

ANNUAL REPORT 2014



CREATIVELY DIFFERENT



– Vision –

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

“เป็นผู้นำธุรกิจร้านอาหารไทย
ผลิตภัณฑ์เบเกอรี่และผลิตภัณฑ์อาหาร
ที่ได้รับความนิยมขึ้นชอบทั่วโลก”

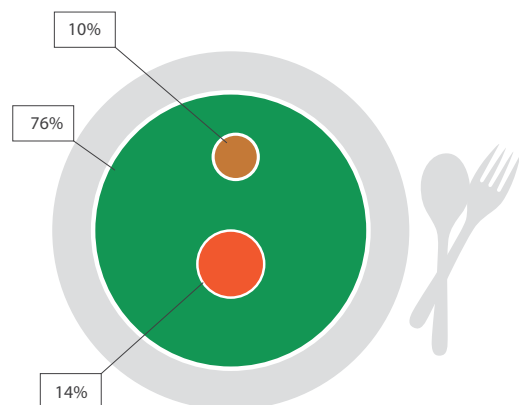
Financial Highlight

	2012	2013	2014
Income Statement (Million Baht)			
Total Revenues	6,635	7,094	7,342
Revenues from Sales and Services	6,527	7,000	7,257
Gross Profit	3,062	3,196	3,320
Profit before Finance Costs and Income Tax Expenses (EBIT)	937	802	633
Net Profit	708	626	498
Balance Sheet (Million Baht)			
Total Assets	3,448	3,539	3,625
Total Liabilities	1,255	1,248	1,306
Shareholder's Equity	2,193	2,291	2,319
Paid-up Capital	523	490	490
Finance Ratio			
Gross Profit Margin (%)	46.91	45.66	45.75
Net Profit Margin (%)	10.67	8.82	6.78
Return on Major Shareholders' Equity (%)	35.68	28.92	22.43
Return on Assets (%)	21.82	17.92	13.73
Liquidity Ratio (Times)	1.70	1.47	1.37
Debt to Equity Ratio (Times)	0.57	0.54	0.58
Per Share Data* (Baht per Share)			
Closing Price as of December 31	34.50	27.00	27.00
Par Value	1.00	1.00	1.00
Book Value per Share	4.47	4.67	4.73
Earning per Share	1.44	1.28	1.01
Dividend per Share	1.20	1.10	0.80
Dividend Payout Ratio (%)	83.14	86.17	78.82

* Par value was adjusted to equal 1.00 Baht/share

Revenue 2014

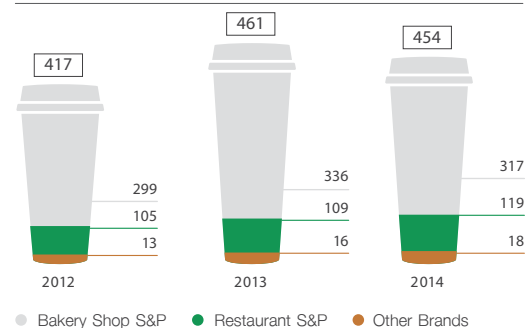
Revenue Breakdown by Distribution Channel



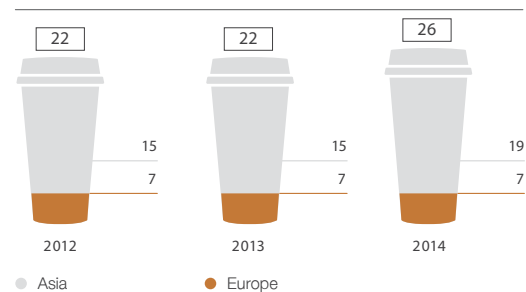
Domestic Restaurant & Bakery Shop	5,528
Packaged Food & Bakery Trading	711
Overseas Restaurant	1,017
Other Revenues	1
Total	7,257

Million Baht

Number of Domestic Outlets

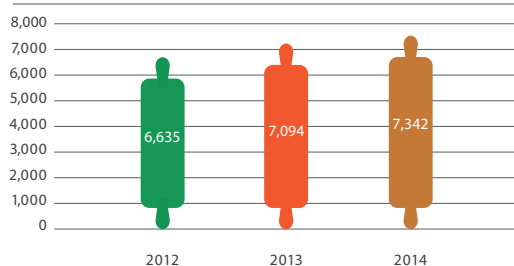


Number of Overseas Restaurants

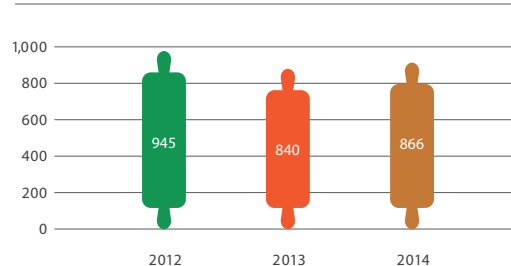


Performance 2014

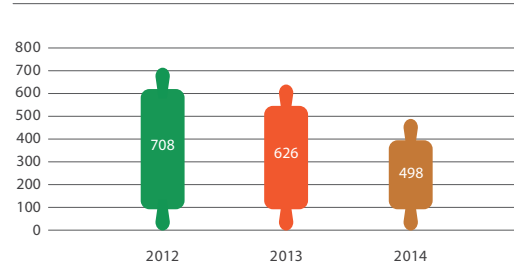
Total Revenue (Million Baht)



Operating Cashflows (Million Baht)



Net Profit (Million Baht)



Dividend per Share* (Baht per Share)



* Par value was adjusted to equal 1.00 Baht/share

Board of Directors



MRS.PATARA SILA-ON
Chairperson



MR.PRAVESVUDHI RAIVA
Chief Executive Officer



LT.VARAKORN RAIVA
Vice Chairperson



MRS.KESSUDA RAIVA
President/Nomination and Remuneration
Committee/President of S&P Global Co.,Ltd



MS.SOPHAVADEE UTTAMOBOL
Independent Director/
Audit Committee Director



MS.CATTLEYA SAENGSASTRA
Independent Director
Chairperson of the Audit Committee

Board of Directors



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



MR.KACHORNDEJ RAIVA
Director



MRS. PATAMAWALAI RATANAPOL
Director/
Nomination and Remuneration Committee



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



MR.VITON SILA-ON
Director and Company Secretary/
Chairperson of Risk Management Committee/
Senior Vice President-Domestic Operation



MR.JOHN SCOTT HEINECKE
Director /Risk Management Committee

Message from the Chairperson



Our progression into the 42nd year of operation will be based on delivering Shareholders value return while upholding high standards of good governance.

Dear Shareholders,

In 2014, S&P continued to strive for excellence in our business. Despite being suffering from the consequences of domestic unrests and global economic slowdown, we made several major achievements, which included the launching of new Shop omd branches at selected locations, both in Bangkok and Upcountry, and the renovation of existing branches in order to maintain S&P standard.

For the AEC countries, we launched our first branch in Phnom Penh, Cambodia, marking our first overseas expansion under the S&P brand. We received a warm support and are considering opening more branches

Regarding our innovation, we introduced new products, offering more options for healthy and tasty food and beverage. We also organized a supplier conference for our longstanding partners to enhance our network and cooperation in delivering quality products for 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 employees for their support in the company's endeavor. We will strive to maintain S&P standard in providing quality food, pleasant dining atmosphere and good service, and also producing quality products at reasonable price. Our progression into the 42nd year of operation will be based on delivering shareholders value return while upholding high standards of good governance.



MRS. PATARA SILA-ON
Chairperson

Message from the President



We will strive to keep growing while nurturing the business ethics for the sustainable growth.

Dear Shareholders,

In order to achieve the business goal, we realize that we need a **systematic working process and the sustainable development**. For the past years, we have determined to improve our organization for more efficiency by inviting specialists from both inside and outside to share their knowledge and to help systemizing our working process. In parallel, we have been encouraging our employees to be more open-minded for learning the new knowledge and always keep learning by doing. Moreover, we have our Learning Center to cultivate and develop our employees to be equipped with qualified capacity for our business expansion throughout the country and also in the AEC region.

We have been in the market for 42 years and became the legend of quality food and bakery in Thailand. Our business growth is impressive and we became one of the major food businesses enlisted in the Stock Exchange of Thailand. With an intention to share with international customers the taste of Thai cuisine and related exquisite experience, we have also expanded our business to many countries. Besides offering quality food and bakery, we have been the leader in product innovation introducing new products such as Thai and international desserts, packaged food, sausage and jelly etc.

We have been aware of the rapid changes in the food and bakery industry, especially in the recent years, there have been a number of new entrepreneurs entering the market and various kinds of products have been offered to customers. At the same time, the customers have more sophisticated taste and heavily rely on technology in finding information on restaurants and products. We definitely take all these trends into our consideration and keep up with these changes in order to offer the best for our customers.

Our growth in the past 42 years was made possible with the support from our shareholders, partners, customers, as well as our management team and staff of all divisions. I would like to extend my heartfelt gratitude and appreciation to all. We will strive to keep growing while nurturing the business ethics for the sustainable growth.



MRS. KESSUDA RAIVA
PRESIDENT



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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 become 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, 2014, the Company has totally 26 overseas restaurants in 8 countries around the world; England, Switzerland, Austria, Taiwan, Singapore, China, Malaysia and Cambodia under various brands including Patara, SUDA, Siam Kitchen, Bangkok Jam, Bangkok Best Bristro, and also S&P.

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**). Moreover, 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 2014 auspiciously marked the 41 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, 2014, the Company operates 446 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 Bakery Shop	115	202	317
S&P Restaurant & Bakery	63	56	119
Vanilla Group	4	-	4
BlueCup	2	1	3
Patio	1	-	1
Patara	1	-	1
Grand Seaside	-	1	1
Total	186	260	446

Remark: The Company operates 236 BlueCup coffee corners in S&P restaurants and bakery shops.



(1) S&P Restaurant & Bakery

S&P restaurant offers a variety of Thai food and international food, beverage and dessert, such as, BlueCup drink, bakery product, ice-cream under named, as well as various ready-meal products. The Company pays attention to details, quality, freshness, hygiene, safety, together with selecting the best raw materials and creating menu by professional chef with targeting middle-class family, teenagers and working people. The restaurant provides eat in, take away and delivery services. The customer can buy tasty frozen ready-to-eat meal, cookies, and Thai sweets. It is a family restaurant for everyone, everything and everywhere.



(2) S&P Bakery Shop & Corner

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

(3) Vanilla Group

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

• Vanilla Brasserie: Café / Patisserie Salon de the Creperie/ Chocolatier/ Confiserie

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

• Vanilla Café: Japanese Style Café

Italian-Japanese restaurant designed in Japanese Retro style emphasizing on simplicity. The restaurant offers privacy and a variety of Japanese dishes. The restaurant is attracted by the variety of Japanese sweets same as the party at your friend place. This considers as a choice of the high-end customer.

• 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.

• Vanilla Bakeshop

Based on the concept of industrial look, this homemade pastry and dessert café is mainly built with steel, wood and ceramic while allowing the texture of decorative materials to reveal its true nature. Menus are mainly served in sharing style. Besides, there is in-store corner to offer chef's table food and cooking workshop as well.



(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) 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.



(6) Grand Seaside: Seafood

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



(7) 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 236 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.

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, 2014, the Company operates 25 restaurants in seven countries, as follows.

	England	Switzerland	Austria	Taiwan	Singapore	China	Malaysia	Total
Patara	4	1	1		1	1		8
SUDA	1							1
Siam Kitchen					5			5
Bangkok Jam				2	8			10
Bangkok Beat Bistro							1	1
Total	5	1	1	2	14	1	1	25

• 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 8 outlets in Singapore, 2 outlets in Taiwan under “Bangkok Jam”, and 1 outlet 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 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. As of December 2014, there were totally 6 Maisen outlets.



