,784,152)	(441,487,548)	(761,284,152)	(441,769,966)
Cash received from sales of temporary investments		1,170,000,000	-	1,170,000,000	-
Dividend received from an associate		3,859,840	3,389,860	3,859,840	3,389,860
Cash payment for investment in a subsidiary		-	-	(54,997,300)	(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		(511,551,373)	(291,740,303)	(423,624,463)	(263,507,698)
Proceeds from sales of property, plant and equipment		2,093,193	1,128,304	2,093,193	1,128,304
Cash payments for purchases of intangible assets		(9,433,025)	(5,501,540)	(9,273,025)	(5,501,540)
Cash payments for purchases of leasehold rights		(16,326,000)	(2,245,868)	(10,980,000)	-
Net cash used in investing activities		(108,141,517)	(730,852,183)	(137,114,892)	(726,260,440)

S&P Syndicate Public Company Limited and Subsidiaries

Statement of Cash Flows (Continued)

For The Year Ended December 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM FINANCING ACTIVITIES		2013	2012	2013	2012
Increase (decrease) in bank overdrafts		2,057,658	(1,579,573)	-	-
Cash repayments for long-term borrowings from financial institutions		(72,554,781)	(16,649,000)	-	-
Cash received from long-term borrowings from financial institutions		25,000,000	10,431,000	-	-
Dividends paid to non-controlling interests		-	(4,813,113)	-	-
Cash repayments for financial lease liabilities		(6,645,900)	(4,710,247)	(6,645,900)	(4,710,247)
Dividends paid		(563,912,242)	(416,831,271)	(563,912,242)	(416,831,271)
Cash received from increase in non-controlling interests resulting from investing in a subsidiary		10,002,700	-	-	-
Net cash used in financing activities		(606,052,565)	(434,152,204)	(570,558,142)	(421,541,518)
Unrealized exchange loss of cash and cash equivalents		691,097	14,556	633,785	14,577
Exchange rate differences on translation of financial statements		(2,971,387)	(9,076,714)	-	-
Net increase (decrease) in cash and cash equivalents		103,397,666	(229,330,721)	58,748,402	(250,203,970)
Cash and cash equivalents as at January 1,		443,457,851	672,788,572	313,295,311	563,499,281
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	5.1	546,855,517	443,457,851	372,043,713	313,295,311

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

S&P Syndicate Public Company Limited and Subsidiaries

Notes to The Financial Statements

For The Year Ended December 31, 2013

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.

On July 1, 2013, the Company moved its head office from No. 457- 457/6 Soi Sukhumvit 55 (Soi Thonglor), Sukhumvit Road, Klongtonnua, Vadhana, Bangkok 10110 to Italhai Tower, 23rd - 24th Floor, No. 2034/100 - 107, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310.

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 have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2009) “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2011 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and financial performance of the listed companies B.E. 2544. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement B.E. 2554” dated September 28, 2011.

The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards.

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.

2.2 The Federation of Accounting Professions issued the Notifications regarding Thai Financial Reporting Standards (TFRS) which are effective for the financial statements for the accounting periods beginning on or after January 1, 2013 onwards as follows;

Thai Accounting Standards (“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

Thai Financial Reporting Standards (“TFRS”)

TFRS 8	Operating Segments
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Thai Accounting Standards Interpretations (“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 on its shareholders

The adoption of those TFRS have no material impact on the financial statements. The Company elected to early adopt TAS 12 “Income Taxes” since the year ended December 31, 2011.

2.3 The Federation of Accounting Professions has issued the Notifications regarding the new and revised Thai Accounting Standard (“TAS”), Thai Financial Reporting Standards (“TFRSs”), Thai Accounting Standard Interpretation (“TSI”) and Thai Financial Reporting Interpretations (“TFRI”) as follows:

1) Thai Accounting Standard (TAS), Thai Financial Reporting Standard (TFRS), Thai Accounting Standard Interpretation (TSI) and Thai Financial Reporting Interpretation (TFRI) which are effective for the financial statements for the periods beginning on or after January 1, 2014:

Thai Accounting Standard (TAS)

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interests in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of assets
TAS 38 (Revised 2012)	Intangible Assets

The Financial Reporting Standard (TFRS)

TFRS 2 (Revised 2012)	Share-based Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

Thai Accounting Standard Interpretation (TSI)

TSI 15	Operating Leases - Incentives
TSI 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSI 29	Disclosure - Service Concession Arrangements
TSI 32	Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations (TFRI)

TFRI 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	Determining Whether an Arrangement Contains a Lease
TFRI 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	Interim Financial Reporting and Impairment
TFRI 12	Service Concession Arrangements
TFRI 13	Customer Loyalty Programmes
TFRI 17	Distributions of Non-cash Assets to Owners
TFRI 18	Transfers of Assets From Customers

2) TFRS which is effective for the financial statements for the periods beginning on or after January 1, 2016:

Thai Financial Reporting Standard (TFRS)

TFRS 4 Insurance Contracts

The Company and its subsidiaries' management will adopt the above relevant TAS, TFRS, TSI and TFRI in the preparation of the Company's and its subsidiaries' financial statements when they become effective. 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 elected to early adopt TFRI 13 "Customer Loyalty Programmes" since the year ended December 31, 2011

2.4 Basis for preparation of consolidated financial statements

The consolidated financial statements for the years ended December 31, 2013 and 2012, 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 shareholdings (%) As at December 31,	
			2013	2012
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	99.99
Umenohana S&P Co., Ltd. ⁽²⁾	Restaurant	Thailand	59.99	-

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

On December 9, 2013, the Extraordinary Shareholders' meeting of the Company passed the resolution to increase the share capital of S&P International Foods Co., Ltd. from Baht 10 million to Baht 50 million by issuing 400,000 new ordinary shares of Baht 100 each, totalling Baht 40 million, which will be sold to S&P Syndicate Public Company Limited for 399,994 shares, in the amount of Baht 39,999,400 and already registered with the Department of Business Development, Ministry of Commerce.

(2) On December 15, 2012, S&P Syndicate Public Company Limited has entered into the joint venture agreement with Umenohana Company Limited, a limited company registered under the law of Japan, to form a limited liability joint venture company named Umenohana S&P Co., Ltd. The core business of joint venture is the operation of the shops and restaurants under the trademark stated in the agreement.

Subsequently, on February 26, 2013, the Board of Directors' meeting of S&P Syndicate Public Company Limited passed a resolution to approve an investment in Umenohana S&P Co., Ltd. with the registered share capital of Baht 25 million. S&P Syndicate Public Co., Ltd. holds 59.99% of the Umenohana S&P Co., Ltd.'s issued and paid-up share capital. As the Company has the power to govern the financial and operating policies of Umenohana S&P Co., Ltd. Therefore, such company is the Company's subsidiary.

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 shareholdings (%) As at December 31,	
			2013	2012
Shares held directly by S&P Global Co., Ltd.				
S&P Restaurant Limited ⁽⁸⁾	Restaurant	United Kingdom	96.00	96.00
Patara (Geneva) SA	Restaurant	Switzerland	62.00	62.00
Patara Fine Thai Cuisine Pte. Ltd. ⁽⁶⁾ (formerly 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 (Ceased operation)	Taiwan	50.00	50.00
Patio International Limited ⁽¹⁾	Restaurant (Ceased operation)	Taiwan	60.00	60.00
Patara International Restaurant Management (Beijing) Co., Ltd. ⁽⁷⁾	Restaurant	The People’s Republic of China	91.86	91.25
Patara Restaurant, Vienna GmbH ⁽²⁾	Restaurant	Austria	52.30	52.30
Shares held indirectly by Patara Fine Thai Cuisine Pte. Ltd. (formerly Theme Foods Pte. Ltd.)				
Siam Kitchen Sdn. Bhd. ⁽³⁾	Restaurant (Ceased operation)	Malaysia	99.99	99.99
Shares held indirectly by S&P Restaurant Limited				
Patara Fine Thai Cuisine Limited ⁽⁴⁾	Restaurant (No operation)	United Kingdom	96.00	96.00
Suda Limited ⁽⁴⁾	Restaurant (No operation)	United Kingdom	96.00	96.00
Patara Restaurant, Vienna GmbH ⁽²⁾	Restaurant	Austria	40.80	40.80
Shares held indirectly by SK Catering Pte. Ltd.				
Bangkok Jam Co., Ltd.	Restaurant	Taiwan	50.00	50.00
Bangkok Jam Sdn. Bhd ⁽⁵⁾	Restaurant	Malaysia	50.00	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 ceased its operation and its fixed assets were sold to Bangkok Jam Co., Ltd. Subsequently, in December 2011, the Company registered the dissolution.

(2) 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%.

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

(4) 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%.

(5) 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 authorized share capital of MYR 100,000, and has issued and paid-up share capital of MYR 2, held by SK Catering Pte. Ltd. amounting to MYR 1 or at 50% of paid-up share capital. In February 2012, Bangkok Jam Sdn. Bhd. increased its authorized 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%.

(6) On March 20, 2013, Theme Foods Pte. Ltd. registered to change its company name to Patara Fine Thai Cuisine Pte. Ltd.

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

(8) On September 25, 2013, the Board of Directors' meeting of S&P Restaurant Limited ("the subsidiary") approved the dividend payment as ordinary shares of the subsidiary for 900,000 ordinary shares to the shareholders of the subsidiary at the rate of 1 former ordinary share for 9 dividend ordinary shares at par value Pound 1 per share totally of Pound 900,000 (equivalent to Baht 45.65 million). The extraordinary shareholders' meeting of the subsidiary also approved the capital increase by increasing the authorized share capital from 100,000 ordinary shares to 1,000,000 ordinary shares. On September 30, 2013, the subsidiary had registered the capital increase with the government authority of the United Kingdom.

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, 2013 and 2012, does not include the interim financial information of Siam Kitchen Sdn. Bhd., which is a subsidiary registered in Malaysia which is owned by Patara Fine Thai Cuisine Pte. Ltd. (formerly Theme Foods Pte. Ltd.) as the amount is immaterial. As at December 31, 2013 and 2012, the carrying value of such investment is nil.

The consolidated financial statements for the years ended December 31, 2013 and 2012, included 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 Patara Fine Thai Cuisine Pte. Ltd. (formerly Theme Foods Pte. Ltd.), respectively.

Assets and investments recorded by the equity method as at December 31, 2013 and 2012, revenues and the share of profits from investments recorded by the equity method in associates for the years ended December 31, 2013 and 2012 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 asset 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 profits as percentage of net profit for the years ended December 31,	
	2013	2012	2013	2012	2013	2012	2013	2012
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)	14.41	13.43	-	-	12.60	12.86	-	-
S&P Asset Co., Ltd.	0.52	0.45	-	-	0.14	0.14	-	-
S&P Food Solution Co., Ltd.	0.01*	0.01*	-	-	-	-	-	-
S&P International Foods Co., Ltd.	2.55	0.78	-	-	0.64	0.09	-	-
Umenohana S&P Co., Ltd.	0.93	-	-	-	0.20	-	-	-
Associates:								
HD Distributors (Thailand) Co., Ltd.	-	-	2.67*	2.62*	-	-	1.64*	2.60*
Foodhouse Catering Service Co., Ltd.	-	-	0.06*	-	-	-	0.30*	-
	18.42	14.67	2.73	2.62	13.58	13.09	1.94	2.60

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

COMPANY'S NAME	CONSOLIDATED FINANCIAL STATEMENTS							
	Assets of subsidiaries as percentage of total asset 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 profits as percentage of net profit for the years ended December 31,	
	2013	2012	2013	2012	2013	2012	2013	2012
Shares held directly by S&P Global Co., Ltd.								
S&P Restaurant Limited	6.50	5.41	-	-	4.76	4.66	-	-
Patara (Geneva) SA	0.66*	0.53*	-	-	1.07*	1.12*	-	-
Patara Fine Thai Cuisine Pte. Ltd. (formerly Theme Foods Pte. Ltd.)	0.40*	0.34*	-	-	0.70*	0.81*	-	-
SK Catering Pte. Ltd.	2.77*	2.81*	-	-	4.26*	3.34*	-	-
Patara Taiwan Company Limited	0.01*	0.01*	-	-	-	-	-	-
Patio International Limited	-	-	-	-	-	-	-	-
Thai Developments SA	-	-	-	-	-	0.89*	-	-
Patara International Restaurant Management (Beijing) Co., Ltd.	0.42*	0.39*	-	-	0.26*	0.25*	-	-
Patara Restaurant, Vienna GmbH	1.80*	1.91*	-	-	0.73*	0.77*	-	-
	12.56	11.40	-	-	11.78	11.84*	-	-
Shares held directly by SK Catering Pte. Ltd.								
Bangkok Jam Co., Ltd.	0.52*	0.75*	-	-	0.54*	0.79*	-	-
Bangkok Jam Sdn. Bhd	0.28*	0.37*	-	-	0.28*	0.23*	-	-
	13.36	12.52	-	-	12.60	12.86	-	-

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and all types of deposits at financial institutions with the original maturities of three months or less from the date of acquisition, excluding deposit at financial institutions 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 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

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.