2.4 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.

2.5 S&P International Food (Cambodia) Co.,Ltd.

This company registered in April 30, 2014 with the paid up capital of 1.83 billion Khmer Riel (USD 457,000) and 99.96% of its shares were held by S&P Syndicate Public Company Limited. It operates a restaurant business in Cambodia. At the present, there is one outlet at AEON Mall in Phnom Penh, Cambodia.



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.



3.2 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. His 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 designs to satisfy customers of all ages, professions, and demographics in a competitive manner. Improvements of new products encompass quality raw materials, freshness, and taste to stay true to our slogan “S&P Simply Delicious”



1.1 Fresh Cake

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

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. In 2014, we have introduced two new cupcakes: peanut butter cupcake and red velvet peanut cupcake.





1.3 Frozen Cake

Given the popularity of our bakery products, we have expanded into frozen cakes in 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 also offer croissant & Danish with soft flour texture and authentically fresh butter; these include French style croissant, croissant hotdog roll and Danish spinach. Besides, 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 GABBA 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 Lava Cookies : premium cookies with melted chocolate inside. Two styles were offered : Chocolate Lava cookies and chocolate chip Lava cookies.



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



1.7 Moon Cake

The Company is dedicated to delivering fresh Moon Cake with longer shelf life. As a leader and well accepted by the customer of S&P and Golden Dragon Mooncake, each year we offer a variety favors of Moon Cake 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. In addition to the existing ones, in 2014 we have also introduced a new product: moon cake with Cranberry Earl Grey filling.

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. We also offer OEM production for various food business groups as well.



2.3 Caragenan Jelly: Jello Jelly

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



2.4 Dry Mix: Royallee

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

2.5 Delicatessen

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

3. Other Services

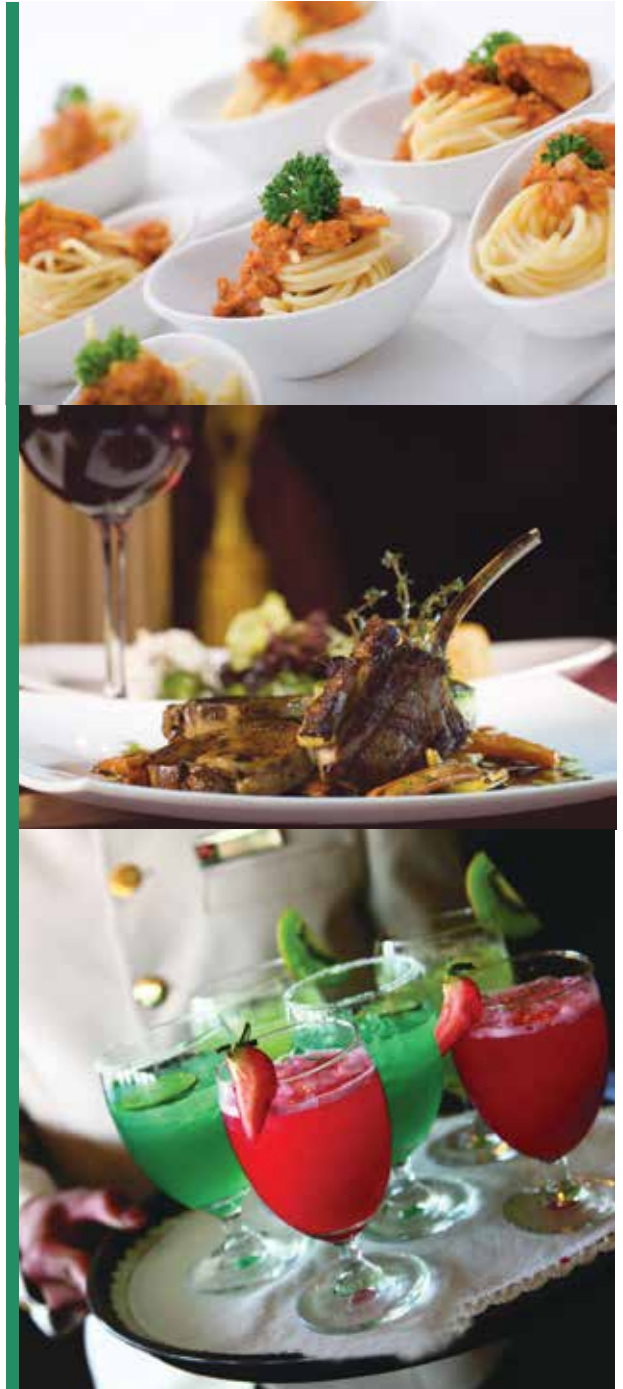
3.1 Delivery 1344

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

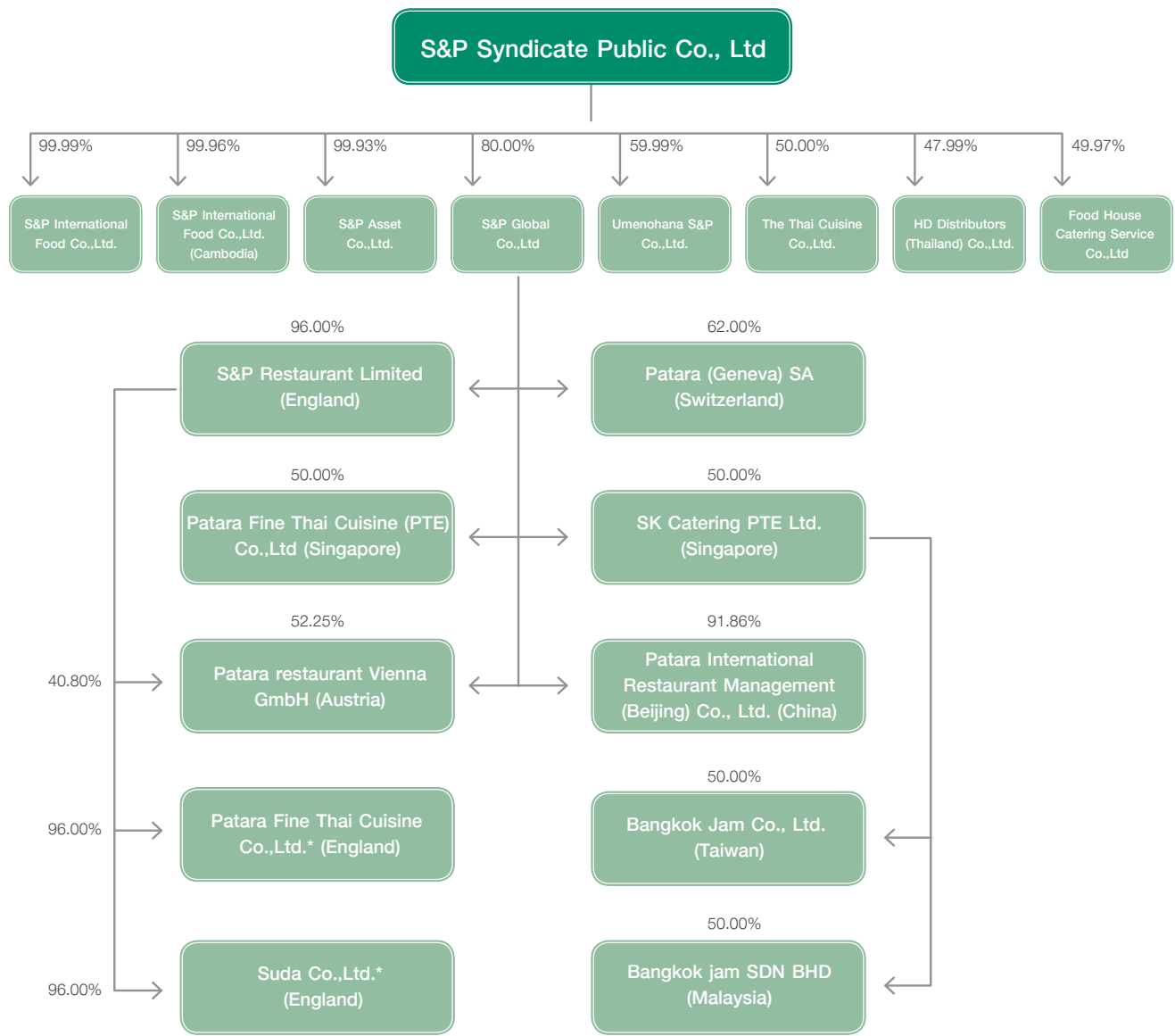


3.2 Caterman

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

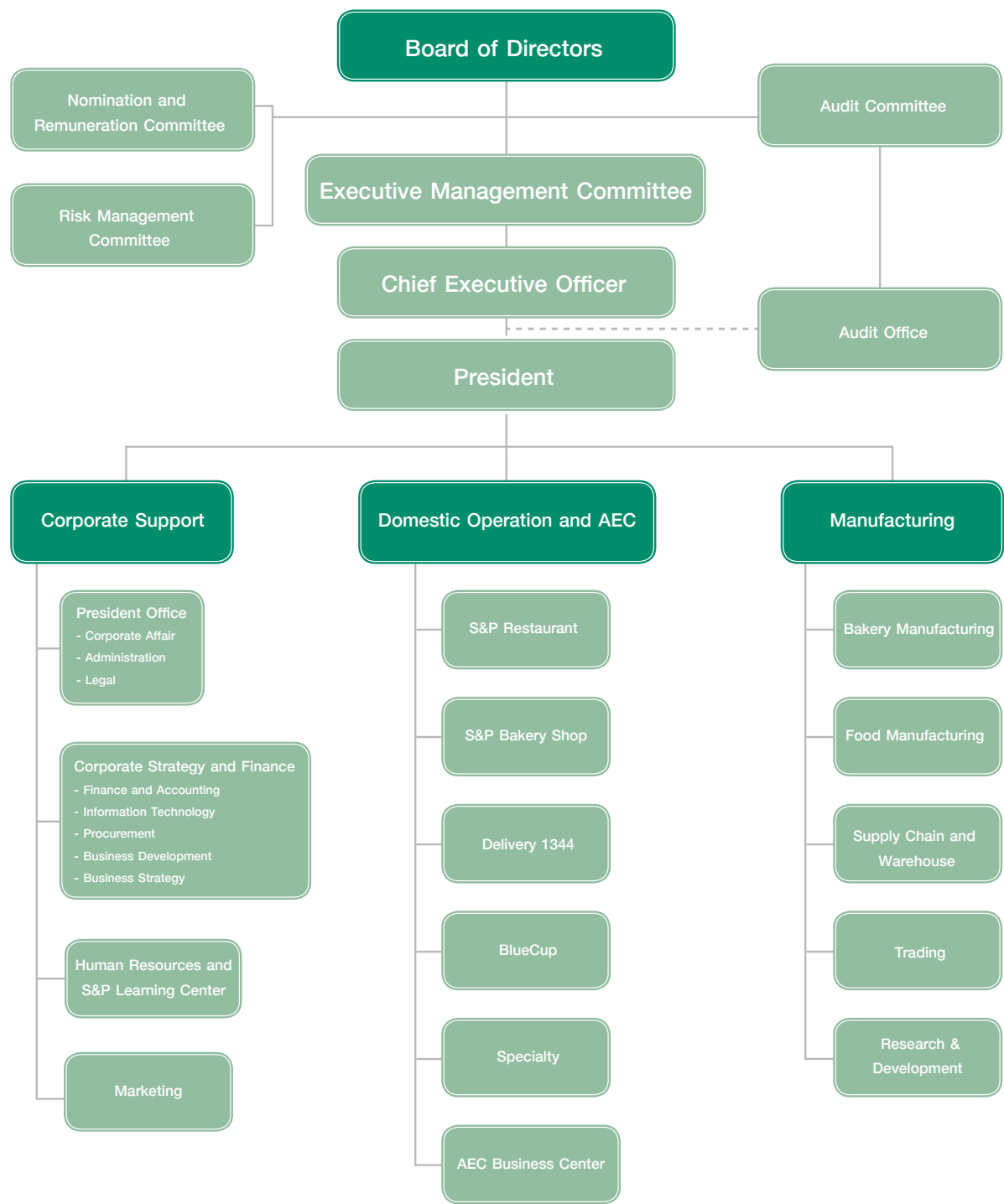


S&P Group Structure



Remark
* Not operate yet

Organization Chart



The managerial structure of the Company comprises of 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	Chief Executive Officer
4. Mrs. Kessuda	Raiva	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 3 members.

1. Mr. Aviruth	Wongbuddhapitak	Chairperson of the Nomination and Remuneration Committee
2. Ms. Patamavalai	Ratanapol	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
4. Mr. Kamtorn	Sila-on	Risk Management Committee

Executive Committee

The Executive Committee comprises 6 members.

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

Management

1. Mr. Pravesvudhi	Raiva	Chief Executive Officer
2. Mrs. Kessuda	Raiva	President and President of S&P Global Co., Ltd.
3. Mr. Vitoon	Sila-On	Chief Director/ Company Secretary and Senior Vice President – Domestic Operations
4. Mr. Kamtorn	Sila-on	Vice President for Group Production and Supply Chain
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. Mr. Karn	Tidtjumroenporn	Vice President-Finance and Accounting

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

Economic Situation and Competition

The restaurant business in 2014 witnessed several factors leading to the decrease in consumers' expenditure on shopping and dining out: the economic slowdown, the political unrest, the increase in household debt, and the rise in cost of living. Simultaneously, within restaurant business there was more competition from both existing competitors who expanded the outlets as well as introduced new brands into the market, and new comers. In addition, each entrepreneur also encountered several challenges in cost and expenditure management as a result of the rise in cost of raw material, the rental, the cost of transportation, and also the wage. Besides, the new consumption alternatives of both ready-to-cook and ready-to-eat food became various and more convenient.

For S&P's performance in 2014, the first half of the year the Company was affected from the decrease in the consumer's power of purchasing due to the unstable economic and political situation. Thus the actual growth was under the target. However, in the second half of the year the situation got improved since the Company's marketing strategy has more focused in offering new store design, utilizing price promotion, introducing new products such as Lava Cookie, presenting new packaging to attract more customers such as New Year gift set. All of these promotions were received warm welcome from customers. Also in the 3rd and 4th quarter, several products of the Company were on high demand especially the moon cake during the mid-autumn festival as well as the cookies and cakes during New Year festival.

In 2014, the Company built restaurants and bakery shops under different brands for 30 outlets; each required approximately 6 – 9 million Baht of investment. Also, since the consumers recently were more interested in Japanese food, the Company then also emphasized on expanding Japanese tonkatsu restaurant under brand "Maisen". The benefit of operating stores in various brands was to help lessen the risk of doing business and also provide more choices for the customers. This year, the Company also considered closed some kiosks which located in unsuccessful sales areas.

The year of 2014 was also considered another significant year of the Company since the first S&P restaurant and bakery shop was established abroad in Cambodia at Aeon Mall. The expansion objective has been set for the next 5 years that the Company will expand restaurant and bakery shop under brand S&P at least 10 outlets, with investment budget of 6 – 9 million Baht each.

For the Company's business in other international markets, despite the economic recession of European countries in the past years, the Company still witnessed the growth at 8 – 10% and revenue from global business was more than 1,000 million baht. Currently, the Company's restaurant and bakery shop under different brands in Europe and Asia were totally 26 outlets. The Company plan to open another 20 outlets, mainly under Patara brand, within the next 5 years; each outlet will utilize 0.7 – 1 million Pound or approximately 40 – 54 million Baht.

Notable Events in 2014

Business Expansion and Portfolio Development

- In 2014, the Company has expanded its core business by opening totally 33 new S&P outlets and also renovating 3 existing outlet in order to keep up with the new trend and to enhance the efficiency in restaurant and bakery shop management. This expansion and development is mainly aimed to satisfy the customer's expectation.
- On March 27, a new branch of Vanilla – Vanilla Bakeshop – has been launched at Vanilla Garden, Ekamai Soi 12. With the concept of being a “fresh bake” bakery shop with an open kitchen showing baking process, this shop offers the customers with the feeling and the smell of baked bakery as if they were sitting in a baking room.
- On April 21, the Company held the Annual General Meeting of 2014 at the meeting hall, KM23 Bangna – Trad Factory to report the performance of the Company to the shareholders.
- On June 13, the Company organized a “Supplier Conference of the Year 2014” at St. Regis Hotel, Bangkok. This get-together event mainly aimed to thank and to strengthen the relationship between suppliers and the Company.
- On June 30, in response to the arrival of the AEC and also expand its business opportunity, the Company opened its first S&P Restaurant at Aeon Mall in Phnom Penh, Cambodia. This is the first ever S&P outlet outside Thailand.
- On July 28, with the recognition of the significance of “Thai Food” that gains popularity worldwide and also the intention to further promote Thai food in this AEC era, the Company has collaborated with Minor International PCL and Chef Chumpol Jangprai to open the MSC Thai Culinary School. The school's course is accredited by the Ministry of Education and World Association of Chefs Societies.
- On October 11, the Company opened another outlet of S&P Restaurant at Suvarnabhumi Airport. This is the second outlet of S&P restaurant at this same location and it has received a very warm welcome from customers since the first day for its operation.
- In response to the demand for higher production capacity and facilitate the business expansion, in August 2014 the Company has invested 185 million Baht to build a new production plant in the Northern Industrial Estate, Lamphun Province. The Company has also sought for the support from the Board of Investment (BOI) as well.
- In 2014, the R&D Division has introduced more than 70 new development products (NPD) to the market and these NPDs could generate almost 400 million baht to the Company. Also, many of the existing products and/or packaging have undergone renovation which helps increasing their sales for more than 10%.

Awards and Accomplishments

- On 27 January 2014, the Company has been awarded **Thailand Top Company Award 2014** under food and beverage category from University of Thai Chamber of Commerce in collaboration with ARIP Co.,Ltd.
- Patara Restaurant has been awarded “**Best Restaurant**” of the Year 2014. It was 9 years consecutively that Patara Fine Thai Cuisine in Bangkok has been selected from Thailand Tattler to received this award. In addition, Patara Restaurant was also voted to be “**The Winner of an Excellent Service**” from TripAdvisor of the Year 2014. The votes have been collected from the customers of TripAdvisor. These achievements have once again guaranteed the quality of food taste and service.
- The Company has been awarded the outstanding workplace for Thai tourism standard and tourism standard under category “The Food Service for Tourism Industry” of the Year 2012 and 2013 from the Department of Tourism. The award ceremony was held on 30 April 2014.

- The Company has been awarded “**World Class Food Safety Standard Mass Catering Award**” from the 2nd Thailand Culinary World Challenge 2014 event on 1 August 2014 at Lan Morakot, Central Chidlom.
- The Company and many leading companies have been invited to meet the Prime Minister at “Dual Vocational Education Day” event on 28 November 2014 at Phoenix 5 Meeting Room, Impact Arena, Muang Thong Thani. The Prime Minister thanked these companies for helping support and develop Thailand’s education as well as provide job training for the Thai youths.

Sale-Oriented Marketing Activities

- **20% Discount on Wednesday:** In order to increase sales volume of bakery product, the Company has continued from last year to adopt this marketing promotion every Wednesday. This 2014 also witnessed the well response from the customers.
- **BlueCup Double D-Day:** With the high popularity from the previous year, one more day has been added to each month for this promotion, hence “Double D-Day”. Rule was still the same, customer bought 1 cup of beverage from BlueCup menu and enjoyed another cup for free of charge.
- **Moon Cake Promotion:** During Mid-Autumn Festival the Company launched a promotion for moon cake that the customers get a chance to win cell phones by sending SMS. Besides, the promotion “Buy 4 Get 1” (buy 4 boxes, and get free 1 more box) was also applied this year.
- **S&P Line Sticker:** To keep up with the popular social media trend, the Company has introduced “Sweet Pat” Line sticker that S&P customers could easily download via Line Application and also follow up the Company’s information and promotion conveniently and quickly from S&P Line Official Account.
- **Online Sales Channel:** The Company increased its sales channel through online platform by selling discount coupon via ENSOGO website under the promotion 41 Year of S&P - Simply Delicious. By purchasing this coupon, the customers can enjoy the Deep-Fried Seabass in Savoury Fish Sauce Set with their family at discounted price.
- **Promotion on Special Day/ Festival:** In order to drive sales on special day or festival, the Company has launched several special promotions such as Simply Love on Valentine’s Day, Children’s Day 2014, Simply Strawberry Savory & Sweet Summer, Summer Wow 20 Baht Discount, Simply Sandwich, Happy Mother’s Day (20% Discount when bringing one’s mother to dine at S&P Restaurant) etc.

CORPORATE SOCIAL RESPONSIBILITY 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.

Moreover, the Company was announced one of 100 listed companies performing well on environment, social and governance (ESG) issues, or ESG 100 Security Group. The companies on the list were selected from 567 listed companies by Thaipat Institute and the Securities and Exchange Commission and will be awarded ESG 100 Certificate.

Overall Operation

In addition to the careful selection of raw materials and the emphasis on developing the quality products for the consumers, the Company also has been practicing the CSR with level 2 (engaged) for the CSR Content Index and with level 4 (certified) for the Anti Corruption Content Index. This assessment was done by the Thaipat Institute and the Securities and Exchange Commission in August 2014. Details of each activities 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 member of the Thai Institute of Directors’ Private Sector Collective Action Coalition against Corruption. 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 from The Office of Anti-Corruption Commission. This award has guaranteed the good governance that the Company and its subsidiaries have been practicing throughout its operation. And 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. In addition to this, S&P Learning Center also provided “Growing Good” curriculum for students in order to cultivate students with the integrity principle for students who will later on become the Company’s staff.

Furthermore, in order to stimulate the staff to understand and continuously practice in according with this policy, the Company

has provided website updating every month with the information about anti corruption. Also the fraud risk assessment process has been applied to prevent and suppress the fraud and corruption; the incidents with high risk of fraud and corruption from operating the business were specified, the risk level of both the probability to occur and its effect was evaluated, the appropriate standard on anti corruption and the achievement measurement were set, the resources utilized for reducing the risk was defined, and the evaluation of the operation of risk management plan was followed up.

In 2014, the Audit Office summarized the evaluation of the risk from corruption that the prevention of fraud scored 84% and the fraud auditing scored 80.4%. These figures implied that the risk of fraud was low. The Company also provided a letter informing the policy and the code of conduct on anti corruption when dealing with the business partners.

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 backtracking 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.

Food line production

The policy of the food line of the Lat Krabang Factory is to emphasize on producing the products with good quality, safety, compiling with the law and with the international standard. This quality control has been done through the whole food chain including the quality of the raw material and product, the application of the consumers, and also the food traceability system in order to ensure the consumers with the quality and safety.

The food line of the Lat Krabang Factory also 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. It also 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, 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. This was to ensure our customers in quality and safety of products.

Moreover, in the year 2014 the food line of the Lat Krabang Factory has participated in the project initiated by Department of Primary Industries and Mines to increase the efficiency of logistics of medium size industry (food industry group), and has been awarded the Best Logistics Development Award of 2014.