Dismantling, moving and renovating assets location cost which the Company obligates when receiving such asset. The Company recognizes them at the cost of assets and depreciates them.

3.8 Intangible asset

Intangible asset consists of software development cost.

Intangible asset is stated at costs less accumulated amortization.

Amortization is calculated by

Software development costs	5	years
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3.9 Leasehold rights

Leasehold rights of the Company and its subsidiaries consist of leasehold rights for land and building, which are stated at cost, less accumulated amortization.

Amortization of leasehold rights of the Company and its subsidiaries are being calculated by using the straight-line method over the lease periods as follows:

Leasehold rights of the Company - land and building	3 - 30	years
Leasehold rights of subsidiaries - building	15 - 20	years

3.10 Provision for customer loyalty program

The provision for customer loyalty program 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 in the statement of comprehensive income 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

- 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, sales are recognized when goods are shipped and significant risks and rewards are passed to the buyer according to the shipment term. Sales are presented by deducting discounts, purchase volume discount and goods returned.

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 it 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. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

For the year ended December 31, 2013, the Company and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards issued by the Federation of Accounting Professions which are effective for the financial statements for the accounting periods beginning on or after January 1, 2013 onwards for the first time. This adoption does not have significant impact on the Company's and its subsidiaries' financial statements, except for the Thai Financial Reporting Standard No. 8 "Operating Segments" (see Note 32). The comparative information included in the consolidated financial statements for the year ended December 31, 2012 has been retroactively disclosed to be in accordance with the new accounting policy

5. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

5.1 Cash and cash equivalents

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Cash on hand	8,564	8,123	7,344	6,825
Bank deposits in savings and current accounts	509,696	435,335	336,253	306,470
Time deposits with maturity not more than 3 months (interest rate 1.25% per annum)	28,596	-	28,446	-
	546,856	443,458	372,043	313,295

5.2 Non-cash transactions are as follows:

5.2.1 Liabilities incurred from acquisition of property, plant and equipment for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Liabilities incurred from acquisition of property, plant and equipment as at January 1,	64,167	41,307	45,232	41,307
<u>Add</u> Purchases of property, plant and equipment	536,629	320,262	447,543	273,094
Purchases of intangible asset	9,433	5,501	9,273	5,501
Purchases of leasehold rights	16,326	2,246	10,980	-
<u>Less</u> ash payments				
- property, plant and equipment	(511,552)	(291,740)	(423,625)	(263,507)
- intangible assets	(9,433)	(5,501)	(9,273)	(5,501)
- leasehold rights	(16,326)	(2,246)	(10,980)	-
Purchases of property, plant and equipment under finance lease agreements	(2,981)	(5,662)	(2,981)	(5,662)
Liabilities incurred from acquisition of property, plant and equipment as at December 31,	86,263	64,167	66,169	45,232
Liabilities under finance lease agreements (including current portion)				
Balance brought forward	6,620	5,668	6,620	5,668
<u>Add</u> Purchases of property, plant and equipment under finance lease agreements	2,981	5,662	2,981	5,662
<u>Less</u> Cash payments	(6,646)	(4,710)	(6,646)	(4,710)
Balance carried forward	2,955	6,620	2,955	6,620

5.2.2 Accrued dividends as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Accrued dividends as at January 1,	993	977	993	977
Add Dividends declaration during the year	563,970	416,848	563,970	416,848
Less Dividends paid	(563,912)	(416,832)	(563,912)	(416,832)
Accrued dividends as at December 31,	1,051	993	1,051	993

5.2.3 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 8.5).

5.2.4 On August 31, 2012, S&P Global Co., Ltd. sold all shares of Thai Development SA to a company. 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.

5.2.5 On November 12, 2013, the Board of Directors' meeting of the Company passed a resolution to write-off of all outstanding treasury shares of 6,604,600 ordinary shares totalling Baht 33.02 million by reduction of its authorized share capital. The Company reversed the treasury shares reserve of Baht 250.95 million back to the unappropriated earnings after the write-off of treasury shares and the reduction of its capital (see Notes 23 and 25).

5.3 Amounts of total unused credit facilities as at December 31, are as follows:

	Million Baht		Million Pound Sterling		Million US Dollars		Million Euro	
	2013	2012	2013	2012	2013	2012	2013	2012
Short-term loans	355.00	355.00	-	-	-	-	-	-
Bank overdrafts	91.00	91.00	0.16	0.20	-	-	0.10	0.10
Letters of guarantee	299.00	263.07	-	-	-	-	-	-
FOREX Credit Limit	95.00	95.00	-	-	1.00	1.00	-	-
Total	840.00	804.07	0.16	0.20	1.00	1.00	0.10	0.10

6. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Time deposits with maturity more than 3 months but not more than 1 year (interest rate 2.50% - 3.70% per annum)	13	240,012	-	240,000
Bills of exchange with maturity more than 3 month but not more than 1 year (interest rate 3.30% - 4.00% per annum)	-	50,000	-	50,000
Trading securities				
- Fixed income open-ended funds	206,563	320,342	206,563	320,342
- Private funds	220,523	214,748	220,523	214,748
Available-for-sales securities				
- Fixed income open-ended funds	12,113	6,425	-	-
Total temporary investments	439,212	831,527	427,086	825,090

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

Unit : Thousand Baht

As at December 31, 2013	Cost value As at December 31, 2013	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2013
Trading securities			
- Fixed income open-ended funds	205,546	1,017	206,563
- Private funds	200,000	20,523	220,523
Available-for-sales securities			
- Fixed income open-ended funds	11,500	613	12,113

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

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

Unit : Thousand Baht

As at December 31, 2013	Cost value As at December 31, 2013	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2013
Trading securities			
- Fixed income open-ended funds	205,546	1,017	206,563
- Private funds	200,000	20,523	220,523

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

7. TRADE AND OTHER RECEIVABLES

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Trade receivables - other companies	233,070	219,886	222,422	207,530
Trade receivables - related parties	2,460	5,973	6,261	7,896
	235,530	225,859	228,683	215,426
<u>Less</u> Allowance for doubtful accounts	(2,575)	(2,543)	(3,948)	(3,948)
Total trade receivables	232,955	223,316	224,735	211,478
Advance payments to related parties	659	587	23,939	8,286
<u>Less</u> Allowance for doubtful accounts	-	-	(2,966)	(2,505)
	659	587	20,973	5,781
Other receivables - other companies	5,984	5,736	4,195	5,610
Prepaid expenses	28,224	25,345	8,768	9,651
Total trade and other receivables	267,822	254,984	258,671	232,520

Trade receivables as at December 31, 2013 and 2012 are classified by aging as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Trade receivables				
Other companies				
Current	111,431	105,245	101,205	92,888
Overdue				
3 months or less	115,378	112,268	115,378	112,269
Over 3 months up to 6 months	3,573	188	3,573	188
Over 6 months up to 12 months	89	-	89	-
Over 12 months	2,599	2,185	2,177	2,185
Total	233,070	219,886	222,422	207,530
Related parties				
Current	1,068	3,239	3,020	3,313
Overdue				
3 months or less	1,313	188	1,313	188
Over 3 months up to 6 months	42	1,465	42	1,465
Over 6 months up to 12 months	16	1,073	71	1,127
Over 12 months	21	8	1,815	1,803
Total	2,460	5,973	6,261	7,896
Total trade receivables	235,530	225,859	228,683	215,426
<u>Less</u> Allowance for doubtful accounts	(2,575)	(2,543)	(3,948)	(3,948)
Trade receivables	232,955	223,316	224,735	211,478

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	
	2013	2012	2013	2012
Short-term loan to subsidiaries (see Notes 8.1, 8.2, 8.3 and 8.4)	-	-	77,147	3,178
Short-term loan to an associate (see Note 8.5)	7,500	7,500	7,500	7,500
	7,500	7,500	84,647	10,678
Less Allowance for doubtful accounts	-	-	(3,178)	(3,178)
	7,500	7,500	81,469	7,500

8.1 On July 8, 2011, the Company has granted a loan in the amount of TWD 3 million (equivalent to 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 subsidiary 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 and registered the dissolution in December 2011. As a result, the Company has fully recorded the allowance for doubtful account.

8.2 On February 13, 2013, the Company has entered into the loan agreement with SK Catering Pte. Ltd. of SGD 0.3 million (equivalent to Baht 7.79 million), carried fixed interest at the rate of 3.0 percent per annum and is callable on demand. Such loan is used for the purpose of expansion the restaurant's branches in Singapore. During 2013, SK Catering Pte. Ltd. paid to the Company of SGD 0.2 million (equivalent to Baht 5.22 million).

8.3 On June 6, 2013, the Company granted a loan in the amount of EUR 1.24 million (equivalent to Baht 49.97 million) to Patara Restaurant, Vienna GmbH, in order to repay the loan from a financial institution. Such subsidiary issued a promissory note in the amount of EUR 1.24 million (equivalent to Baht 49.97 million), carried fixed interest rate at the rate of 3.0 percent per annum and is callable on demand (see Note 20 (1)).

8.4 On November 25, 2013 the Company granted a loan in the amount of GBP 0.40 million (equivalent to Baht 21.43 million) to S&P Restaurant Limited in order to purchase a building. Such loan carry fixed interest at the rate of 3.0 percent per annum and is due within 1 year.

8.5 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 5.2.3), 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 cash in January 2012.

9. INVENTORIES

Inventories as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Finished goods	96,485	95,755	96,485	95,755
Work in process	60	163	60	163
Raw materials	139,715	118,951	126,242	109,572
Packaging materials	67,863	46,060	67,226	45,791
Spare parts and supplies	12,914	9,845	11,825	9,845
Goods in transit	915	13	915	13
Total Inventories	317,952	270,787	302,753	261,139

For the years ended December 31, 2013 and 2012, the costs of inventories recorded as expenses in the consolidated financial statements are Baht 3,804 million and Baht 3,464 million, respectively, and in the separate financial statements are Baht 3,547 million and Baht 3,242 million, respectively.

10. DEPOSITS USED AS COLLATERAL

10.1 As at December 31, 2013 and 2012, cash at banks of the Company of Baht 0.58 million was used as collateral against the letters of guarantee from a bank for electricity usage (see Note 33.3).

10.2 As at December 31, 2012, 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, a subsidiary, in the amount of EUR 1.8 million. On June 6, 2013, such subsidiary fully paid the long-term loan from the financial institution. Therefore, the Company redeemed such deposit used as collateral in June 2013 (see Note 20 (1)).

10.3 As at December 31, 2013 and 2012, 12-month fixed deposit of SK Catering Pte. Ltd. of SGD 150,000 (equivalent to Baht 3.89 million and Baht 3.76 million, respectively) was pledged as collateral for loans of Bangkok Jam Co., Ltd. with a commercial bank (see Note 20 (3)).

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		Percentage of Shareholding (%)		At cost method		At equity method	
			2013	2012	2013	2012	2013	2012	2013	2012
Shares held by S&P Syndicate Public Company Limited Associates : HD Distributors (Thailand) Co., Ltd. Foodhouse Catering Services Co., Ltd.										
	Agency for food distribution	Co-shareholders and co-management team								
			100,000	100,000	47.99	47.99	48,998	48,998	61,128	57,353
	Catering	Co-shareholders and co-management team	10,000	10,000	49.97	49.97	4,997	4,997	1,383	-
Less Allowance for impairment of investment - Foodhouse Catering Services Co., Ltd. Total investments in associates							53,995	53,995	62,511	57,353
							(4,997)	(4,997)	-	-
							48,998	48,998	62,511	57,353
Shares held by S&P Global Co., Ltd. Subsidiary : Siam Kitchen Sdn. Bhd. Total investments in subsidiary										
	Restaurant (Ceased Operation)	Co-shareholders and co-management team	2,845	2,845	50.00	50.00	1,423	1,423	-	-
							1,423	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		Percentage of Shareholding (%)		At cost method		Dividend income December 31,	
			2013	2012	2013	2012	2013	2012	2013	2012
Shares held by S&P Syndicate Public Company Limited Associates : HD Distributors (Thailand) Co., Ltd. Foodhouse Catering Services Co., Ltd.	Agency for food distribution	Co-shareholders and co-management team								
	Catering	Co-shareholders and co-management team	100,000	100,000	47.99	47.99	48,998	48,998	3,860	3,390
			10,000	10,000	49.97	49.97	4,997	4,997	-	-
							53,995	53,995	3,860	3,390
Less Allowance for impairment of investment - Foodhouse Catering Services Co., Ltd.							(4,997)	(4,997)	-	-
Total investments in associates							48,998	48,998	3,860	3,390
Subsidiaries : S&P Global Co., Ltd.	Invest in other companies	Co-shareholders and co-management team								
S&P Asset Co., Ltd.	Office rental	Co-shareholders and co-management team	50,000	50,000	80.00	80.00	40,000	40,000	-	-
S&P Food Solution Co., Ltd.	Restaurant (Ceased operation)	Co-shareholders and co-management team	1,000	1,000	99.93	99.93	999	999	-	-
S&P International Food Co., Ltd.	Restaurant	Co-shareholders and co-management team	20,000	20,000	99.99	99.99	10,034	10,034	-	-
Umenohana S&P Co., Ltd.	Restaurant	Co-shareholders and co-management team	50,000	10,000	99.99	99.99	49,997	10,000	-	-
		co-management team	25,000	-	59.99	-	15,000	-	-	-
Less Allowance for impairment of investment - S&P Food Solution Co., Ltd.							116,030	61,033	-	-
Total investments in subsidiaries							(10,034)	(10,034)	-	-
							105,996	50,999	-	-

12. OTHER LONG-TERM INVESTMENT

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Security Held-to-Maturity				
Subordinated debenture 10 years (interest rate at 4.375% per annum)	10,000	10,000	10,000	10,000
	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, 2013

Unit : Thousand Baht

	Consolidated Financial Statements					
	Balance as at December 31, 2012	Additions	Decreases	Transfer in (Transfer out)/ Reclassifi- cation	Differences on translation of Financial Statements	Balance as at December 31, 2013
Cost						
Land	261,053	18,430	-	-	-	279,483
Buildings and building improvements	185,425	-	-	3,419	11,224	200,068
Factory buildings	189,142	-	(33)	11,151	-	200,260
Machinery and equipment	987,255	93,283	(42,833)	49,307	7,041	1,094,053
Office furniture and equipment	1,611,542	141,157	(60,620)	212,994	16,785	1,921,858
Vehicles	60,466	6,523	(6,985)	-	158	60,162
Total cost	3,294,883	259,393	(110,471)	276,871	35,208	3,755,884
Accumulated depreciation						
Buildings and building improvements	(80,825)	(4,382)	-	4,186	(1,778)	(82,799)
Factory buildings	(109,866)	(6,501)	33	(4,186)	-	(120,520)
Machinery and equipment	(738,778)	(82,219)	39,020	-	(4,669)	(786,646)
Office furniture and equipment	(1,161,748)	(175,436)	50,034	-	(9,463)	(1,296,613)
Vehicles	(42,124)	(6,053)	6,984	-	(158)	(41,351)
Total accumulated depreciation	(2,133,341)	(274,591)	96,071	-	(16,068)	(2,327,929)
Building improvements and equipment under construction and installation	61,930	277,236	-	(276,164)	-	63,002
	1,223,472					1,490,957
<u>Less Allowance for impairment-building improvements and equipment</u>	(1,000)	(53)	-	-	-	(1,053)
Property, plant and equipment	1,222,472					1,489,904

As at December 31, 2012

Unit : Thousand Baht

	Consolidated Financial Statements					
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (Transfer 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	107,617	(39,081)	109,886	441	1,611,542
Vehicles	53,303	8,946	(1,803)	-	20	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
<u>Less</u> Allowance for impairment - building impairments and equipment	-	(1,000)	-	-	-	(1,000)
Property, plant and equipment	1,162,085					1,222,472
Depreciation for the years ended December 31,						
2013						274,591
2012						246,044
Cost of fully depreciated fixed assets still in use as at December 31,						
2013						1,504,135
2012						1,573,126

As at December 31, 2013

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at December 31, 2012	Additions	Decreases	Transfer in (Transfer out) / Reclassification	Balance as at December 31, 2013
Cost					
Land	261,053	18,430	-	-	279,483
Buildings and building improvements	37,227	-	-	3,419	40,646
Factory buildings	189,142	-	(33)	11,151	200,260
Machinery and equipment	891,647	78,802	(35,966)	44,840	979,323
Office furniture and equipment	1,408,074	108,692	(56,277)	195,304	1,655,793
Vehicles	58,674	6,523	(6,985)	-	58,212
Total cost	2,845,817	212,447	(99,261)	254,714	3,213,717
Accumulated depreciation					
Buildings and building improvements	(37,077)	(1,261)	-	4,186	(34,152)
Factory buildings	(109,866)	(6,501)	33	(4,186)	(120,520)
Machinery and equipment	(686,539)	(71,406)	35,228	-	(722,717)
Office furniture and equipment	(1,057,126)	(146,136)	45,834	-	(1,157,428)
Vehicles	(40,487)	(6,002)	6,984	-	(39,505)
Total accumulated depreciation	(1,931,095)	(231,306)	88,079	-	(2,074,322)
Building improvements and equipment under construction and installation	61,930	235,096	-	(254,007)	43,019
	976,652				1,182,414
<u>Less</u> Allowance for impairment-building improvements and equipment	(1,000)	(53)	-	-	(1,053)
Property, plant and equipment	975,652				1,181,361

As at December 31, 2012

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (Transfer 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
<u>Less</u> Allowance for impairment-building improvements and equipment	-	(1,000)	-	-	(1,000)
Property, plant and equipment	915,016				975,652
Depreciation for the years ended December 31,					
2013					231,307
2012					207,004
Cost of fully depreciated fixed assets still in use as at December 31,					
2013					1,503,770
2012					1,543,694

Buildings of S&P Restaurant Limited with the cost value of GBP 1.30 million (equivalent to Baht 64.15 million) has been secured for long-term borrowings with a commercial bank (see Note 20 (2)).

As at December 31, 2013 and 2012, 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	
	2013	2012	2013	2012
Cost - capitalized finance leases	10,230	19,318	10,230	19,318
Less Accumulated depreciation	(4,683)	(8,208)	(4,683)	(8,208)
Net book value	5,547	11,110	5,547	11,110

14. LEASEHOLD RIGHTS

Leasehold rights as at December 31, consists of:

As at December 31, 2013

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at December 31, 2012	Additions	Decreases	Differences on translation of Financial Statements	Balance as at December 31, 2013
Cost					
Leasehold rights	352,305	16,326	(118,438)	4,576	254,769
Total cost	352,305	16,326	(118,438)	4,576	254,769
Accumulated Amortization					
Leasehold rights	(264,894)	(11,980)	117,664	(3,129)	(162,339)
Total Accumulated Amortization	(264,894)	(11,980)	117,664	(3,129)	(162,339)
Leasehold rights	87,411				92,430

As at December 31, 2012

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at December 31, 2011	Additions	Decreases	Differences on translation of Financial Statements	Balance as at December 31, 2012
Cost					
Leasehold rights	380,268	2,246	(30,679)	470	352,305
Total cost	380,268	2,246	(30,679)	470	352,305
Accumulated Amortization					
Leasehold rights	(282,132)	(13,156)	30,679	(285)	(264,894)
Total Accumulated Amortization	(282,132)	(13,156)	30,679	(285)	(264,894)
Leasehold rights	98,136				87,411
Amortization for the years ended December 31,					
2013					11,980
2012					13,156

As at December 31, 2013

Unit : Thousand Baht

	Separate Financial Statements			
	Balance as at December 31, 2012	Additions	Decreases	Balance as at December 31, 2013
Cost				
Leasehold rights	302,895	10,980	(118,438)	195,437
Total cost	302,895	10,980	(118,438)	195,437
Accumulated Amortization				
Leasehold rights	(232,913)	(10,146)	117,664	(125,395)
Total Accumulated Amortization	(232,913)	(10,146)	117,664	(125,395)
Leasehold rights	69,982			70,042

As at December 31, 2013

Unit : Thousand Baht

	Separate Financial Statements			
	Balance as at December 31, 2011	Additions	Decreases	Balance as at December 31, 2012
Cost				
Leasehold rights	333,574	-	(30,679)	302,895
Total cost	333,574	-	(30,679)	302,895
Accumulated Amortization				
Leasehold rights	(254,296)	(9,296)	30,679	(232,913)
Total Accumulated Amortization	(254,296)	(9,296)	30,679	(232,913)
Leasehold rights	79,278			69,982
Amortization for the years ended December 31,				
2013				10,146
2012				9,296

15. INTANGIBLE ASSET

Intangible asset as at December 31, consists of:

As at December 31, 2013

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at December 31, 2012	Additions	Decreases	Transfer in (Transfer out) / Reclassification	Balance as at December 31, 2013
Cost					
Software development costs	14,269	9,433	-	(707)	22,995
Total cost	14,269	9,433	-	(707)	22,995
Accumulated Amortization					
Software development costs	(6,166)	(3,047)	-	-	(9,213)
Total Accumulated Amortization	(6,166)	(3,047)	-	-	(9,213)
Intangible asset	8,103				13,782

As at December 31, 2012

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (Transfer 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
Amortization for the years ended December 31,					
2013					3,047
2012					1,293

As at December 31, 2013**Unit : Thousand Baht**

	Separate Financial Statements				
	Balance as at December 31, 2012	Additions	Decreases	Transfer in (Transfer out) / Reclassification	Balance as at December 31, 2013
Cost					
Software development costs	14,269	9,273	-	(707)	22,835
Total cost	14,269	9,273	-	(707)	22,835
Accumulated Amortization					
Software development costs	(6,166)	(3,045)	-	-	(9,211)
Total Accumulated Amortization	(6,166)	(3,045)	-	-	(9,211)
Intangible asset	8,103				13,624

As at December 31, 2012**Unit : Thousand Baht**

	Separate Financial Statements				
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (Transfer 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
Amortization for the years ended December 31,					
2013					3,045
2012					1,293

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, revenues from sales and services, other income, 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	
		2013	2012	2013	2012
Trade 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	-	-	1,952	74
HD Distributors (Thailand) Co., Ltd.	Associate	128	191	128	191
Foodhouse Catering Services Co., Ltd.	Associate	376	3,212	376	3,212
The Minor Food Group Public Co., Ltd.	Related company	860	1,167	860	1,167
Other related companies	Related company	1,096	1,403	1,096	1,403
		2,460	5,973	4,466	6,101
Advance payments to related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	4,724	146
S&P Food Solution Co., Ltd.	Subsidiary	-	-	2,995	2,535
Less Allowance for doubtful account		-	-	(2,965)	(2,505)
		-	-	30	30
S&P International Food Co., Ltd.	Subsidiary	-	-	8,815	5,018
Umenohana S&P Co., Ltd.	Subsidiary	-	-	5,685	-
S&P Restaurant Limited	Subsidiary	-	-	62	-
SK Catering Pte. Ltd.	Subsidiary	-	-	140	-
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	858	-
HD Distributors (Thailand) Co., Ltd.	Associate	229	179	229	179
Foodhouse Catering Services Co., Ltd.	Associate	423	408	423	408
Other related companies	Related company	7	-	7	-
		659	587	20,973	5,781

Unit : Thousand Baht

Account name/ Company's name	Relationship	As at December 31,			
		Consolidated Financial Statements		Separate Financial Statements	
		2013	2012	2013	2012
Short-term loans to related parties (Interest rate percentage per annum)					
Patio International Limited (3.5%)	Subsidiary	-	-	3,178	3,178
<u>Less</u> Allowance for doubtful account		-	-	(3,178)	(3,178)
		-	-	-	-
S&P Restaurant Limited (3.0%)	Subsidiary	-	-	21,430	-
SK Catering Pte. Ltd. (3.0%)	Subsidiary	-	-	2,565	-
Patara Restaurant, Vienna GmbH (3.0%)	Subsidiary	-	-	49,974	-
Foodhouse Catering Services Co., Ltd. (5.0%)	Associate	7,500	7,500	7,500	7,500
		7,500	7,500	81,469	7,500
Investments in associates					
HD Distributors (Thailand) Co., Ltd.	Associate	61,128	57,353	48,998	48,998
Foodhouse Catering Services Co., Ltd.	Associate	6,380	4,997	4,997	4,997
<u>Less</u> Allowance for impairment of investment		(4,997)	(4,997)	(4,997)	(4,997)
		1,383	-	-	-
		62,511	57,353	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	-	-	49,997	10,000
Umenohana S&P Co., Ltd.	Subsidiary	-	-	15,000	-
		-	-	105,996	50,999
Trade payables (included in trade and other payables)					
S&P Asset Co., Ltd.	Subsidiary	-	-	253	306
HD Distributors (Thailand) Co., Ltd.	Associate	1,351	1,860	1,351	1,860
		1,351	1,860	1,604	2,166
Advance received from related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	23	20
S&P International Foods Co., Ltd.	Subsidiary	-	-	19	-
		-	-	42	20