Bakery line production

In 2014, the bakery line has carried out production continuously under quality 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. The Hazard Analysis and Critical Control Points (HACCP) was extended for 4 new products and the Thai Industrial Standard, ISO/IEC 17025 that is the standard of the central laboratory of the factory; its roles is to inspect the raw material, the finished products and the environment.

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 2014, the food line of the Lat Krabang Factory has participated in the Clean and Green Technology Project with the objective to decrease the cost of energy and cost of production leading to the higher level of production efficiency.

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.

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. In 2014, there have already been 5 classes of students graduated from this learning center.

For the past 2014, the S&P Learning Center attached importance to education by implementing educational program in association with nationwide academic institutes and schools, for example:

- Providing scholarship for those disadvantaged students from the Rajaprajanugroh and Suksasongkra School nationwide as well as those low-income students from other schools. This scholarship was provided for students to further their school at vocational certificate level in the fields of food and nutrition and retail business, and bachelor's degree level in the fields of culinary technology and service at Suan Dusit Rajabhat Institute. The students will have an opportunity to train in on-the-job training while studying, and upon the completion of their education they could join the Company. In 2014, there were 31 students (Class of 5th) at vocational certificate level graduated from S&P Learning Center.
- Collaborating with the Department of Vocational Education in admitting vocational students in Bangkok and from provincial regions to do internship. In 2014, there were totally 599 students from more than 50 institutes sending their students to train with the Company.
- Collaborating with university level institutes to produce the bachelor level graduates in the fields of culinary technology 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 immediate become chef or store management staff. The institutes collaborating in this program included Suan Dusit Rajabhat University and Phrae Vocational College. In 2014, there were 87 students receiving scholarship under this program: 3 classes at Suan Dusit Rajabhat University and 2 classes at Phrae Vocational College.

- Collaborating with more than 10 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, Thammasat University, King Mongkut's Institute of Technology Ladkrabang, Chiang Mai University, Srinakharinwirot University, Mahidol University, Suan Sunandha Rajabhat University, Lampang Rajabhat University, Silpakorn University, Phuket Rajabhat University and Phrae Campus. The total numbers of student were 59.

- Collaborating with vocational schools (such as Home Economics Department at Nakhonsawan Vocational College etc..) in preparing a bachelor level course for operation division in accordance with the policy of The Office of Vocational Committee.

(2) S&P Kitchen for Kids

This CSR activity for society and remote community aims to improve the hygienic condition of the school's kitchen. Specialists from S&P will be brought to share their knowledge in kitchen sanitation with school's cooks and students. Besides, the kitchen utensils will be donated to the needy schools. This year, 2 schools were selected for this program; Rajaprajanugroh 36 School in Phuket and Praratchathannayao Secondary School in Chachoengsao. For the former school the Company also supported the sustainable farming by providing mushroom house, while for the latter school the Company offered the financial support for building "The Center for Sufficient Economy" to be the learning center for the villagers and students. This latter school is the royal initiation of Her Royal Highness Princess Maha Chakri Sirindhorn and under the Border Patrol Police Bureau, the Royal Thai Police.



(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 2014, Raiva House had provided dhamma practice totally 15 courses with 618 people participated in the program: both from the Company's employees and the public.

Activities for Society and Environment

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

S&P, acting in consideration of society continuously every year, gave cakes to the disadvantaged, the disabled, orphans and the old at 21 foundations in both Bangkok Metropolitan and peripheral areas in the "Cake A Wish Make A Wish" program.



(2) Food 4 Good Project

In collaboration with 7 other restaurants under this project, the Company donated 1 Baht from each sales of pound cake to the fund. This fund will be used to provide lunch for underprivileged children; those suffer from malnutrition problem. The projects started from 1 February to 31 July 2014.



(3) “Give a Smile” Project (7th Year)

This project has been designed to allow the Company’s staff to participate in giving happiness to the society. Since this year’s activity was organized on 1 April, a special month with senior citizen day, family day and also Thai New Year or Songkran Festival, the venue was decided to be at the Old Age Home, Rangsit Klong 5. Besides dancing, games, entertainments, Likay performance, the Rod Nam Dam Hua (pouring water on the hands of revered elders and ask for blessing) and lunch were also provides for those seniors.

(4) S&P Charity Workshop

With the aim to create a good relationship with the mass media, the Company organized the activities for members of Health & Cuisine Magazine by inviting them to participate in cooking with S&P chefs and preparing light meal for children with multi disabilities at Baan Dek Ramintra on 25 April 2014.



(5) S&P Joy Kids School Tour

The school tour introduced S&P Joy Kids member card to children age between 6 – 14 years old and also taught Prathom 3 students of 30 schools in Bangkok to know how to decorate cake. Also with this tour, the students were shared the knowledge about how to help mitigating the global warming by telling them the story of paper. The students were asked for the donation of the recycle paper which was later sold. The money from this sale was then donated to Phradabos Foundation.

(6) Public Relation for Moon Cake Festival

The Company collaborated with Samphanthawong District Office of Bangkok Metropolitan Administration to keep on the legend of moon cake in Mid-Autumn Festival on 8 September 2014 by providing a giant moon cake to show in this festival and distributed to make auspicious marking for those participated.



(7) Thank You Press Party

This event was organized to thank the mass media for their continuous support in distributing news and information for the Company. This get-together party was also intended to strengthen the relationship between the Company’s Management Team and the mass media.



(8) Donation for the Disabled

The Company made a donation in the amount of 3,295,104 Baht to support the products, such as T-shirts, cloth bags and aprons etc., made by the disabled students of Setsatian School for the Deaf under the Royal Patronage of His Royal Highness Crown Prince Maha Vajiralongkorn.



(9) Cooking Demonstration in the 45th Royal Project Fair

The Company participated in the 45th Royal Project Fair with the cooking demonstration. This event was organized by the Royal Project Foundation in collaboration with the private sectors to mark the King’s 87th birthday and the Queen’s 82nd birthday, and also to sell products from the Royal Project Foundation and the Royal Chitralada Project.



Report of the Board of directors' Responsibilities for Financial Statements

The financial statements of S&P Syndicate Public Company Limited and Subsidiaries, which have been brought to create the consolidated financial statements, have been prepared in accordance with the Thai Accounting Standard No.1 (Revised B.E. 2555), regarding “the presentation of financial statements”, 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. 2544”, 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”, in accordance with the Thai Accounting Standard No.34 (Revised B.E.2555) regarding “Interim Financial Reporting”, and in accordance with Thai Financial Reporting Standards and practices generally accepted in Thailand. Also the significant information has been sufficiently disclosed in the notes to the financial statements.

The Board of Directors has appointed the audit committee comprising of the independent directors responsible for controlling the correctness and sufficiency of the financial statements as well as for assessing the appropriate and the efficiency of the internal control and the independence of the internal audit. This is to assure that the reports have been recorded correctly, completely, on time, and prevented the fraud or misconduct. The auditor has expressed opinions in the Auditor’s Report.

The Board of Directors has an opinion that the audited financial statement and the notes to the financial statements have reflected the financial standing, income and expenses and cash flows that are real and reasonable in accordance with the Generally Accepted Accounting Principles. Besides, the Company has provided the corporate governance system and the internal control system that reasonably assure the correctness of the operation.



Patara Sila-On
Chairperson



Kessuda Raiva
President

Audit Committee's Report

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, reviewing intra-company transactions and conflict of interest transactions, 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 2014, the audit committee held 5 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 2014

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, such as the impairment of investment, the domestic and abroad operation, and the fraud prevention etc., so 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 of the financial position of the company and its subsidiaries.

The audit committee endorsed the auditor's report and the company's and its subsidiaries' financial positions and forwarded it to the board of directors for consideration and proposed to shareholders for approval on the Annual General Meeting.

2. Review of internal control and internal audit

The meetings were held with the internal audits 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. However, in 2014 the project to study the ERP Oracle System has been initiated in order to enhance the efficiency of the computer procession system.

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 for the most part 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 which conform to the self assessment of the auditors. The result was also brought to improve the quality of the auditing.

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 accepted 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 and conflicts of interest transactions

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 2014 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

The Company has strived to operate the business by holding to the good corporate governance principles so that its operation will be transparent and accountable. Besides in order to build the credibility for the shareholders and stakeholders, the Company has provided the channel to appeal, so called “Whistle Blower”, when one find the misbehavior in according to the law, regulation and code of conduct. Also the Company also organized the activities to communicate with staff in all levels to understand and act according to the code of conduct especially in anti-corruption aspect. Moreover, the operation efficiency has been improved that resulted in the better preventive development of the internal audit.

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 another one more year. This will be proposed to the Board of Directors to consider before proposing to the shareholders for approval on the appointment and the remuneration in the Annual General Meeting.

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



Cattleya Saengsastra
Chairperson of the Audit Committee

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS.

TO THE SHAREHOLDERS AND 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, 2014, 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, 2014, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

BANGKOK
February 20, 2015



Choopong Surachutikarn
Certified Public Accountant (Thailand)
Registration No. 4325

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
ASSETS		2014	2013	2014	2013
CURRENT ASSETS					
Cash and cash equivalents	4.1	570,399,001	546,855,517	433,308,469	372,043,713
Temporary investments	5	321,395,736	439,211,582	314,111,001	427,086,031
Trade and other receivables	6 and 26	312,985,149	267,822,322	291,748,951	258,671,081
Loans to related parties	7 and 26	-	7,500,000	-	81,468,780
Inventories	8	328,832,472	317,951,587	312,052,973	302,752,505
Other current assets		11,115,461	15,559,977	11,144,289	6,824,789
Total Current Assets		1,544,727,819	1,594,900,985	1,362,365,683	1,448,846,899
NON-CURRENT ASSETS					
Deposits used as collateral	9	4,318,045	4,470,604	583,660	583,660
Investments in associates	10 and 26	85,995,168	62,510,912	73,995,000	48,998,000
Investments in subsidiaries	10 and 26	-	-	120,881,115	105,996,000
Other long-term investment	11	10,000,000	10,000,000	10,000,000	10,000,000
Loans to related parties	7 and 26	7,500,000	-	52,792,250	-
Property, plant and equipment	12	1,605,781,578	1,489,904,511	1,280,092,795	1,181,361,609
Leasehold rights	13	70,379,871	92,429,955	55,258,485	70,041,731
Intangible asset	14	13,633,168	13,781,941	13,331,438	13,624,219
Long-term deposits		225,521,985	213,664,495	167,378,288	153,926,464
Deferred tax assets	15	33,448,026	24,788,661	26,697,864	24,710,502
Other non-current assets		23,794,697	32,700,893	10,636,192	18,082,779
Total Non-current Assets		2,080,372,538	1,944,251,972	1,811,647,087	1,627,324,964
TOTAL ASSETS		3,625,100,357	3,539,152,957	3,174,012,770	3,076,171,863

Note to the financial statements from an integral part of these statements

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
LIABILITIES AND SHAREHOLDERS' EQUITY		2014	2013	2014	2013
CURRENT LIABILITIES					
Bank overdrafts	16	905,810	2,057,658	-	-
Trade and other payables	17 and 26	933,113,847	880,487,100	788,055,415	764,522,574
Current portion of long-term borrowings from financial institutions	18	21,651,496	24,357,908	-	-
Corporate income tax payable		96,083,257	109,311,235	88,448,617	100,082,814
Provision for customer loyalty programmes		9,345,679	5,075,237	9,345,679	5,075,237
Other current liabilities		62,670,785	60,404,440	29,927,899	33,469,447
Total Current Liabilities		1,123,770,874	1,081,693,578	915,777,610	903,150,072
NON-CURRENT ASSETS					
Long-term borrowings from financial institutions	18	33,512,916	41,486,591	-	-
Deferred tax liabilities	15	2,129,730	2,438,114	-	-
Employee benefit obligation	19	110,522,944	112,832,717	105,648,566	105,722,258
Other non-current liabilities	20	36,477,005	9,487,486	34,347,132	5,843,882
Total Non-current Liabilities		182,642,595	166,244,908	139,995,698	111,566,140
TOTAL LIABILITIES		1,306,413,469	1,247,938,486	1,055,773,308	1,014,716,212

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)		2014	2013	2014	2013
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	22				
Authorized share capital					
490,408,365 ordinary shares of Baht 1 each		490,408,365		490,408,365	
98,081,673 ordinary shares of Baht 5 each			490,408,365		490,408,365
Issued and paid-up share capital					
490,408,365 ordinary shares of Baht 1 each, fully paid		490,408,365		490,408,365	
98,081,673 ordinary shares of Baht 5 each, fully paid			490,408,365		490,408,365
PREMIUM ON ORDINARY SHARES		689,980,549	689,980,549	689,980,549	689,980,549
RETAINED EARNINGS					
Appropriated					
Legal reserve	21	52,343,137	52,343,137	52,343,137	52,343,137
Unappropriated		1,035,818,446	990,972,640	885,507,411	828,723,600
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(33,832,381)	(21,006,553)	-	-
TOTAL ATTRIBUTIONS TO OWNERS OF THE PARENT		2,234,718,116	2,202,698,138	2,118,239,462	2,061,455,651
NON-CONTROLLING INTERESTS		83,968,772	88,516,333	-	-
TOTAL SHAREHOLDERS' EQUITY		2,318,686,888	2,291,214,471	2,118,239,462	2,061,455,651
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,625,100,357	3,539,152,957	3,174,012,770	3,076,171,863

Note to the financial statements from an integral part of these statements

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
Revenues from sales and services		7,256,854,663	7,000,152,983	6,075,849,330	6,046,715,384
Cost of sales and services		(3,936,797,971)	(3,804,207,560)	(3,622,268,347)	(3,547,575,068)
Gross profit		3,320,056,692	3,195,945,423	2,453,580,983	2,499,140,316
Dividend income	10 and 26	-	-	15,258,408	3,859,840
Unrealised gain on revaluation of trading securities		6,147,670	6,792,444	6,147,413	6,792,115
Interest income		2,525,995	8,295,673	4,477,180	8,751,210
Other income		81,165,868	69,300,480	87,879,253	57,672,326
Selling expenses		(240,455,324)	(271,225,555)	(216,137,032)	(247,798,917)
Administrative expenses		(2,478,290,733)	(2,175,675,961)	(1,659,748,079)	(1,517,468,227)
Management benefit expenses	26	(59,191,941)	(50,106,257)	(45,186,058)	(39,439,986)
Net gain (loss) on exchange rate		(5,017,549)	9,656,246	(2,528,434)	5,164,572
Finance costs		(2,889,378)	(4,277,009)	(302,421)	(122,836)
Share of profits of associates	26	5,746,165	9,017,635	-	-
Profit before income tax expense		629,797,465	797,723,119	643,441,213	776,550,413
Income tax expense	15	(132,861,968)	(163,093,118)	(130,431,174)	(150,741,432)
PROFIT FOR THE YEAR		496,935,497	634,630,001	513,010,039	625,808,981

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
OTHER COMPREHENSIVE INCOME (LOSS)					
Exchange differences on translation of financial statements		(15,306,834)	17,616,356	-	-
Unrealized gain on revaluation of available-for-sales securities (reversal)		(126,041)	188,625	-	-
Actuarial gain on defined employee benefit plan - net of tax		13,829,524	-	9,661,719	-
Income tax relating to components of other comprehensive income (loss)		25,208	(37,728)	-	-
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR - NET OF TAX		(1,578,143)	17,767,253	9,661,719	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		495,357,354	652,397,254	522,671,758	625,808,981

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the Parent		497,737,783	626,018,218	513,010,039	625,808,981
Non-controlling interests		(802,286)	8,611,783	-	-
		496,935,497	634,630,001	513,010,039	625,808,981
TOTAL COMPREHENSIVE INCOME (LOSS)					
ATTRIBUTABLE TO:					
Owners of the Parent		497,907,925	639,834,123	522,671,758	625,808,981
Non-controlling interests		(2,550,571)	12,563,131	-	-
		495,357,354	652,397,254	522,671,758	625,808,981
		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
		Restated		Restated	
BASIC EARNINGS PER SHARE - BATH	24	1.01	1.28	1.05	1.28
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES - SHARES	24	490,408,365	490,408,365	490,408,365	490,408,365

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2014

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	Legla reserve	Treasury share reserve	Exchange differences on translation of financial statements			Unrealized gain on revaluation of available for sale securities		
BEGINNING BALANCE AS AT JANUARY 1, 2013												
Capital reduction due to treasury shares	22	523,431,365	689,980,549	52,343,137	250,951,475	895,901,042	(35,161,589)	423,913	(84,782)	2,377,785,110	(250,951,475)	2,192,784,137
Reversal of treasury shares reserve	23	(33,023,000)	-	-	-	(217,928,475)	-	-	-	(250,951,475)	250,951,475	-
Increase in non-controlling interests					(250,951,475)	250,951,475	-	-	-	250,951,475	-	-
resulting from increasing the capital of subsidiaries		-	-	-	-	-	-	-	-	-	-	11,828,742
Total comprehensive income for year 2013		-	-	-	-	626,018,218	13,665,008	188,625	(37,728)	639,834,123	-	652,397,254
Dividends paid	25	-	-	-	-	(563,968,620)	-	-	-	(536,959,620)	-	(563,969,620)
Share dividends paid by subsidiary	25	-	-	-	-	-	-	-	-	-	-	(1,826,042)
ENDING BALANCE		-	-	-	-	-	-	-	-	-	-	
AS AT DECEMBER 31, 2013		490,408,365	689,980,549	52,343,137	-	990,972,640	(21,496,581)	612,538	(122,510)	2,202,698,338	88,516,333	2,291,214,471

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2014

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			
				Appropriated	Unappropriated	Exchange differences on translation of financial statements	Unrealized gain on revaluation of available for sale securities	Income tax relating to components of other comprehensive income (loss)				
				Legal reserve								
BEGINNING BALANCE AS AT JANUARY 1, 2013		490,408,365	689,980,549	52,343,137	990,572,640	(21,496,581)	612,538	(122,510)	2,202,698,138	88,516,333	2,291,214,471	
Increase in non-controlling interests resulting from increasing the capital of subsidiaries		-	-	-	-	-	-	-	-	6,510	6,510	
Total comprehensive income for year 2014		-	-	-	510,733,753	(12,724,995)	(126,041)	25,208	497,907,925	(2,550,571)	495,357,354	
Dividends paid	25	-	-	-	(465,887,947)	-	-	-	(465,887,947)	(2,003,500)	(467,891,447)	
ENDING BALANCE AS AT DECEMBER 31, 2014		490,408,365	689,980,549	52,343,137	1,035,818,446	(34,221,576)	486,497	(97,302)	2,234,718,116	83,968,772	2,318,686,888	

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDER SEQUITY

FOR THE YEAR ENDED DECEMBER 31, 2014

SEPARATE FINANCIAL STATEMENTS

UNIT : BAHT

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Total attributions to owners of the parent	Treasury shares
				Appropriated	Unappropriated	Treasury share reserve		
				Legal reserve				
BEGINNING BALANCE AS AT JANUARY 1, 2013		523,431,365	689,980,549	52,343,137	250,951,475	733,861,239	(250,951,475)	1,999,616,290
Capital reduction due to treasury shares	22	(33,023,000)	-	-	-	(217,928,475)	250,951,475	-
Reversal of treasury shares reserve	23	-	-	-	(250,951,475)	250,951,475	-	-
Total comprehensive income for year 2013		-	-	-	-	625,808,981	-	625,808,981
Dividends paid	25	-	-	-	-	(563,969,620)	-	(563,969,620)
ENDING BALANCE AS AT DECEMBER 31, 2013		490,408,365	689,980,549	52,343,137	-	828,723,600	-	2,061,455,651
BEGINNING BALANCE AS AT JANUARY 1, 2014		490,408,365	689,980,549	52,343,137	-	828,723,600	-	2,061,455,651
Total comprehensive income for year 2014		-	-	-	-	522,671,758	-	522,671,758
Dividends paid	25	-	-	-	-	(465,887,947)	-	(465,887,947)
ENDING BALANCE AS AT DECEMBER 31, 2014		490,408,365	689,980,549	52,343,137	-	885,507,411	-	2,118,239,462

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM OPERATING ACTIVITIES		2014	2013	2014	2013
Profit before income tax expense		629,797,465	797,723,119	643,441,213	776,550,413
Adjustments :					
Depreciation and amortization		359,488,678	289,618,044	292,195,506	244,497,777
Unrealized (gain) loss on exchange rate		(47,301)	(822,941)	1,064,379	(1,693,580)
Unrealized gain on revaluation of trading securities		(6,147,670)	(6,792,444)	(6,147,413)	(6,792,115)
Doubtful accounts					
- trade receivables		-	31,800	-	-
- cash advance to a related party		-	-	-	460,541
- short-term loan to a related party		-	-	25,000,000	-
Share of profits of associates		(5,746,165)	(9,017,635)	-	-
Loss on impairment of fixed assets (reversal)		8,946,088	53,000	(751,181)	53,000
Loss on write-off of fixed assets		17,265,116	14,069,481	16,402,415	10,852,176
Loss on write-off of leasehold rights		-	773,942	-	773,942
Gain on sales of temporary investments		(5,650,552)	(3,919,357)	(5,365,584)	(3,919,357)
Loss on impairment of investment (reversal)		-	-	(4,997,000)	-
Gain on sales of fixed assets		(1,539,413)	(1,761,875)	(1,539,413)	(1,761,875)
Employee benefit obligation expense		21,259,780	17,732,054	19,328,055	16,894,354
Customer loyalty programmes expense		4,270,442	1,913,963	4,270,442	1,913,963
Dividend income		-	-	(15,258,408)	(3,859,840)
Interest income		(2,525,995)	(8,295,673)	(4,477,180)	(8,751,210)
Interest expense		2,889,307	4,277,009	302,421	122,836
Profit from operations before changes in operating assets and liabilities		1,022,259,780	1,095,582,487	963,468,252	1,025,341,025
Operating assets (increase) decrease					
Trade and other receivables		(44,987,980)	(12,870,329)	(29,585,421)	(26,611,811)
Inventories		(10,880,885)	(47,164,191)	(9,300,468)	(41,613,505)
Other current assets		4,444,516	(3,368,197)	(4,319,500)	449,112
Deposits used as collateral		-	20,000,000	-	20,000,000
Long-term deposits		(11,857,490)	(45,416,554)	(13,451,824)	(27,465,681)
Other non-current assets		3,926,565	(3,550,927)	2,466,956	(6,106,014)