16.2 Movements of short-term loans to related parties

Movements of short-term loans to related parties for the years ended December 31, 2013 and 2012 are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
S&P Restaurant Limited				
Beginning balance	-	-	-	-
<u>Add</u> Additional loan granted during the year	-	-	21,430	-
<u>Less</u> Repayment received during the year	-	-	-	-
Ending balance	-	-	21,430	-
Patio International Limited				
Beginning balance	-	-	3,178	3,178
<u>Add</u> Additional loan granted during the year	-	-	-	-
<u>Less</u> Repayment received during the year	-	-	-	-
			3,178	3,178
<u>Less</u> Allowance for doubtful accounts	-	-	(3,178)	(3,178)
Ending balance	-	-	-	-
SK Catering Pte. Ltd.				
Beginning balance	-	-	-	-
<u>Add</u> Additional loan granted during the year	-	-	7,786	-
<u>Less</u> Repayment received during the year	-	-	(5,221)	-
Ending balance	-	-	2,565	-
Patara Restaurant, Vienna GmbH				
Beginning balance	-	-	-	-
<u>Add</u> Additional loan granted during the year	-	-	49,974	-
<u>Less</u> Repayment received during the year	-	-	-	-
Ending balance	-	-	49,974	-
Foodhouse Catering Services Co., Ltd.				
Beginning balance	7,500	7,500	7,500	7,500
<u>Add</u> Additional loan granted during the year	-	-	-	-
<u>Less</u> Repayment received during the year	-	-	-	-
Ending balance	7,500	7,500	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 year December 31,			
		Consolidated Financial Statements		Separate Financial Statements	
		2013	2012	2013	2012
Revenues from sales					
S&P Global Co., Ltd.	Subsidiary	-	-	-	69
S&P International Food Co., Ltd.	Subsidiary	-	-	2,174	16
HD Distributors (Thailand) Co., Ltd.	Associate	591	621	591	621
Foodhouse Catering Service Co., Ltd.	Associate	3,188	6,750	3,188	6,750
The Minor Food Group Public Co.,Ltd.	Related company	20,903	25,631	20,903	25,631
Other related companies	Related company	37,580	36,304	37,580	36,304
		62,262	69,306	64,436	69,391
Rental income from buildings and equipment					
S&P Global Co., Ltd.	Subsidiary	-	-	522	360
HD Distributors (Thailand) Co., Ltd.	Associate	843	896	843	896
		843	896	1,365	1,256
Dividend income					
HD Distributors (Thailand) Co., Ltd.	Associate	-	-	3,860	3,390
		-	-	3,860	3,390
Other income					
S&P Global Co., Ltd.	Subsidiary	-	-	1,200	1,409
S&P Asset Co., Ltd.	Subsidiary	-	-	96	96
S&P International Food Co., Ltd.	Subsidiary	-	-	744	2,054
S&P Restaurant Limited	Subsidiary	-	-	62	-
SK Catering Pte. Ltd.	Subsidiary	-	-	140	-
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	858	-
HD Distributors (Thailand) Co., Ltd.	Associate	56	68	56	68
Foodhouse Catering Services Co., Ltd.	Associate	1,770	1,895	1,770	1,895
		1,826	1,963	4,926	5,522

Unit : Thousand Baht

Account name / Company's name	Relationship	As at December 31,			
		Consolidated Financial Statements		Separate Financial Statements	
		2013	2012	2013	2012
Share of profits of associates					
HD Distributors (Thailand) Co., Ltd.	Associate	7,635	18,434	-	-
Foodhouse Catering Services Co., Ltd.	Associate	1,383	-	-	-
		9,018	18,434	-	-
Purchases of goods					
HD Distributors (Thailand) Co., Ltd.	Associate	7,878	11,311	7,878	11,311
		7,878	11,311	7,878	11,311
Rental and other expenses					
S&P Global Co., Ltd.	Subsidiary	-	-	3	120
S&P Asset Co., Ltd.	Subsidiary	-	-	4,548	3,954
S.R. Estate Ltd.	Common director	432	432	432	432
Seacon Development Public Co., Ltd	Common director	1,198	514	1,198	514
Directors	Directors	2,423	3,413	2,423	3,413
		4,053	4,359	8,604	8,433
Service expenses					
S&P Asset Co., Ltd.	Subsidiary	-	-	1,277	1,208
Seacon Development Public Co., Ltd	Common director	3,543	2,437	3,543	2,437
		3,543	2,437	4,820	3,645
Management benefit expenses					
Short-term benefits	Management	49,211	51,422	38,800	42,165
Long-term benefits	Management	895	1,003	640	767
		50,106	52,425	39,440	42,932

17. DEFERRED INCOME TAX AND INCOME TAX EXPENSES

Deferred tax assets and liabilities as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Deferred tax assets	24,789	18,604	24,711	18,526
Deferred tax liabilities	2,439	1,703	-	-

The movements of deferred tax assets and liabilities for the years ended December 31, 2013 and 2012 during the year are as follows:

Consolidated Financial Statements

As at December 31, 2013

Unit : Thousand Baht

	Balance as at December 31, 2012	Addition	Utilized	Balance as at December 31, 2013
Deferred tax assets resulted from				
Allowance for doubtful accounts	509	-	-	509
The difference of depreciation rate	611	-	(441)	170
Allowance for impairment of investments	999	-	-	999
Provision for customer loyalty programmes	727	288	-	1,015
Employee benefit obligation	16,159	3,378	-	19,537
Actuarial loss on defined employee benefit plan (recognized changes in other comprehensive income)	1,607	-	-	1,607
Unearned revenues	-	4,312	(2,008)	2,304
Provision for dismantling, moving and renovating assets location costs	-	6	-	6
Total	20,612	7,984	(2,449)	26,147
Deferred tax liability resulted from				
Unearned revenues	(2,008)	-	2,008	-
Unrealized gain on revaluation of trading securities	-	(1,358)	-	(1,358)
Total	(2,008)	(1,358)	2,008	(1,358)
Deferred tax assets	18,604	6,626	(441)	24,789
Deferred tax liabilities resulted from				
Revaluation of available-for-sales securities (recognized changes in other comprehensive income)	(85)	(38)	-	(123)
The difference of depreciation expense	(1,618)	(698)	-	(2,316)
Deferred tax liabilities	(1,703)	(736)	-	(2,439)

Consolidated Financial Statements
As at December 31, 2012

Unit : Thousand Baht

	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 rate	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)

Separated Financial Statements
As at December 31, 2013

Unit : Thousand Baht

	Balance as at December 31, 2012	Addition	Utilized	Balance as at December 31, 2013
Deferred tax assets resulted from				
Allowance for doubtful accounts	431	-	-	431
The difference of depreciation rate	611	-	(441)	170
Provision for impairment of investments	999	-	-	999
Provision for customer loyalty programmes	727	288	-	1,015
Employee benefit obligation	16,159	3,378	-	19,537
Actuarial loss on defined employee benefit plan (recognized changes in other comprehensive income)	1,607	-	-	1,607
Unearned revenues	-	4,312	(2,008)	2,304
Provision for dismantling, moving and renovating assets location costs	-	6	-	6
Total	20,534	7,984	(2,449)	26,069
Deferred tax liability resulted from				
Unearned revenues	(2,008)	-	2,008	-
Unrealized gain on revaluation of trading securities	-	(1,358)	-	(1,358)
Total	(2,008)	(1,358)	2,008	(1,358)
Deferred tax assets	18,526	6,626	(441)	24,711

Separated Financial Statements
As at December 31, 2012

Unit : Thousand Baht

	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 rate	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

Income tax expenses of the Company and its subsidiaries for the years ended December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Current income tax	173,576	219,814	161,922	210,663
Adjustment prior year income tax expenses	(4,996)	1,630	(4,996)	1,630
Deferred tax expenses relating to the origination and reversal of temporary differences	(5,487)	(1,835)	(6,185)	(1,787)
Income tax per the statements of comprehensive income	163,093	219,609	150,741	210,506

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	
	2013	2012	2013	2012
Accounting profit before income tax	797,723	932,155	776,550	899,001
Applicable tax rates	15% - 25%	15% - 25%	20%	23%
Current income tax	172,455	217,251	155,310	206,770
Adjustment prior year income tax expenses	(4,996)	1,630	(4,996)	1,630
Tax effect of non-deductible expenses (benefits)	(4,366)	728	427	2,106
Income tax per the statements of comprehensive income	163,093	219,609	150,741	210,506

Corporate income tax for the Company and domestic subsidiaries are calculated on net profit for the year, adjusted by adding back certain expenses and deducting exempted income in compliance with the Revenue Code at the rates of 20% and 23% of net taxable profit for the periods of 2013 and 2012, 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 years ended December 31, 2013 and 2012.

According to Royal Decree No. 555 B.E. 2555 issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 27, 2012, the corporate income tax was reduced from 30% to 23% of net profit for accounting period beginning on or after January 1, 2012 but not later than December 31, 2012 and reduced to 20% of net profit for the accounting periods beginning on or after January 1, 2013 but not later than December 31, 2014. Therefore, the Company and its domestic subsidiary used a tax rate of 20% for calculation of deferred tax for the years ended December 31, 2013 and 2012.

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, 2013 and 2012.

18. BANK OVERDRAFTS

As at December 31, 2013, S&P Restaurant Limited has bank overdrafts with a financial institution amounting to GBP 38,164 or approximately Baht 2.06 million. Bank overdrafts 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	
	2013	2012	2013	2012
Trade payables - other companies	422,869	396,328	382,041	356,208
Trade payables - related parties	1,351	1,860	1,604	2,166
Advance received from related parties	-	-	42	20
Accounts payable - acquisition of assets	86,263	64,167	66,169	45,232
Unearned revenues	15,667	18,086	15,667	18,086
Other payables	71,456	79,912	69,230	79,218
Accrued expenses	277,766	274,149	224,655	230,352
	875,372	834,502	759,408	731,282

20. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Long-term borrowings from financial institutions as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Long-term borrowings from financial institutions	65,845	113,399	-	-
<u>Less</u> Current portion of long-term borrowings from financial institutions	(24,358)	(35,104)	-	-
	41,487	78,295	-	-

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

	Terms	Cur- rency	Facility	Repayment Date and due date	Interest Rate (% p.a.)	As at December 31, 2013		As at December 31, 2012	
						Currency	Thousand Baht	Currency	Thousand Baht
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
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	210,000	11,323	300,000	14,804
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	412,500	22,240	562,500	27,757
Bangkok Jam Co., Ltd.⁽³⁾ 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	2,494,000	2,729	5,830,000	6,150
Loan from overseas commercial banks	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	4,162,000	4,553	7,498,000	7,909
S&P International Foods Co., Ltd.⁽⁴⁾ Loan from local commercial banks	Repayable of Baht 1,260,000 per install- ment on a quarterly basis The first installment commences from the first withdrawn date of the fully 12 months.	BAHT	25,000,000	January 15, 2014 to January 15, 2019	MLR minus 2%	-	25,000	-	-
Total long-term loans of subsidiaries Less Current portion of long-term loans in the consolidated financial statements							65,845 (24,358)		113,399 (35,104)
							41,487		78,295

(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. As at December 31, 2012, 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, Vienna GmbH borrowed in the amount of EUR 1.24 million (equivalent to Baht 49,97 million) from S&P Syndicate Public Company Limited in order to repay all outstanding loans from the commercial bank before the maturity date. The loan was secured with the fixed deposit of EUR 1.24 million (equivalent to Baht 49,97 million) from S&P Syndicate Public Company Limited as collateral for such long-term loans with a commercial bank (see Note 13) which S&P Restaurant Limited 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 as collateral (see Note 10.3).
(4) S&P International Foods Co., Ltd., a subsidiary, passed a resolution to request from local financial institution for credit facilities. 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, S&P International Foods Co., Ltd. has to maintain its debt coverage ratio as specified in the loan agreement.