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM OPERATING ACTIVITIES (continued)		2014	2013	2014	2013
Operating liabilities increase (decrease)					
Trade and other payables		67,580,593	18,453,939	22,755,438	7,127,937
Other current liabilities		3,183,137	2,101,700	(2,624,756)	2,894,013
Other non-current liabilities		(2,423,239)	(174,099)	-	-
Cash paid for employee benefit obligations		(7,324,600)	-	(7,324,600)	-
Cash received from operations		1,023,920,397	1,023,593,829	922,084,077	954,015,076
Cash received from interest		2,548,523	10,332,809	1,182,105	10,788,346
Cash paid for interest		(2,719,934)	(4,015,091)	(65,705)	(122,836)
Cash paid for income tax		(157,447,916)	(190,039,509)	(146,468,163)	(178,892,935)
Net cash provided by operating activities		866,301,070	839,872,038	776,732,314	785,787,651
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash payments for loans to related parties		-	-	-	(77,905,173)
Cash received from loans to a related party		-	-	2,564,850	4,996,188
Cash payments for purchases of temporary investments		(460,000,000)	(766,784,152)	(460,000,000)	(761,284,152)
Proceeds from sales of temporary investments		589,488,027	1,170,000,000	584,488,027	1,170,000,000
Cash payment for purchase of investment in an associate		(20,000,000)	-	(20,000,000)	-
Cash payment for purchase of investments in subsidiaries		-	-	(14,885,115)	(54,997,300)
Cash payments for purchases of fixed assets	4.2.1	(475,184,041)	(511,551,373)	(349,445,507)	(423,624,463)
Proceeds from sales of fixed assets		2,334,618	2,093,193	2,334,618	2,093,193
Proceeds from sales of leasehold right		3,549,150	-	-	-
Cash payments for purchases of intangible asset	4.2.1	(3,844,139)	(9,433,025)	(3,626,415)	(9,273,025)
Cash payments for purchases of leasehold right	4.2.1	(3,549,150)	(16,326,000)	(3,549,150)	(10,980,000)
Dividends received		2,261,908	3,859,840	15,258,408	3,859,840
Net cash provided by investing activities		(364,943,627)	(128,141,517)	(246,860,284)	(157,114,892)

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
CASH FLOWS FROM FINANCING ACTIVITIES		2014	2013	2014	2013
Increase (decrease) in bank overdrafts		(1,151,848)	2,057,658	-	-
Cash repayments for long-term borrowings from financial institutions		(29,028,221)	(72,554,781)	-	-
Proceeds from long-term borrowings from financial institutions		18,348,134	25,000,000	-	-
Cash repayments for finance lease liabilities	4.2.1	(1,808,476)	(6,645,900)	(1,808,476)	(6,645,900)
Dividends paid to non-controlling interests		(2,003,500)	-	-	-
Dividends paid	4.2.2	(466,648,725)	(563,912,242)	(466,648,725)	(563,912,242)
Cash received from non-controlling interests resulting from increasing the capital of subsidiaries		6,510	10,002,700	-	-
Net cash used in financing activities		(482,286,126)	(606,052,565)	(468,457,201)	(570,558,142)
Unrealized (loss) gain on exchange of cash and cash equivalents		(150,073)	691,097	(150,073)	633,785
Exchange rate differences on translation of financial statements		4,622,240	(2,971,387)	-	-
Increase in cash and cash equivalents		23,543,484	103,397,666	61,264,756	58,748,402
Cash and cash equivalents as at January 1,		546,855,517	443,457,851	372,043,713	313,295,311
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	4.1	570,399,001	546,855,517	433,308,469	372,043,713

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

1. GENERAL INFORMATION AND THE OPERATION OF THE COMPANY

S&P Syndicate Public Company Limited (“the Company”) was incorporated under the Civil and Commercial Code of Thailand as a limited company on October 14, 1973. 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 address of its head office is at ItalThai Tower, 23rd and 24th Floor, No. 2034/100 - 107, New Petchburi Road, Kwaeng Bangkok, Khet Huay Kwang, Bangkok.

S&P Syndicate Public Company Limited is the parent company within the group of companies. The principal 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 businesses such as outside catering.

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

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

2.2 The Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2012) “Presentation of Financial Statements”, 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 results of operations of the listed companies B.E. 2544” and the Notification of the Department of Business Development dated September 28, 2011 regarding “The Brief Particulars in the Financial Statement B.E. 2554”.

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

2.3 Thai Financial Reporting Standards affecting the presentation and/or disclosure in the current year financial statements

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs) which are effective for the financial statements for the periods beginning on or after January 1, 2014 onwards, as follows:

Thai Accounting Standards (“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 Venture
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible Assets

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2012)	Share - Based Payments
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 Standards Interpretations (“TSIC”)

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

Thai Financial Reporting Standard Interpretations (“TFRIC”)

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

The Company's and its subsidiaries' management has assessed such Thai Financial Reporting Standards. Such TFRS have no significant impact on the Company and its subsidiaries' financial statements.

In addition, the Federation of Accounting Professions issued the Notification regarding the Conceptual Framework for Financial Reporting (Revised 2014), which was announced in the Royal Gazette and effective from October 15, 2014 onwards to replace the Accounting Framework (Revised 2009). Such Conceptual Framework for Financial Reporting has no material impact on these financial statements.

2.4 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs), which are effective for the accounting periods beginning on or after January 1, 2015 onwards as follows:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 2 (Revised 2014)	Inventories
TAS 7 (Revised 2014)	Statement of Cash Flows
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events after the Reporting Period
TAS 11 (Revised 2014)	Construction Contracts
TAS 12 (Revised 2014)	Income Taxes
TAS 16 (Revised 2014)	Property, Plant and Equipment
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 19 (Revised 2014)	Employee Benefits
TAS 20 (Revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2014)	Borrowing Costs
TAS 24 (Revised 2014)	Related Party Disclosures
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2014)	Earnings per Share
TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 36 (Revised 2014)	Impairment of Assets
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2014)	Intangible Assets
TAS 40 (Revised 2014)	Investment Property

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2014)	Share-Based Payment
TFRS 3 (Revised 2014)	Business Combinations
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2014)	Operating Segments

TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

Thai Accounting Standards Interpretations (“TSIC”)

TSIC 10 (Revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2014)	Operating Leases - Incentives
TSIC 25 (Revised 2014)	Income Taxes - Change in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2014)	Disclosure - Service Concession Arrangements
TSIC 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2014)	Service Concession Arrangements
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes
TFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. TAS 19 (Revised 2014) - Employee Benefits
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard (TFRS), which is effective for the accounting period beginning on or after January 1, 2016 onwards as follows:

Thai Financial Reporting Standards (“TFRS”)

TFRS 4 (Revised 2014)	Insurance Contracts
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The Company’s and its subsidiaries’ management will adopt the above TFRSs relevant to the Company in the preparation of the Company’s and its subsidiaries’ financial statements when they become effective and the management is in the process to assess the impact of these TFRSs on the financial statements of the Company and its subsidiaries in the period of initial application.

2.5 Basis for preparation of consolidated financial statements

The consolidated financial statements for the years ended December 31, 2014 and 2013, 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:

	Business type	Country of registration	Percentage of shareholdings (%) As at December 31,	
			2014	2013
Subsidiaries				
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. ⁽¹⁾	Restaurant (Liquidation)	Thailand	-	99.99
S&P International Foods Co., Ltd.	Restaurant	Thailand	99.99	99.99
Umenohana S&P Co., Ltd.	Restaurant	Thailand	59.99	59.99
S&P International Foods (Cambodia) Co., Ltd. ⁽²⁾	Restaurant	Cambodia	99.96	-

(1) On February 26, 2014, the Board of Directors' Meeting of the Company passed a resolution to approve the dissolution and liquidation of S&P Food Solution Co., Ltd. registered the dissolution with the Department of Business Development, Ministry of Commerce on July 7, 2014 and liquidated on October 10, 2014.

(2) On May 14, 2014, the Board of Directors' Meeting of the Company passed a resolution to approve an investment in S&P International Foods (Cambodia) Co., Ltd. with the authorized share capital of Riel 1,830 million (equivalent to Baht 14.88 million). The Company holds 99.96% of such company's capital. The Subsidiary registered with the Ministry of Commerce in Cambodia on April 30, 2014 and fully called and paid-up share capital.

Additionally, the consolidated financial statements include the results from the financial statements of overseas subsidiaries, in which S&P Global Co., Ltd., 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,	
			2014	2013
Shares held directly by S&P Global Co., Ltd				
S&P Restaurant Limited	Restaurant	United Kingdom	96.00	96.00
Patara (Geneva) SA	Restaurant	Switzerland	62.00	62.00
Patara Fine Thai Cuisine Pte. Ltd.	Restaurant	Singapore	50.00	50.00
SK Catering Pte. Ltd.	Restaurant	Singapore	50.00	50.00
Patara Taiwan Company Limited ⁽¹⁾	Restaurant (Liquidation)	Taiwan	-	50.00
Patio International Limited ⁽¹⁾	Restaurant (Liquidation)	Taiwan	-	60.00
Patara International Restaurant Management (Beijing) Co., Ltd	Restaurant	The People’s Republic of China	91.86	91.86
Patara Restaurant, Vienna GmbH	Restaurant	Austria	52.25	52.25
Shares held indirectly by S&P Restaurant Limited				
Patara Fine Thai Cuisine Limited ⁽²⁾	Restaurant (No operation)	United Kingdom	96.00	96.00
SUDA Limited ⁽²⁾	Restaurant (No operation)	United Kingdom	96.00	96.00
Patara Restaurant, Vienna GmbH	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.	Restaurant	Malaysia	50.00	50.00

(1) In 2014, Patara Taiwan Company Limited and Patio International Limited were liquidated.

(2) S&P Restaurant Limited invested in Patara Fine Thai Cuisine Limited in 2006 and invested in SUDA Limited in 2010 in the amount of the Pound 1 in each company, which is 100% holding of issued and paid-up share capital of each company. As a result, S&P Global Co., Ltd. indirectly held the shares of Patara Fine Thai Cuisine Limited and SUDA Limited by 96%. Those companies have not commenced operations.

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, 2014 and 2013, 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., respectively.

2.6 Assets and investments recorded by the equity method as at December 31, 2014 and 2013, revenues and the share of profit (loss) from investments recorded by the equity method in associates for the years ended December 31, 2014 and 2013 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:

CAMPANY'S NAME	CONSOLIDATED FINANCIAL STATEMENTS							
	Assets of subsidiaries as percentage of total assets As at December 31,		Investments recorded by the equity method as percentage of net assets As at December 31,		Revenues as percentage of consolidated revenues for the years ended December 31,		Share of profit (loss) as percentage of net profit for the years ended December 31,	
	2014	2013	2014	2013	2014	2013	2014	2013
Shares held by S&P Syndicate Public Company Limited								
Subsidiaries:								
S&P Global Co., Ltd. and subsidiaries (Proportion of subsidiaries of S&P Global Co., Ltd. are presented below)	13.54	14.41	-	-	13.67	12.60	-	-
S&P Asset Co., Ltd.	0.33	0.52	-	-	0.09	0.14	-	-
S&P Food Solution Co., Ltd.	-	0.01*	-	-	-	-	-	-
S&P International Foods Co., Ltd.	2.64	2.55	-	-	1.83	0.64	-	-
Umenohana S&P Co., Ltd.	0.67*	0.93	-	-	0.65	0.20	-	-
S&P International Foods (Cambodia) Co., Ltd	0.76*	-	-	-	0.17*	-	-	-
Associates:								
HD Distributors (Thailand) Co., Ltd.	-	-	2.74*	2.67*	-	-	0.93*	1.64*
Foodhouse Catering Service Co., Ltd.	-	-	0.21*	0.06*	-	-	0.71*	0.30*
The Thai Cuisine Co., Ltd. **	-	-	0.76*	-	-	-	(0.48)*	-
	17.94	18.42	3.71	2.73	16.41	13.58	1.16	1.94

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

**On May 14, 2014, the Company invested in The Thai Cuisine Co., Ltd. with the authorized share capital of Baht 40 million. The Company holds 50% of such associate's authorized share capital.

COMPANY'S NAME	CONSOLIDATED FINANCIAL STATEMENTS					
	Assets of subsidiaries as percentage of total assets As at December		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,	
	2014	2013	2014	2013	2014	2013
Shares held by S&P Global Co., Ltd.						
S&P Restaurant Limited	6.60	6.50	-	-	5.18	4.76
Patara (Geneva) SA	0.45*	0.66*	-	-	1.04*	1.07*
Patara Fine Thai Cuisine Pte. Ltd.	0.44*	0.40*	-	-	0.65*	0.70*
SK Catering Pte. Ltd.	3.46*	2.77*	-	-	5.06*	4.26*
Patara Taiwan Company Limited	-	0.01*	-	-	-	-
Patio International Limited	-	-	-	-	-	-
Patara International Restaurant Management (Beijing) Co., Ltd.	0.44*	0.42*	-	-	0.25*	0.26*
Patara Restaurant, Vienna GmbH	1.36*	1.80*	-	-	0.78*	0.73*
	12.75	12.56	-	-	12.96	11.78
Shares held directly by SK Catering Pte. Ltd.						
Bangkok Jam Co., Ltd.	0.30*	0.52*	-	-	0.49*	0.54*
Bangkok Jam Sdn. Bhd	0.07*	0.28*	-	-	0.22*	0.28*
	13.12	13.36	-	-	13.67	12.60

* 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.

Investments 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 the changes in fair values 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 and subsidiaries' 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 until maturity is classified as held-to-maturity and carried at the amortized cost, net of 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 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
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 computer software development cost.

Intangible asset is stated at costs less accumulated amortization.

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

Computer 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 buildings, which are stated at cost, less accumulated amortization.

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

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

3.10 Impairment

The carrying amounts of the assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amounts of asset is estimated.

The Company recognizes impairment loss when the recoverable amount of an asset is lower than its carrying amount. The recoverable amount is the higher of the asset's fair value less cost to sell and its value in use. The Company determines the value by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. The calculation reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

The Company and its subsidiaries recognizes an impairment loss as expense in the statement of comprehensive income.

Reversal of an impairment loss

The Company reverses impairment loss of asset (if any), which had been recognized in the prior periods, if there is an indicator for impairment may no longer exist or may have decreased which the recoverable amount must be estimated.

3.11 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.

3.12 Employee benefit obligation

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

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 in full to the retained earnings in the period in which they arise.

3.13 Leases

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 risk and reward of ownership, other than legal title is transferred to the Company is accounted for as a finance lease. The Company capitalized the asset and liabilities in statements of financial position in the amount at the lower of estimated present value of the underlying lease payments or at the fair value of the leased asset at the contractual date. The leased assets are depreciated using the straight-line method over their estimated useful lives. Financial charge is calculated by the effective interest rate method over the term of contracts. Financial charge and depreciation are recognized as expenses in the statements of comprehensive income.

3.14 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.

3.15 Foreign currency transactions

Transactions in foreign currencies occurred during the year are translated 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 reporting period are

retranslated into Baht at the exchange rates prevailing on that date as determined by the Bank of Thailand. Gains or losses on retranslation are included in the statement of comprehensive income.

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

- a. Assets and liabilities are retranslated at the closing rate at the statements of financial position date.
- b. Shareholders' equity is retranslated at the rates prevailing on the transaction dates.
- c. Revenues and expenses are retranslated at the average rate during the period.

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

3.16 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.

Interest income and other income are recognized on an accrual basis.

Expenses are recognized on an accrual basis.

3.17 Taxation

Tax expense (tax income) comprises the sum of current tax in respect of the current year and deferred tax.

- Current tax

Current tax represents tax currently payable which is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

- 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 of the end of reporting period 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is recognized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the current tax asset against current tax liabilities and the Company intends to settle such current tax liability and asset on a net basis or intends to recognize the asset and settle the liability simultaneously.

Current and deferred tax are recognized as income or expense and included in profit or loss for the period. Income tax 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.

3.18 Basic earnings per share

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

3.19 Use of management's judgment

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, liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

4. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

4.1 Cash and cash equivalents

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Cash on hand	9,156	8,564	7,491	7,344
Bank deposits in savings and current accounts	526,640	509,696	398,618	336,253
Time deposits with maturity not more than 3 months (interest rates 0.62% - 1.25% per annum and 1.25% per annum, respectively)	34,603	28,596	27,199	28,446
	570,399	546,856	433,308	372,043

4.2 Non-cash transactions are as follows:

4.2.1 Liabilities incurred from acquisition of fixed assets as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		sparrate Financial Statements	
	2014	2013	2014	2013
Liabilities incurred from acquisition of fixed assets as at January 1,	86,263	64,167	66,169	45,232
<u>Add</u> Purchases of fixed assets during the years	501,589	536,629	390,589	447,543
Purchases of intangible asset during the years	3,844	9,433	3,626	9,273
Purchases of leasehold rights during the years	3,549	16,326	3,549	10,980
<u>Less</u> Provision for costs of dismantling, removing and restoring the site	(30,067)	-	(29,143)	-
Advance payments for purchases of machine paid in the prior year	(10,463)	-	(10,463)	-
Cash payments				
- fixed assets	(475,184)	(511,552)	(349,445)	(423,625)
- intangible assets	(3,844)	(9,433)	(3,626)	(9,273)
- leasehold rights	(3,549)	(16,326)	(3,549)	(10,980)
Purchases of fixed assets under finance lease agreements	-	(2,981)	-	-
Liabilities incurred from acquisition of fixed assets as at December 31,	72,138	86,263	67,707	66,169
Liabilities under finance lease agreements (Presented in other current liabilities and other non-current liabilities in the statement of financial position)				
Balance as at January 1,	2,955	6,620	2,955	6,620
<u>Add</u> Purchases of fixed assets under finance lease agreements	-	2,981	-	2,981
<u>Less</u> Cash payments	(1,809)	(6,646)	(1,809)	(6,646)
Balance as at December 31,	1,146	2,955	1,146	2,955
Rental expenses under finance lease agreements				
Not later than 1 year	891	1,809	891	1,809
Later than 1 year but not later than 5 years	255	1,146	255	1,146
	1,146	2,955	1,146	2,955

4.2.2 Accrued dividends as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Accrued dividends as at January 1,	1,051	993	1,051	993
<u>Add</u> Dividends declaration during the year	465,887	563,970	465,887	563,970
<u>Less</u> Dividends paid	(466,648)	(563,912)	(466,648)	(563,912)
Accrued dividends as at December 31,	290	1,051	290	1,051

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

	Million Baht		Million Pound sterling		Million US Dollars		Million Euro	
	2014	2013	2014	2013	2014	2013	2014	2013
Short-term borrowings	355.00	355.00	-	-	-	-	-	-
Bank overdrafts	91.00	91.00	0.20	0.16	-	-	0.10	0.10
Letters of guarantee	247.26	299.00	-	-	-	-	-	-
FOREX Credit Limit	95.00	95.00	-	-	1.00	1.00	-	-
Total	788.26	840.00	0.20	0.16	1.00	1.00	0.10	0.10

5. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Time deposits with maturity more than 3 months but not more than 1 year (interest rates 2.5% per annum)	13	13	-	-
Trading securities				
- Fixed income open-ended funds	182,604	206,563	182,604	206,563
- Private funds	131,507	220,523	131,507	220,523
Available-for-sales securities				
- Fixed income open-ended funds	7,272	12,113	-	-
Total temporary investments	321,396	439,212	314,111	427,086

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

As at December 31, 2014	Cost value As at December 31, 2014	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2014
Trading securities			
- Fixed income open-ended funds	181,887	717	182,604
- Private funds	126,077	5,430	131,507
Available-for-sales securities			
- Fixed income open-ended funds	6,785	487	7,272

Unit : Thousand Baht

As at December 31, 2014	Cost value As at December 31, 2014	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2014
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

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

As at December 31, 2014	Cost value As at December 31, 2014	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2014
Trading securities			
- Fixed income open-ended funds	181,887	717	182,604
- Private funds	126,077	5,430	131,507

Unit : Thousand Baht

As at December 31, 2014	Cost value As at December 31, 2014	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2014
Trading securities			
- Fixed income open-ended funds	205,546	1,017	206,563
- Private funds	200,000	20,523	220,523

6. TRADE AND OTHER RECEIVABLES

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Trade receivables - other companies	263,557	233,070	231,940	222,422
Trade receivables - related parties	2,534	2,460	20,250	6,261
	266,091	235,530	252,190	228,683
<u>Less</u> Allowance for doubtful accounts	(2,575)	(2,575)	(2,152)	(3,948)
Total trade receivables	263,516	232,955	250,038	224,735
Advance payments to related parties	392	565	22,874	22,785
<u>Less</u> Allowance for doubtful accounts	-	-	-	(2,966)
	392	565	22,874	19,819
Other receivables - other companies	10,447	5,984	162	4,195
Accrued income - related parties	125	94	4,965	1,154
Prepaid expenses	38,505	28,224	13,710	8,768
Total trade and other receivables	312,985	267,822	291,749	258,671

Trade receivables as at December 31, 2014 and 2013 are classified by aging as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Trade receivables				
Other companies				
Current	123,284	111,431	92,090	101,205
Overdue				
3 months or less	136,723	115,378	136,723	115,378
Over 3 months up to 6 months	309	3,573	309	3,573
Over 6 months up to 12 months	286	89	286	89
Over 12 months	2,955	2,599	2,532	2,177
Total	263,557	233,070	231,940	222,422
Related parties				
Current	2,168	1,068	4,698	3,020
Overdue				
3 months or less	254	1,313	6,668	1,313
Over 3 months up to 6 months	87	42	6,315	42
Over 6 months up to 12 months	1	16	2,490	71
Over 12 months	24	21	79	1,815
Total	2,534	2,460	20,250	6,261
Total trade receivables	266,091	235,530	252,190	228,683
<u>Less</u> Allowance for doubtful accounts	(2,575)	(2,575)	(2,152)	(3,948)
Trade receivables	263,516	232,955	250,038	224,735

LOANS TO RELATED PARTIES

Loans to related parties as at December 31, consist of:

Unit : Thousand Baht

	Outstanding principal	Interest rate % per annum	Consolidated Financial Statements		Separate Financial Statements	
			2014	2013	2014	2013
Loans to related parties						
Subsidiaries						
Patio International Limited	TWD 3 million	3.5	-	-	-	3,178
SK Catering Pte. Ltd.	SGD 0.1 million	3.0	-	-	-	2,565
Patara Restaurant, Vienna GmbH	Baht 49.97 million	3.0	-	-	49,974	49,974
S&P Restaurant Limited	GBP 0.4 million	3.0	-	-	20,318	21,430
An associate						
Foodhouse Catering Services Co., Ltd.	Baht 7.5 million	5.0	7,500	7,500	7,500	7,500
			7,500	7,500	77,792	84,647
<u>Less</u> Allowance for doubtful accounts			-	-	(25,000)	(3,178)
Total loans to related parties			7,500	7,500	52,792	81,469
Presented in the statements of financial position as follows:						
Loans to related parties - current assets			-	7,500	-	81,469
Loans to related parties - current assets			7,500	-	52,792	-
			7,500	7,500	52,792	81,469

- Patio International Limited ceased its operation and registered the dissolution since December 2011, which the Company fully recognized allowance for doubtful accounts. Subsequently in 2014, such subsidiary has liquidated. Therefore, the Company has written off such loan.
- The Company has received such loan repayment from SK Catering Pte. Ltd. in full amount in 2014.
- On June 6, 2013, the Company granted a loan in the amount of 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 to the Company and the note is callable on demand.

As such subsidiary has retained deficits as at December 31, 2014 of Baht 92.02 million; therefore, the Company considered to provide an allowance for doubtful accounts of loan to such subsidiary of Baht 25 million, which was recognized as administrative expenses in the separate statements of comprehensive income for the year ended December 31, 2014.