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	
	2013	2012	2013	2012
Not later than 1 year	1,809	3,440	1,809	3,440
Later than 1 year and not later than 5 years	1,146	3,180	1,146	3,180
Finance lease liabilities	2,955	6,620	2,955	6,620

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	
	2013	2012	2013	2012
Current service cost	14,134	12,482	13,530	11,935
Interest cost	3,598	3,110	3,364	2,904
Expenses recorded in the statement of comprehensive income	17,732	15,592	16,894	14,839

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	
	2013	2012	2013	2012
Beginning present value of defined benefit obligation	95,101	73,150	88,828	66,952
Current service cost	14,134	12,482	13,530	11,935
Interest cost	3,598	3,110	3,364	2,904
Actuarial loss on defined employee benefit plan	-	9,129	-	8,036
	112,833	97,871	105,722	89,827
<u>Less</u> Benefits paid	-	(2,770)	-	(999)
Ending present value of defined benefit obligation	112,833	95,101	105,722	88,828

For the year ended December 31, 2012, the Company recognized the actuarial loss 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 actuarial assumption.

The principle actuarial assumptions used to calculate the defined benefit obligation as at December 31, 2013 and 2012 are as follows:

	Consolidated Financial Statements	Separate Financial Statements
Discount rate	3.73% - 3.89% per annum	3.89% per annum
Mortality rat	Thai Mortality Table 2008	Thai Mortality Table 2008
Normal retirement age	60 years	60 years
Expected rate of salary increase	5% per annum	5% per annum
Employee turnover rate	0% - 35% per annum	0% - 35% per annum

23. SHARE CAPITAL

On November 12, 2013, the Board of Directors' meeting of the Company passed a resolution to write-off of all outstanding treasury shares at book value of Baht 250.95 million by reduction of its authorized share capital of 6,604,600 ordinary shares totalling Baht 33.02 million, from 104,686,273 ordinary shares to 98,081,673 ordinary shares, since the Company did not sell the treasury shares in the Stock Exchange of Thailand during March 11, 2011 to September 10, 2013. The Company registered such capital reduction with the Department of Business Development, the Ministry of Commerce on December 8, 2013.

24. 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.

25. 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 financia 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:

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Value of treasury shares (Thousand Baht)	-	250,951	-	250,951
Number of treasury shares (Thousand shares)	-	6,605	-	6,605
Average cost per share (Baht)	-	38.00	-	38.00
The number of treasury shares to the share capital issued by the Company (Percentage)	-	6.31	-	6.31

As at December 31, 2012, the Company had a reserve for treasury shares amounting to Baht 250.95 million, which was appropriated from its retained earnings.

On November 12, 2013, the Board of Directors' meeting of the Company passed the resolution to write-off of all outstanding treasury shares by reduction of its authorized share capital, since the Company did not sell the treasury shares during the determined period for resale of the treasury shares (see Note 23).

The Company transferred the difference of Baht 217.93 million between the capital reduction at par value of Baht 33.02 million and the treasury shares in the amount of Baht 250.95 million to the unappropriated retained earnings. In addition, the Company reversed the treasury shares reserve of Baht 250.95 million back to the unappropriated retained earnings after the write-off of the treasury shares and the reduction of its capital.

26. BASIC EARNINGS PER SHARE

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

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Profit attributable to owners of the parent (Thousand Baht)	626,018	707,806	625,809	688,496
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 after deduction of treasury shares as at December 31, (Thousand shares)	98,082	98,082	98,082	98,082
Basic earnings per share (Baht)	6.38	7.22	6.38	7.02

27. APPROPRIATION OF EARNINGS AND DIVIDEND

S&P Syndicate Public Company Limited

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

On April 24, 2013, the annual general shareholders' meeting of the Company passed a resolution to distribute an annual dividends from the operations of the year 2012 for 98,081,673 shares at Baht 6.00 per share, totalling Baht 588.49 million. The dividends consist of interim dividends at Baht 1.50 per share, totalling Baht 147.12 million which was paid on September 7, 2012 and additional dividends of 98,081,673 shares a Baht 4.50 per share, totalling Baht 441.37 million, which was paid on May 15, 2013.

On August 13, 2013, the Company's Board of Directors' meeting passed a resolution to pay the interim dividends to shareholders of 98,081,673 shares based on the authorized and paid-up share capital, deducted with treasury shares, at Baht 1.25 per share, totalling Baht 122.60 million, which was paid on September 13, 2013.

Subsidiaries

The Board of Directors' meeting of the subsidiaries passed a resolution to distribute interim dividends as follows:

Company's name	Board of Directors' meeting date	Dividend Paid (Currency)		Dividend payment date
		CHF	Million Baht	
Patara (Geneva) SA	April 24, 2012	150,000	4.98	June 29, 2012
Thai Development SA	April 24, 2012	140,000	4.64	June 29, 2012
			9.62	

On September 25, 2013, the Board of Directors' meeting of S&P Restaurant Limited ("the subsidiary") approved the dividend payment as ordinary shares of the subsidiary for 900,000 ordinary shares to the shareholders of the subsidiary at the rate of 1 former ordinary share for 9 dividend ordinary shares at par value Pound 1 per share totally of Pound 900,000 (equivalent to Baht 45.65 million). The extraordinary shareholders' meeting of the subsidiary also approved the capital increase by increasing the authorized share capital from 100,000 ordinary shares to 1,000,000 ordinary shares. On September 30, 2013, the subsidiary has registered the capital increase with the government authority of the United Kingdom.

28. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2013 and 2012 are as follows:

Unit : Thousand Baht

	Consolidated Separate Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Changes in inventories of finished goods and work in process - increase	(627)	(38,966)	(627)	(38,966)
Raw materials and consumables used	2,277,321	2,093,529	2,039,207	1,876,449
Cost of finished goods purchased	59,882	57,523	59,882	57,523
Depreciation and amortization	289,618	260,492	244,498	217,594
Employee expenses	1,718,159	1,556,987	1,383,456	1,241,219
Transportation expense	184,621	165,761	184,122	165,743

29. 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, 2013 and 2012, the Company's contributions and subsidiaries' contributions to provident funds which were recorded as expenses in the consolidated statements of comprehensive income were Baht 19.29 million and Baht 15.38 million, respectively

For the years ended December 31, 2013 and 2012, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of comprehensive income were Baht 14.67 million and Baht 12.87 million, respectively.

30. 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.

31. DISCLOSURE OF FINANCIAL INSTRUMENT INFORMATION

The Company presents and discloses financial instrument information of the Company and its subsidiaries as follows:

31.1 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.

31.2 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

31.3 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.

31.4 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

32. FINANCIAL INFORMATION BY SEGMENT

Financial information by the reportable segments which are domestic restaurant and bakery shop, packaged food and bakery trading business, overseas restaurant and others

Elimination of inter-segment, segment revenues and profit from external customers and reconciliation of total segment profit from external customers to profit before income tax expense and comprehensive income for the years ended December 31, 2013 and 2012 are as follows:

Unit: Thousand Baht

	Domestic restaurant and bakery shop	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter- segment	Total
Consolidated statements of comprehensive income For the year ended December 31, 2013							
Segment revenues	5,340,765	721,946	892,276	53,165	7,008,152	(7,999)	7,000,153
Segment profit (loss)	1,016,886	83,135	51,140	(2,204)	1,148,957	-	1,148,957
Unallocated income (expenses):							
Net gain on exchange rate							9,656
Total other income							84,388
Central selling and administrative expenses							(399,913)
Management benefit expenses							(50,106)
Finance costs							(4,277)
Share of profits of associates							9,018
Profit before income tax expense							797,723
Income tax expense							(163,093)
Profit for the year							634,630
Other comprehensive income for the year, net of tax							17,767
Comprehensive income for the year							652,397

Unit: Thousand Baht

	Domestic restaurant and bakery shop	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter- segment	Total
Consolidated statements of comprehensive income For the year ended December 31, 2012							
Segment revenues	4,982,099	644,699	853,206	51,999	6,532,003	(5,366)	6,526,637
Segment profit	1,045,432	72,984	24,046	3,692	1,146,154	-	1,146,154
Unallocated income (expenses):							
Net gain on exchange rate							1,001
Gain on sale of investment of a subsidiary							19,046
Total other income							88,050
Central selling and administrative expenses							(283,458)
Management benefit expenses							(52,425)
Finance costs							(4,647)
Share of profits of associates							18,434
Profit before income tax expense							932,155
Income tax expense							(219,609)
Profit for the year							712,546
Other comprehensive income for the year, net of tax							(2,604)
Comprehensive income for the year							709,942

Unit: Thousand Baht

	Domestic restaurant and bakery shop	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter- segment	Total
Statements of financial position As at December 31, 2013							
Trade and other receivables	42,309	185,996	26,316	1,515	256,136	(22,630)	233,506
Inventories	113,564	2,072	11,023	2,569	129,228	-	129,228
Property, plant and equipment	526,588	2,340	266,835	4,369	800,132	(68)	800,064
Leasehold right	65,710	-	17,491	-	83,201	-	83,201
Assets under common use							
- Trade and other receivables							34,316
- Inventories							188,723
- Property, plant and equipment							689,840
- Leasehold right							9,229
- Others							1,371,046
Total assets							3,539,153

Unit: Thousand Baht

	Domestic restaurant and bakery shop	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter- segment	Total
Statements of financial position							
As at December 31, 2012							
Trade and other receivables	39,257	170,874	27,287	1,420	238,838	(5,648)	233,190
Inventories	108,616	3,094	8,727	1,407	121,844	-	121,844
Property, plant and equipment	431,425	2,328	238,103	6,603	678,459	(112)	678,347
Leasehold right	59,654	-	17,427	-	77,081	-	77,081
Assets under common use							
- Trade and other receivables							21,794
- Inventories							148,943
- Property, plant and equipment							544,125
- Leasehold right							10,329
- Others							1,612,511
Total assets							3,448,164

Geographic Area Information

Financial information by geographic area for the years ended December 31, are as follows:

Unit: Thousand Baht

	Domestic	Overseas	Consolidated Financial statements
Revenues			
For the year ended December 31, 2013			
Revenue from external customers	6,107,877	892,276	7,000,153
Segment assets			
As at December 31, 2013			
Non-current assets	1,613,838	330,414	1,944,252
Revenues			
For the year ended December 31, 2012			
Revenue from external customers	5,673,431	853,206	6,526,637
Segment assets			
As at December 31, 2012			
Non-current assets	1,329,450	296,230	1,625,680

33. COMMITMENTS AND LETTERS OF GUARANTEE

As at December 31, 2013 and 2012, the Company and its subsidiaries had commitments and letters of guarantee as follows:

33.1 Commitments to pay rental and services under long-term lease contracts are as follows:

Domestic offices, vehicles and computer and services rental expenses

Unit : Thousand Baht

	As at December 31,	
	2013	2012
Not later than 1 year	381,646	302,590
Later than 1 year and not later than 5 years	807,288	601,479
Late than 5 years	141,877	14,986

Overseas subsidiaries rental and services expenses

Unit : Thousand Baht

	As at December 31,	
	2013	2012
Not later than 1 year	121,212	77,621
Later than 1 year and not later than 5 years	226,801	175,227
Late than 5 years	109,030	148,152

33.2 As at December 31, 2013 and 2012, the Company and its subsidiaries had outstanding capital commitments relating to construction contracts of new branches and shops and purchase of a building, totalling Baht 67.93 million and Baht 34.93 million, respectively.

33.3 As at December 31, 2013 and 2012, the Company and its subsidiaries had letters of guarantee issued by a bank to guarantee for electricity usage for the Company of Baht 51.98 million and Baht 35.93 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).

33.4 S&P International Foods Co., Ltd., 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 on a quarterly basis 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.

33.5 The Company 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 33.4.

34. EVENTS AFTER THE REPORTING PERIOD

34.1 On February 26, 2014, the Company's Board of Directors' meeting passed a resolution to distribute an annual dividends from the operations of the year 2013 for 98,081,673 shares at Baht 5.50 per share, totalling Baht 539.45 million. The dividends consist of interim dividends at Baht 1.25 per share, totalling Baht 122.60 million which will be paid on September 13, 2013 and the additional dividends of 98,081,673 shares at Baht 4.25 per share, totalling Baht 416.85 million, which will be paid on May 15, 2014. The Board of Directors will propose to the shareholders at the annual general shareholder meeting to get an approval for the dividend payment.

34.2 On January 6, 2014, S&P Restaurant Limited has entered into a loan agreement and drawn down a long-term loan with a commercial bank of GBP 340,000 or approximately Baht 18.33 million. The loan carry interest at the rate of the bank's lending base rate plus 0.50% per annum. Principal is repayable on installment basis, totalling 20 installments, which are GBP 17,000 per installment. The first principal installment is due within three months from the first drawn down date and the remaining installments are repayable every three months. Such loan is secured by a new building of which the ownership was transferred on January 12, 2014 (see Note 8.4).

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized directors of the Company on February 26, 2014.

Management Discussion and Analysis

Business Overview

Summary of 2013 Performance

In 2013, the Company and its subsidiaries (“a group of companies”) reported the revenue from sales and services of 7,000 million baht, an increase of 474 million baht from the same period of last year, accounted for a growth of 7.26%. The net profit was 626 million baht, a decrease of 82 million baht from the previous year, accounted for a minus growth of 11.56%. The performance was mainly affected by the political unrest throughout the year, this substantially led to the postponement of consumers’ expense in all 4 quarters. However, in this 2013 year, a group of companies has continued expanding its business to prepare for the future growth by opening restaurant and bakery shop under the brand S&P 448 outlets. In addition to this, a group of companies has also expanded its Japanese Tonkatsu (soft pork-deep-fried) Restaurant under the brand Maisen from originally 1 branch in 2012 to be 3 more branches this year. Also, in September 2013 the Company has joined with Umenohana Co.,Ltd operates a Japanese restaurant franchise “Umenohana” regarded as an authentic kaiseki cuisine. This two Japanese franchise brands have been warmly welcomed by Thai customers.

Revenue from Sales and Services

The revenue from sales and services increased from 6,526 million baht in 2012 to 7,000 million baht in 2013, with the growth rate of 7.25%, which can be categorized into the following sales channels:

Revenue breakdown by distribution channel

(Unit: Million Baht)

Distribution Channels	2013		2012		Increase (Decrease) %
	Amount	%	Amount	%	
Domestic restaurant and bakery shop	5,382	76.89	5,025	76.99	7.10
Packaged food and bakery trading business	722	10.31	645	9.88	11.94
Overseas restaurant	892	12.74	853	13.07	4.57
Others*	4	0.06	4	0.06	0.00
Total	7,000	100.00	6,527	100.00	7.25

* Rental revenue

Domestic restaurant and bakery shop business

In 2013, the revenue from the domestic restaurant and bakery shop business contributed to 76.89% of the revenue from sales and services. It increased 357 million baht, or by 7.10 percent compared to the same period of last year due to the growth of sale volume of the existing restaurant and bakery, and additional sales from newly opened outlets including S&P brand, Maisen brand and Umenohana brand. In 2013, the Company opened 63 new outlets, consisting of 12 restaurants and 51 bakery shops. The Company’s total of 461 outlets as of year ended 2013 comprised 121 restaurants and 340 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 to that of Bangkok. In addition, the Company has continued to implement marketing activities through advertising in various media by focusing on strengthening the sense of trust and goodwill towards the “S&P” brand.

Packaged food and bakery trading business

In 2013, sales from this business had a share of 10.31% of the revenue from sales and services, an increase of 77 million baht from the previous year, accounted for a growth of 11.94%. 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 alliance with new retail concepts.

Overseas restaurant

Revenue from this business in 2013 accounted for 12.74% of the revenue from sales and services, an increase of 39 million baht from the previous year, with a growth rate of 4.57%. In spite of the sluggishness of the world economy in 2013, especially in European continent when compared with other regions, the Company's revenue from this zone did increase. This is due to the well acceptance in quality standard of food and service of the Company's overseas restaurants including "Patara" that is well known and highly success in England, and "Bangkok Jam" that also claims much for its popularity in Singapore.

Revenue breakdown by product type

(Unit: Million Baht)

Product	2013		2012		Increase (Decrease) %
	Amount	%	Amount	%	
Bakery	3,144	44.91	2,952	45.23	6.50
Domestic food and beverage	2,117	30.24	1,919	29.40	10.32
Overseas restaurant	892	12.74	853	13.07	4.57
Food products **	625	8.93	590	9.04	5.93
Other products ***	222	3.17	213	3.26	4.23
Total	7,000	100.00	6,527	100.00	7.25

** 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 2013, bakery products had the highest proportion of 44.91% when compared with the revenue from the sales and services while the proportion for the domestic food and beverage was at 30.24%. In terms of the sales growth volume, bakery products had a growth rate of 6.50% due to the new outlet expansions as well as increased sales in existing outlets, including the product development and diversification in line with customer tastes, and the increase in sales promotion activities. Food and beverage had a growth rate of 10.32%, 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 service

In 2013, the cost of sales and services slightly increased from 53.09% in 2012 to 54.34% due to the increase in the wage rate in production in order to retain man power, together with the increase in cost, when compared to the previous year, of raw material for food production such as meat and seafood etc.

Expenses

A group of companies had a total expense of 2,497.01 million baht, an increase of 245.40 million baht compared to the same period of last year, or an increase of 10.90% due to the following factors

The sales expense increased 64.78 million baht or an increase of 31.38%, with the proportion of sales expense to revenue from sales and services of 3.87%, mainly due to the advertisement and marketing activities during the end of the year period.

The operation expenses increased 182.93 million baht or an increase of 9.18%, with the proportion of operation expense to revenue from sales and services of 31.08%, mainly due to the adjustment in salary rate of the staff that resulted in an increase of 10.31% of the personnel expenses, together with an increase of 12.11% in building and utility because of an increase in opening the new outlets both domestic and overseas.

The Company's net profit

Since the expansion of revenue from sales and services in 2013 was below the set target, the proportion of the Company's net profit to the net revenue from sales and service thus decreased from 10.84% in 2012 to 8.94% in 2013. The Company's net profit in 2013 decrease from 708 million baht in 2012 to 626 million baht, a decrease of 82 million baht or 11.56%, and the ROE decreased from 35.68 in 2012 to 28.92 in 2013.

Operating efficiency

The group of companies had a decrease in return on assets from 21.82% in 2012 to 17.92 in 2013 due to the decrease of the Company's net profit

Overview of financial status and cash flow statement of 2012

The group of the companies had total assets at year end 2013 of 3,539 million baht. The current assets and non-current assets accounted for 45.06% and 54.94% respectively, whereas the current liabilities accounted for only 30.70% of total assets. Thus, the liquidity is as 1.47 times, due to the group of companies' rapid turnover from cash sales.

The net cash from operation was at 820 million baht, as a result of 1,010 million baht of operating cash flows before tax and the tax payment of 190 million baht. The change of cash flows from investing and financing activities comprised cash spent for temporary investment of 403 million baht, investment in fixed assets of 512 million baht, resulting from investment in land, production machinery, construction and furnishing due to restaurant and bakery expansions. In addition, the dividend payment of 564 million baht, coupled with other cash flows from the operation, the group of companies had a net decrease of cash totaling 103 million baht. With the large amount of existing cash at 443 million baht as the beginning of 2013, the cash and cash equivalent for the business as of the end of the year was at 547 million baht.

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 statement 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 1/2014 held on February 26, 2014 had passed resolution to propose the Annual General Meeting of Shareholders 2014 on April 21, 2014, to adopt the interim dividend payment of 1.25 baht per share paid on September 13, 2013, and to approve the dividend payment for 2013's operating result of 5.50 baht per share, or the remaining dividend payment of 4.25 baht per share. In case of the Meeting of Shareholders approves the dividend payment as proposed, the dividend payment ratio of the Company shall be 86.17%

Details of dividend payment for operating year 2013 compared with previous year.

Dividend Details	2013	2012
1. Net Profit (Milion Baht)	626.02	707.81
2. Number of Shares	98,081,673	98,081,673
3. Dividend Paid per Share		
3.1 Interim Dividend (Baht/Shares)	1.25	1.50
3.2 Additional Dividend (Baht/Shares)	4.25	4.50
4. Total Dividend Paid		
4.1 Interim Dividend (Million Baht)	122.60	147.12
4.2 Additional Dividend (Million Baht)	416.85	441.37
5. Dividend Payout Ratio (%)	86.17	83.14

S&P's 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 Italhai Tower, 23 rd - 24 th Floor, No. 2034/100 - 107 New Petchburi Road, Bangkok, Huay Kwang, Bangkok 10310	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 overseas restaurant business			
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	Conduct real estate development business by renting spaces to restaurants	10,000	9,993	99.93%
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 Japanese Restaurant under "Maisen" brand	100,000	99,994	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 pizza delivery and Italian food restaurant	200,000	199,997	99.99%
S&P Global Company Limited 457 Sukhumvit 55, Klongtannua, Vadhana, Bangkok Tel : +66 (0) 2185 1313 Fax : +66 (0) 2185 1274	Operate Thai restaurants in overseas, currently with 9 subsidiaries as follows	500,000	400,000	80.00%
S&P Restaurant Company Limited** Suite 4.16 130 Shaftesbury Ave, London, W1D 5EU, UK Tel : (44) 020 7031 1168, 020 7031 1169 Fax : (44) 020 7031 1167	Operate Thai restaurants in England, currently with 4 branches under "Patara" And 1 branch of "SUDA"	1,000,000	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 branches	300,000	150,000	50.00%
Patara Taiwan Company Limited** 12 Alley 247, Sec.1 Tua Hua S. Road, Taipei, Taiwan	Operate Thai restaurants under “Patara” brand in Taiwan, cease its operation since September 2007	1,500,000	750,000	50.00%
Patio International Company Limited** 7F-3 No.28 Jen-Ai Road, Sec.3, Taipei Taiwan Tel : (8862) 2721-5998 Fax : (8862) 2721-6008	Operate Thai restaurants under “Patio” brand in Taiwan, cease its operation since October 2011	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	4,300,000	3,950,000	91.86%
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%

Names / Location	Type of business	No. of common shares		% Holding
		Total Share	No. of Shares held by S&P Group	
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 branches	5,000,000	2,500,000	50.00%
Bangkok Jam SDN BHD ***** No.79 A Jalan SS 21/37 Damansara Utama 47400 petaling Jaya Selangor Darul Ehsan Malaysia Tel : + 603 5637 8488	Operate restaurants under “Bangkok Beat Bistro” brand, currently with 2 branches	470,000	234,990	49.99%
HD Distributors (Thailand) Company Limited 20th floor, 539/2, Gypsum Mertropolitan Tower, Sri-Ayudhya Road, Tanon Phayathai Sup-district, Rajdhavce, 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%
Umenohana S&P Co., Ltd. No. 2034/100 New Petchburi Road, Bangkapi, Huay Kwang, Bangkok Tel : +66 (0) 2785-4000	Operate Japanese restaurant and food product in Thailand under “Umenohana” brand	250,000	150,000	60.00%

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)	
			2013	2012
S&P Global Co., Ltd.	Subsidiary	Revenues from sales	-	0.22
		Rental income from buildings and equipment	0.52	0.36
		Revenues from services	1.20	1.20
		Purchases of goods/services		1.20
S&P Restaurant Co., Ltd SK Catering Pte Ltd. Patara Restaurant, Vienna GmbH	S&P Global Co., Ltd's subsidiaries	Interest income	0.06	-
		Interest income	0.14	-
		Interest income	0.86	-
S&P International Foods Co., Ltd.	Subsidiary	Revenues from sales	2.17	2.00
		Revenue from services	0.74	0.12
S&P Asset Co., Ltd.	Subsidiary	Revenue from services	0.10	0.10
		Rental of premises	5.83	5.16
General Mills Thailand Co., Ltd.	Associate (Parent Company of HD Distributors (Thailand) Co., Ltd.)	Revenues from sales	-	6.00
HD Distributors (Thailand) Co., Ltd.	Associate	Revenues from sales	0.59	0.69
		Revenue from services	0.06	-
		Rental income from buildings and equipment	0.84	0.90
		Dividend income	3.86	3.39
		Purchases of goods/services	7.88	11.31
Foodhouse Catering Services Co., Ltd.	Associate	Revenues from sales	3.19	6.75
		Revenues from services	1.40	1.52
		Interest income	0.38	0.37
The Minor Food Group Public Co., Ltd.	Related company (Minor International Public Company Limited's subsidiaries)	Revenues from sales	20.90	25.63

Account name/ Company's name	Relationship	Type of Transaction	Amount (Million Baht)	
			2013	2012
Minor DQ Limited	Related company (The Minor Food Group Public Co., Ltd's subsidiaries)	Revenues from sales	9.72	8.09
Minor Dairy Limited		Revenues from sales	2.92	5.60
Swensen's (Thai) Limited		Revenues from sales	17.62	11.17
SLRT Limited		Revenues from sales	7.32	5.43
The Coffee Club (Thailand) Limited		Revenues from sales	-	-
S.R. Estate Co., Ltd.	Related company	Rental of premises	0.43	0.43
Directors	Directors	Rental of offices and storage	2.42	3.41
Seacon Development Public Co., Ltd	Directors	Rental and services	4.74	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)	
			2013	2012
S&P Global Co., Ltd.	Subsidiary	Trade accounts receivable	0.05	0.05
Patio International Co., Ltd.	S&P Global Co., Ltd's subsidiaries	Receivable - short-term loans (3.5%)	3.18	3.18
		Less Allowance for doubtful accounts	(3.18)	(3.18)
S&P Restaurant Co., Ltd		Receivable - short-term loans (3.0%)	21.43	-
SK Catering Pte Ltd.		Receivable - short-term loans (3.0%)	2.57	-
Patara Restaurant, Vienna GmbH		Receivable - short-term loans (3.0%)	49.97	-
S&P Food Solution Co., Ltd.*	Subsidiary	Trade accounts receivable	1.79	1.79
		Less Allowance for doubtful account	(1.79)	(1.79)
S&P International Foods Co., Ltd.	Subsidiary	Trade accounts receivable	1.95	0.07
S&P Asset Co., Ltd.	Subsidiary	Trade accounts payable	0.25	0.31

Account name/ Company's name	Relationship	Type of Transaction	Amount (Million Baht)	
			2013	2012
General Mills Thailand Co., Ltd.	Associate (Parent Company of HD Distributors (Thailand) Co., Ltd.)	Trade accounts payable	-	0.37
HD Distributors (Thailand) Co., Ltd.	Associate	Trade accounts receivable Trade accounts payable	1.35 0.13	1.86 0.19
Foodhouse Catering Services Co., Ltd.	Associate	Trade accounts receivable Receivable - short-term loans (5.0%)	0.38 7.50	3.21 -
The Minor Food Group Public Co., Ltd.	Related company (Minor International Public Company Limited's subsidiaries)	Trade accounts receivable	0.86	1.17
Minor DQ Limited	Related company (The Minor Food Group Public Co., Ltd's subsidiaries)	Trade accounts receivable	0.59	0.41
Minor Dairy Limited		Trade accounts receivable	0.46	0.50
Swensen's (Thai) Limited		Trade accounts receivable	0.05	-
SLRT Limited		Trade accounts receivable	-	0.13
The Coffee Club (Thailand) Limited		Trade accounts receivable	-	-

Note * Has ceased its operation since August 1, 2010

Risk Factors

According to the rapid change of industrial environments, competition, consumer behavior, liberalization of trade and services, the establishment of ASEAN Economic Community (AEC), the development of information systems, operations, rules, regulations, and standards, that cause the increase in risk factors and possibility to the company. The Company has always focused on risk management and has established a Risk Management Committee on February 28, 2555 to determine the policy, method and monitoring, and also to assess the risk management.

This year the Risk Management Committee has been meeting three times to consider the risk management of all departments in the organization in accordance with the responsibility assigned by the Board of Directors. In addition, the Risk Management Committee has been responsible for assessing the risk of major projects with high investment value before proposing to the Board of Directors of the Company. According to the Risk Management Committee's consideration, the main risk factors of the Company and the management methods 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 Board of Directors has put in place the strategic and budgetary plans in order to define the strategy for business operation in both short term and long term, through which the feasibility and the factors affecting business operation, such as the internal and external factors, the economic environment, the industrial environment, and the competition, as well as the opportunity to expand its business overseas are analyzed. At present, the company has established the Office of Strategy to responsible for the company's strategy work. The Risk Management Committee is responsible for consider and advise the Office of Strategy in overall.

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 of 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 Managements recognize this factor and have arranged for training to build appropriate competency for each level of employees. Training and operation manuals have been provided and for important functions, there is clear separation of duties to serve as checks and balances for each other. There is also a systematic reporting and monitoring as well as a consideration on developing the working process to achieve the efficiency, readiness, accuracy and cost control for the whole process of production, management and service. Furthermore, the company has in place an internal audit division in order to check and monitor. So the Risk Management Committee is responsible for considering the operational risk in both level of the effect to the Company and the possibility of its occurrence, and also responsible for suggesting the measures to prevent and manage each risk.

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 or the interest rate adjustment. So the Company has properly prepared financial projection, management guideline, 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 an 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.

5. Catastrophe and political risk

The Company is aware catastrophe which has negative implications to the business operations such as flooding, epidemic disease (eg. Avian flu) and political instability. The Company thus 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 categorized into a short-term plan and a medium-to-long term plan. While the former aims for coping with the emergency and the Company has to continue its business operation (Business Continuity Plan or BCP), the latter designed to restrain or relieve the negative impacts in according to the concurrence. The BCP must be regularly reviewed by the Risk Management Committee and if the emergency occurs the Risk Management Committee must assess the risk management of the occurrence and find ways to improve the plan for more effective management in the future.

Shareholder and Management Structure

Shareholder Structure

Share capital

The Company's securities comprise ordinary shares. As of December 31, 2013, the Company's registered capital is 490,408,365 baht, divided into 98,081,673 ordinary shares of par value of 5 baht each. The paid-up capital amounts to 490,408,365 baht, divided into 98,081,673 ordinary shares of par value of 5 baht each.

Share repurchase program for financial management

According to the resolution of the Board of Directors Meeting No.1/2010 on 24th February 2010, S&P Syndicate Public Company Limited has repurchased shares amount of 6,604,600 shares or equal to 6.31% of the total of paid-up capital and entitled to dispose of those shares during 11th March 2011 - 10th September 2013.

As the Company did not resell all of the said treasury stock within the specified period as mentioned above, there were 6,604,600 unsold shares or equal to 6.31% of the total of paid-up capital that remain with the Company. According to the Ministerial Regulation issued by the Ministry of Commerce, Re: Rules and Procedures for purchase, Disposal and Writing off of Treasury Stocks of Companies, B.E. 2544, the Board of Directors Meeting No.4/2013 on 12th November 2012, resolved that the Company decreased the registered and paid-up capital by writing off the 6,604,600 unsold shares.

After the capital decrease, the registered and paid-up capital of the Company will be 490,408,365 baht divided into 98,081,673 shares at a par value of 5.00 baht each.

Shareholders

The first 10 majority shareholders whose names appeared in the register of shareholders as of January 15, 2014 are as follows:

Group of Shareholders	Number of Shares	Percent
1 The Sila-On and Raiva Groups	41,786,220	42.60
2 Minor International Public Company Limited	30,717,084	31.32
3 Mrs. Supapan Pichaironarongsongkram	3,469,000	3.54
4 THE HONG KONG AND SHANGHAI BANKING CORPORATION LIMITED, FUND SERVICES DEPARTMENT	2,271,200	2.32
5 Mr. Aryuth Charnsethikul	1,474,400	1.50
6 CREDIT SUISSE AG SINGAPORE BRANCH	1,250,000	1.27
7 Mr. Charlie Valaisathien	1,200,000	1.22
8 Mrs. Parinya Khancharoensuk	1,042,462	1.06
9 Mr. Niti Osathanukrua	960,100	0.98
10 Mr. Phithak Phisethsith	830,000	0.85

Management Structure

1. Board of Directors

As of December 31, 2013, 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	-	-	-	580,000
2. Lt. Varakorn Raiva Vice Chairperson of the Board of Directors	5/5	-	-	-	390,000
3. Mr. Pravesvudhi Raiva President	5/5	-	-	-	390,000
4. Ms. Cattleya Saengsastra Independent Director, Chairperson of the Audit Committee	5/5	4/4	-	-	930,000
5. Ms. Sophavadee Uttamobol Independent Director, Audit Committee	5/5	4/4	-	-	830,000
6. Mr. Aviruth Wongbuddhapitak Independent Director, Chairperson of Nomination and Remuneration's Committee	5/5	-	3/3	-	675,000
7. Ms. Patamavalai Ratanapol Director, Nomination and Remuneration's Committee	5/5	-	1/3	-	640,000
8. Mr. Piya Sosothikul Independent Director, Nomination and Remuneration's Committee, Risk Management Committee (Appointed on February 28, 2012)	5/5	4/4	3/3	3/3	890,000
9. Mr. John Scott Heinecke Director, Risk Management Committee (Appointed on February 28, 2012)	5/5	-	-	2/3	650,000
10. Mr. Kachorndej Raiva Director	5/5	-	-	-	390,000

Names / Position	Total Attendances				Total
	BOD & AGM	Audit Committee's Meeting	Nomination and Remuneration's Committee	Risk Management Committee	
11. Mrs. Kessuda Raiva Executive Vice Director, Nomination and Remuneration's Committee	5/5	-	2/2	-	410,000
12. Mr. Vitoon Sila-On Director and Company Secretary, Chairperson of Risk Management Committee	5/5	-	-	3/3	435,000
Total					7,210,000

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

- Gratuity was fixed at 430,000 baht for the chairperson of the board and 290,000 baht for each director
- The regular remuneration for non-executive directors was fixed at 20,000 baht per month, the chairperson of the audit committee at 15,000 baht per month and the members of audit committee at 10,000 baht per month
- The meeting allowance for the board of director was fixed at 30,000 baht per attendance for chairperson of the board and 20,000 baht per attendance for each director
- The meeting allowance for the audit committee was fixed at 30,000 baht per attendance for chairperson of the audit committee and 20,000 baht per attendance for each member of audit committee
- The meeting fee for the nomination and remuneration committee was fixed at 15,000 baht per attendance for chairperson of the nomination and remuneration committee and 10,000 baht per attendance for each member of nomination and remuneration committee
- The meeting fee for the risk management committee was fixed at 15,000 baht per attendance for chairperson of the risk management committee and 10,000 baht per attendance for each member of risk management
- With effective from the date of Annual General Meeting of Shareholders held on April 24, 2013 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 2013, there were a total of four Audit Committee meetings. Please see the Executive Committee section below for the details of the number of Audit Committee Meetings, as well as the meeting attendance by Audit Committee members.

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' 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 Director'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:
 - (1) A shareholder has one vote per share;
 - (2) Each shareholder must exercise her/his whole votes to elect one candidate or more as director(s) but her/his votes may not be distributed howsoever to elect the candidate(s);
 - (3) The candidates receiving the highest votes in respective sequence equal to the number of directors which should be elected at such time will be elected directors. In the event the next elected candidates receive equal votes and their number exceeds the number of directors which should be elected at such time, the 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:
 - (1) Holding shares representing 1 percent max of the paid-up capital of the Company, its affiliated, associated or related companies, provided shares held by related parties are included;
 - (2) Being a director who does not participate in the management of the Company, its affiliated, associated or related companies, or majority shareholders of the Company; and not being a servant, employee or advisor receiving a regular salary from the Company, an affiliated, associated or related company, or a majority shareholder of the Company;
 - (3) Being a director without either direct or indirect benefits or interests in terms of both finance and management in the Company, its affiliated or associated companies, or majority shareholders of the Company; and not having had or interests of that nature during a period of 1 year before being appointed as member of the Audit Committee unless the Board of Directors is, after careful consideration, those previous benefits or interests will not affect the performance of the duty and the giving of free opinions by the Audit Committee member;
 - (4) Being a director who is not related to or is not a close relative of an executive or majority shareholder of the Company;
 - (5) Being a director who is not appointed as agent to protect interests of directors of the Company, majority shareholders, or shareholders related to the majority of the Company;
 - (6) Being a director who is able to perform her/his duty and comment or report freely on the result of the performance of her/his duty as entrusted by the Board of Directors, without being under the control of a majority shareholder of the Company, including related parties or close relatives of that person;
 - (7) Being a director with appropriate knowledge, ability and skills

Company Secretary

The Board of Directors appointed a Company Secretary clearly at the Board of Directors Meeting, No. 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 Company seeks approval for the directors' remuneration from the meeting of shareholders every year.

1) Remuneration for Board Members

The 2013 General Shareholders Meeting, held on April 24, 2013, 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 2013 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 430,000 baht for the Chairperson of the board and 290,000 baht each for the 11 directors of the Company. The gratuity amounts in total to 3,620,000 baht, and shall be paid in accordance to the period of holding their position. The comparison of director's remuneration in 2013 and 2012 are as follows;

The comparison of director's remuneration in 2013 and 2012 are as follows;

Remuneration	2013		2012	
	Person	Baht	Person	Baht
Regular Remuneration for Non-Executive Director	6	1,860,000	6	1,820,000
Meeting Allowance	12	1,730,000	12	1,625,000
Gratuity	12	3,620,000	14	2,960,000
Total		7,210,000		6,405,000

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 2013, the Company paid remuneration as salaries, bonuses, special rewards and travel expenses to 12 executive committee and executives of totally 30.34 million baht.

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.

Corporate Governance

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

(1) Rights of Shareholders

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

1. Such basic rights as the shareholders should be entitled to in terms of voting, receipt of dividends, transactions or transfers of shares, presence at shareholders' meetings, and equal receipt of sufficient information in a form befitting consideration and at an appropriate time;
2. The right to elect and remove a director 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 ;

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 and the number of votes agreeing, disagreeing or abstaining from voting, including significant details required for consideration, to completion within 14 days counting from the date of the meeting, and will also publish them for acknowledgement by the shareholders via the Stock Exchange of Thailand and the Company's website in order that the shareholders can make examinations.

5. Policy and Measure for Care of Internal Information - The Company has a policy and procedure for overseeing its directors and executives regarding the use for their own benefit of internal information which has not yet been disclosed to the general public, including securities transactions especially during 1 month before the financial statements are made public. To this, directors and 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 42.60 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 audit department, and the internal audit department 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 2555, 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 guidelines 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 economic 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 5 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	2013		2012	
	Number of employees *	Remuneration (Million Baht)	Number of employees *	Remuneration (Million Baht)
Local Offices	587	198.39	575	213.43
Branch Operation Dept.	4,755	642.04	4,588	531.32
Factories	1,854	308.08	1,689	254.17
Total	7,195	1,148.51	6,852	998.193

* The average number of employee

Internal Control

The Company has a policy in developing the internal control to be continually efficient, be written into statement coving all operation systems, and also be done in accordance with the Board of Directors' policy. Thus, the basic structure of the internal control has been established as a guide for the operation.

The establishment of the internal control standard has been applied as a tool for controlling the operation. This is to ensure that the operation will achieve the overall objectives of the Company efficiently and effectively, including the asset security, the protection or mitigation of the mistake or misconduct in each division, the credibility of the financial report, and the respect in law, regulation and rules. With the frequent monitoring, it aims to be able to manage the internal control effectively. It also encourages the Managements and the employees in all levels to be aware of the significant and follow the internal system control continuously until the good internal control culture has been well established in the organization.

The Company thus prepared the manual called “The Regulation of the Internal Control System” of the Company in order to encourage the learning and the understanding about the code of conduct and the principle in monitoring and assessing. It is expected that the operating report will be delivered on time and all employees of the organization will act in accordance with the mentioned manual. As a consequence, the Company then could achieve its objectives and sustainably grow.

The Company’s internal control system that has been complied with the internal control principle of COSO can be described as follows:

1. Organization and Environment

The Company has provided the annual strategy plan by reviewing the objectives of the operation to ensure that the objective defining have been done carefully and also to consider the practicality of those objectives. Also, the working groups coping with each issue have been established by selecting ones equipped with knowledge, caliber and skill in their field of specialization in order to determine the guideline for the employees to work in accordance with the objectives and to be able to apply the Key Performance Indicators (KPI’s) as a tool to assess the performance of the employees. Moreover, the manual on the working regulation and the code of conduct has been provided for the committees and employees to strictly, honestly, transparently comply with.

2. Objective Setting

The Company has clearly defined the objectives of the internal control including the strategy for the operation, for reporting, and for complying with the policy, law, regulation and rule that have been written. This practice have been done in according with the main objectives or the overall mission as well as with the acceptable risk in order to equip the management team with a tool and guideline for managing and controlling with efficiency, transparency and accountability. This will also create the creditability for those related people. In addition, the Company has also adjusted the strategy plan and objectives to conform to the always fluctuating environment and risk factors.

3. Event Identification

The Company has appropriately and systematically specified the event identification and various risk factors that will negatively affect the organizational level objectives and operational level objectives as well as the possible events that will positively benefit the objectives. This has been done by considering the sources of risk from both inside and outside the Company. Also the monitoring has consistently done to ensure that the Company has specified the risk factors covering the change of each level, and the management team and related people have always been kept updating with the situation.

4. Risk Assessment

The Company has more emphasized on risk management. So the Managements have placed importance on and also appropriately and systematically assessed the risk, from internal and external factors, that will affect the achievement of each division’s objectives. Thus, the risk management manual has been provided as a guide for assessing the risk, rating the risk, controlling the risk, mitigating the risk, and also monitoring and evaluating in order to effectively increase the risk management performance.

5. Risk Management Policy

The Company has identified its risks and the possibilities of its risks, and has prioritized those risks, then determined the appropriate strategy to manage, prevent and set the measure to response to those risks. In addition, the Company has established the warning sign of each risk in order to monitor and manage it by informing all divisions to understand the risk management process with the same standard.

6. Controlling Activities

The Company has clearly defined the operation of the internal audit activities to be suited with the business operation. They will be used in the operation that has been designed to prevent or mitigate the risk efficiently and effectively. The Managements have organized the appropriate internal audit activities – not too strict that the employees feel uncomfortable or too lenient that results in waste - in order to prevent or mitigate the possible damage or mistake, and also to be able to achieve the objectives of the Company. Also, the duties of operators, controllers and evaluators have been clearly separated, and it results in transparency and prevents fraudulent act.

7. Information and Communication

In this 2013 year, the Company has emphasized on the development of information system to facilitate the working process of the employees and to ensure the accuracy, the speed and the completeness of the information. So the Managements and the Board of Directors will have reports to be used for analyzing and decision making promptly and in time.

8. Monitoring

The Company has defined the KPIs for evaluating and assessing the performance of all divisions, and also reviewed the KPIs every year. So the Company can monitor its performance each month continually and in time. In case the operating result differs from the specified target significantly, the Managements will analyze the cause, and provide the recommendation immediately. This helps the Company grow sustainably.

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	72	Honorary Degree Business Administration in Management, Rajamangala University Of Technology Isan Doctor in Letters (Honorary) Pine Manor College, Massachusetts, USA BBA Business Administration Boston University, USA	7.60	Eldest sister	Past 5 years / Chairperson of the Board of Directors	S&P Syndicate Public Co., Ltd.
					Past 5 years / Vice 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	66	MA Economics, University of Indiana, USA BBA Chulalongkorn University, Bangkok, Thailand	2.24	First brother		

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. Pravesvudhi Raiva President	63	BBA Political Science University of Indiana USA MMP Chulalongkorn University MMM Training Program - Modern Management Program - Modern Marketing Management Director Certification Program Certificate (DCP) Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	6.22	Third brother	Past 5 years / President Director	S&P Syndicate Public Co., Ltd. Charn Issara Development Public Co., Ltd.
Mr. Kachorndej Raiva Executive Committee Director	64	BBA Accounting Chulalongkorn University Bangkok, Thailand Director Certification Program Certificate (DCP) Thai Institute of Directors Association	2.10	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 President for S&P Golbal Co.,Ltd.	60	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 Poom Palung Pandin Program, Class of 1st Chulalongkorn University Top Executive Program in Commerce and Trade, Class of 6th (TEPCoT 6) University of the Thai Chamber of Commerce	7.74	Spouse of Mr. Pravesvudhi Raiva	2013 - Present / Nomination and Remuneration Committee Member 2008 - Present / Executive Vice President 1994 - Present / Executive Committee Director 1990 - Present / President	S&P Syndicate Public Co., Ltd. S&P Global Co., Ltd.
Mr. Vitoon Sila-On Director and Company Secretary Chairperson of Risk Management Committee Senior Vice President- Domestic Operations	46	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	1.14	Son of Mrs. Patara Sila-On	2012 - Present / Chairperson of Risk Management Committee 2010 - Present / Director 2007 - 2010 / 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	66	BBA Accounting (Hons.) Chulalongkorn University Bangkok, Thailand Controllership Training Program Thammasat University Management Development Program - JJ Kellogg North Western University Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	0.012	- None -	Past 5 years / Independent Director, Chairperson of the Audit committee Director, Executive Committee Director	S&P Syndicate Public Co., Ltd. Dynasty Ceramic Pub- lic Co., Ltd.
Ms. Sophavadee Uttamobol Independent Director, Audit Committee Director	54	MBA Business Administration Chulalongkorn University, Bangkok, Thailand BBA Bachelor of Law Thammasat University, Bangkok, Thailand Director Accreditation Pro- gram Certificate (DAP) Audit Committee Program Certificate (ACP) Thai Institute of Directors Association	-	- None -	Past 5 years / Independent Director, Audit Committee Director Independent Director, Audit Committee Director	S&P Syndicate Public Co., Ltd. Bumrungrad Hospital 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 Wongbuddhakitak Independent Director, Chairperson of Nomination and Remuneration Committee	66	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, Chairperson of Nomination and Remuneration Committee 2009 - Present / Independent Director and Audit Committee 2006 - Present / Independent Director Chairperson of the Audit committee 2006 - Present / Advisor 2003 - Present / Director, Executive Committee Director 1995 - Present / Director	S&P Syndicate Public Co., Ltd. TMB Bank Public Co., Ltd. Advanced Info Service Public Co., Ltd. The Siam Cement Public Co., Ltd. (SCC) Thai Plastic and Chemi- cals Public Co., Ltd. Deves Insurance Public Co., Ltd.
Mrs. Patamawalai Ratanapol Director, Nomination and Remuneration Committee	58	MBA Business Administration Emporia State University, U.S.A. BBA Chulalongkorn University Bangkok, Thailand Directors Certification Program Certificate (DCP) Thai Institute of Directors Association	0.01	- None -	2010 - Present / Director, Nomination and Remuneration Committee member 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 Sosohtikul Independent Director, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee	43	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 -	2012 - Present / Risk Management Committee	S&P Syndicate Public Co., Ltd.
					2011 - Present / Independent Director, Audit Committee, Nomination and Remuneration Committee	
					2001 - Present / Executive Committee	Bualuang Securities PLC
					- Present / Executive Committee	Seacon Co., Ltd.
					- Present / Executive Committee	Thaichuros Co., Ltd.
					- Present / Director	Nanyang Marketing Co., Ltd.
					- Present / Director	Nanyang Industry Co., Ltd.
					- Present / Director	Seacon Development PLC
					- Present / Executive Committee	Erawana Co., Ltd.
					- Present / Executive Committee	Siam Housing Co., Ltd.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. John Scott Heinecke Director	43	BA International Business Washington State University U.S.A. BA International Business Washington State University U.S.A. Directors Certification Program Certificate (DCP) Thai Institute of Directors Association Director Finance Program (DFP) Australian Institute of Company Directors Association	-	- None -	2012 - Present / Director, Risk Management Committee 2010 - Present / Executive Committee 2009 - Present / Chief Human Resource Officer 2002 - 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
Mrs. Patcharee Chandrachoti Vice President for Operations Department	62	Commerce Diploma Chao Phraya Commercial College	0.03	- None -	Past 5 years / Vice President for Operations Department	S&P Syndicate Public Co.
Mr. Somjit Kitteerakul Vice President for Bakery	52	Bachelor of Science (Biotechnology), Kasetsart University Master of Art, Ramkhamhaeng University	-	- None -	Past 5 years / Vice President for Bakery	S&P Syndicate Public Co.
Mr. Chongchana Chantamas	49	Bachelor of Science (Food Science and Technology), Kasetsart University	-	- None -	Past 5 years / Vice President for Food Operations	S&P Syndicate Public Co.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. Pakorn Tiewcharoen	43	MBA, Business Administration, SASIN-Kellogg Program BBA, Business Administration, Assumption University	-	None	2013 – Present / Vice President - Global 2008 – 2013 / Vice President - Trade 2005-2007 / Marketing and International Business Manager	S&P Syndicate Public Co. S&P Syndicate Public Co. Siam Cement Group of companies (SCG)
Mrs. Khanyupar Achakulwisut Vice President-Finance and Accounting	53	Accounting (2nd Honoured) Chulalongkorn University, Bangkok, Thailand Certified Public Accountant (Thailand) since 1986	-	None	2012 – Present / Vice President-Finance and Accounting	S&P Syndicate Public Co.

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	490,408,365 Baht (Four hundred ninety million four hundred eight thousand three hundred and sixty-five Baht)
Issued and paid-up capital	490,408,365 Baht (Four hundred ninety million four hundred eight thousand three hundred and sixty-five Baht) comprising 98,081,673 ordinary shares with a par value of 5 Baht per share.
Head Office	2034/100-107, Ital Thai Tower, 23rd - 24th Floor, New Petchburi Road, Bangkok, Huaykwang Bangkok 10310
Registration No.	0107537001170 (From No. Bo. Mo.Cho. 364)
Telephone	(02) 785 – 4000
Facsimile	(02) 785 – 4040
Email address	presidentoffice@snpfood.com
Homepage	www.snpfood.com
Registrar	Thailand Securities Depository Co., Ltd. (TSD) 62 The Stock Exchange of Thailand Building, Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel: (02) 229-2800 Facsimile: (02) 359-1259
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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