- On November 25, 2013, the Company granted a loan in the amount of GBP 0.4 million to S&P Restaurant Limited in order to purchase a building. Such loan is due within 1 year.

- On January 5, 2012, the Company entered into a settle debts memorandum with Foodhouse Catering Services Co., Ltd. The Company had trade 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 short-term loan in the form of promissory note of Baht 7.5 million and is callable on demand.

As at December 31, 2014, loans to Patara Restaurant, Vienna GmbH, S&P Restaurant Limited and Foodhouse Catering Services Co., Ltd., the Company anticipated to be collectible from such loans to related parties after 12 months and presented as the non-current assets.

8. INVENTORIES

Inventories as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Finished goods	101,686	96,485	101,607	96,485
Work in process	55	60	55	60
Raw materials	159,152	139,715	143,748	126,242
Packaging materials	54,863	67,863	54,315	67,226
Spare parts and supplies	12,540	12,914	11,792	11,825
Goods in transit	536	915	536	915
Total inventories	328,832	317,952	312,053	302,753

For the years ended December 31, 2014 and 2013, the costs of inventories recognized as an expense during the year in the consolidated financial statements are Baht 3,937 million and Baht 3,804 million, respectively, and in the separate financial statements are Baht 3,622 million and Baht 3,547 million, respectively.

9. DEPOSITS USED AS COLLATERAL

9.1 As at December 31, 2014 and 2013, 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 32.3).

9.2 As at December 31, 2014 and 2013, the 12-month fixed deposit of SK Catering Pte. Ltd. of SGD 150,000 (equivalent to Baht 3.73 million and Baht 3.89 million, respectively) was pledged as collateral for loans of Bangkok Jam Co., Ltd. with a commercial bank (see Note 18 (2)).

10. 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	
			2014	2013	2014	2013	2014	2013	2014	2013
Shares held by S&P Syndicate Public Company Limited Associates : HD Distributors (Thailand). Co., Ltd Foodhouse Catering Services Co., Ltd. The Thai Cuisine Co., Ltd										
	Agency for food distribution	Co-shareholders and co-management team	100,000	100,000	47.99	47.99	48,998	48,998	63,475	61,128
	Catering	Co-shareholders and co-management team	10,000	10,000	49.97	49.97	4,997	4,997	4,990	1,383
	Culinary School	Co-shareholders and co-management team	40,000	-	50.00	-	20,000	-	17,620	-
Less Allowance for impairment of investment - Foodhouse Catering Services Co., Ltd. Total investments in associates							73,995	53,995	85,995	62,511
							-	(4,997)	-	-
							73,995	48,998	85,995	62,511

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 For the year ended December 31,	
			2014	2013	2014	2013	2014	2013	2014	2013
Shares held by S&P Syndicate Public Company Limited Associates :										
HD Distributors (Thailand). Co., Ltd	Agency for food distribution	Co-shareholders and co-management team	100,000	100,000	47.99	47.99	48,998	48,998	2,262	3,860
Foodhouse Catering Services Co., Ltd.	Catering	Co-shareholders and co-management team	100,000	10,000	49.97	49.97	4,997	4,997	-	-
The Thai Cuisine Co., Ltd.	Culinary School	Co-shareholders and co-management team	40,000	-	10.00	-	20,000	-	-	-
Less Allowance for impairment of investment							73,995	53,995		
- Foodhouse Catering Services Co., Ltd.							-	(4,997)		
Total investments in subsidiaries							73,995	48,998		
Subsidiaries :										
S&P Global Co., Ltd.	Invest in other companies	Co-shareholders and co-management team	50,000	50,000	80.00	80.00	40,000	40,000	8,000	-
S&P Asset Co., Ltd.	Office rental	Co-shareholders and co-management team	1,000	1,000	99.93	99.93	999	999	4,996	-
S&P Food Solution Co., Ltd.	Restaurant (Liquidated)	Co-shareholders and co-management team	20,000	20,000	99.99	99.99	-	10,034	-	-
S&P International Foods Co., Ltd.	Restaurant	Co-shareholders and co-management team	50,000	50,000	99.99	99.99	49,997	49,997	-	-
Umenohana S&P Co., Ltd	Restaurant	Co-shareholders and co-management team	25,000	25,000	59.99	59.99	15,000	15,000	-	-
S&P International Foods (Cambodia) Co., Ltd.	Restaurant	Co-shareholders and co-management team	14,891	-	99.96	-	14,885	-	-	-
Less Allowance for impairment of investment							120,881	116,030		
- S&P Food Solution Co., Ltd.							-	(10,034)		
Total investments in subsidiaries							120,881	105,996		
Total dividend income									15,258	3,860

11. OTHER LONG - TERM INVESTMENT

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Security Held-to-Maturity				
Subordinated debenture 10 years (interest rate at 4.375% per annum)	10,000	10,000	10,000	10,000

12. PROPERTY, PLANT AND EQUIPMENT

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

As at December 31, 2014

Unit : Thousand Baht

	Consolidated Financial Statements					
	Balance as at January 1, 2014	Additions	Disposals	Transfer in (Transfer out)	Differences on Translation of Financial Statements	Balance as at December 31, 2014
Cost						
Land	279,483	-	-	-	-	279,483
Buildings and building improvements	200,068	19,551	(186)	19,954	(9,669)	229,718
Factory buildings	200,260	-	-	-	-	200,260
Machinery and equipment	1,094,053	70,044	(14,952)	76,057	(6,443)	1,218,759
Furniture and equipment						
- Offices and factories	602,468	36,596	(13,696)	-	-	625,368
- Restaurants and bakery shops	1,319,390	134,211	(42,412)	90,435	(17,366)	1,484,258
Vehicles	60,162	2,639	(2,645)	1,336	(105)	61,387
Total cost	3,755,884	263,041	(73,891)	187,782	(33,583)	4,099,233
Accumulated depreciation						
Buildings and building improvements	(82,799)	(5,235)	107	-	1,508	(86,419)
Factory buildings	(120,520)	(6,350)	-	-	-	(126,870)
Machinery and equipment	(786,646)	(102,812)	12,534	-	6,116	(870,808)
Furniture and equipment						
- Offices and factories	(436,688)	(50,257)	13,286	-	-	(473,659)
- Restaurants and bakery shops	(859,925)	(167,816)	25,107	-	10,633	(992,001)
Vehicles	(41,351)	(7,279)	2,345	-	104	(46,181)
Total accumulated depreciation	(2,327,929)	(339,749)	53,379	-	18,361	(2,595,938)
Building improvements and equipment under construction and installation	63,002	238,548	(1,314)	(187,782)	32	112,486
	1,490,957					1,615,781
<u>Less</u> Allowance for impairment - building improvements and equipment	(1,053)	(9,697)	751	-	-	(9,999)
Property, plant and equipment	1,489,904					1,605,782

As at December 31, 2014

Unit : Thousand Baht

Consolidated Financial Statements						
	Balance as at January 1, 2013	Additions	Disposals	Transfer in (Transfer out)/ Reclassifica- tions	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
Furniture and equipment						
- Offices and factories	482,000	117,259	(5,610)	8,819	-	602,468
- Restaurants and bakery shops	1,129,542	23,898	(55,010)	204,175	16,785	1,319,390
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)
Furniture and equipment						
- Offices and factories	(395,126)	(46,848)	5,286	-	-	(436,688)
- Restaurants and bakery shops	(766,622)	(128,588)	44,748	-	(9,463)	(859,925)
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</u> Allowance for impairment - building improvements and equipment	(1,000)	(53)	751	-	-	(1,053)
Property, plant and equipment	1,222,472					1,489,904
Depreciation for the years ended December 31,						
2014						339,749
2013						274,591
Gross carrying amount of fully depreciated fixed assets that is still in use as at December 31,						
2014						1,647,537
2013						1,504,135

As at December 31, 2014

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2014	Additions	Disposals	Transfer in (Transfer out)	Balance as at January 1, 2014
Cost					
Land	279,483	-	-	-	279,483
Buildings and building improvements	40,646	-	(186)	-	40,460
Factory buildings	200,260	-	-	-	200,260
Machinery and equipment	979,323	56,902	(10,606)	70,136	1,095,755
Furniture and equipment					
- Offices and factories	601,960	36,555	(13,467)	-	625,048
- Restaurants and bakery shops	1,053,833	78,459	(36,180)	73,865	1,169,977
Vehicles	58,212	2,639	(2,646)	1,336	59,541
Total cost	3,213,717	174,555	(63,085)	145,337	3,470,524
Accumulated depreciation					
Buildings and building improvements	(34,152)	(1,259)	107	-	(35,304)
Factory buildings	(120,520)	(6,350)	-	-	(126,870)
Machinery and equipment	(722,717)	(88,314)	10,189	-	(800,842)
Furniture and equipment					
- Offices and factories	(436,210)	(50,232)	13,056	-	(473,386)
- Restaurants and bakery shops	(721,218)	(122,027)	21,503	-	(821,742)
Vehicles	(39,505)	(7,246)	2,364	-	(44,387)
Total accumulated depreciation	(2,074,322)	(275,428)	47,219	-	(2,302,531)
Building improvements and equipment under construction and installation	43,019	216,034	(1,314)	(145,337)	112,402
	1,182,414				1,280,395
<u>Less</u> Allowance for impairment - building improvements and equipment	(1,053)	-	751	-	(302)
Property, plant and equipment	1,181,361				1,280,093

As at December 31, 2014

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2013	Additions	Disposals	Transfer in (Transfer out)/ Reclassifica- tions	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
Furniture and equipment					
- Offices and factories	481,508	47,243	(5,610)	78,819	601,960
- Restaurants and bakery shops	926,566	61,449	(50,667)	116,485	1,053,833
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)
Furniture and equipment					
- Offices and factories	(394,688)	(46,808)	5,286	-	(436,210)
- Restaurants and bakery shops	(662,438)	(99,328)	40,548	-	(721,218)
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
Depreciation for the years ended December 31,					
2014					275,428
2013					231,306
Gross carrying amount of fully depreciated fixed assets that is still in use as at December 31,					
2014					1,647,317
2013					1,503,770

S&P Restaurant Limited

As at December 31, 2014 and 2013, buildings of S&P Restaurant Limited with the cost value of GBP 2.01 million (equivalent to Baht 102.81 million) and GBP 1.30 million (equivalent to Baht 64.15 million), respectively, have been used as collateral for long-term loans with a commercial bank (see Note 18 (1)).

As at December 31, 2014 and 2013, 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	
	2014	2013	2014	2013
Cost - capitalized finance leases	5,577	10,230	5,577	10,230
<u>Less</u> Accumulated depreciation	(2,437)	(4,683)	(2,437)	(4,683)
Carrying amount	3,140	5,547	3,140	5,547

13. LEASEHOLD RIGHTS

Leasehold rights as at December 31, consists of:

As at December 31, 2014

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at January 1, 2014	Additions	Disposals	Differences on Translation of Financial Statements	Balance as at December 31, 2014
Cost					
Leasehold rights	254,769	3,549	(36,043)	(2,770)	219,505
Total cost	254,769	3,549	(36,043)	(2,770)	219,505
Accumulated Amortization					
Leasehold rights	(162,339)	(15,746)	26,996	1,964	(149,125)
Total Accumulated Amortization	(162,339)	(15,746)	26,996	1,964	(149,125)
Leasehold rights	92,430				70,380

As at December 31, 2014

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at January 1, 2013	Additions	Disposals	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

Amortization for the years ended December 31,

2014					15,746
2013					11,980

As at December 31, 2014

Unit : Thousand Baht

	Separate Financial Statements			
	Balance as at January 1, 2014	Additions	Disposals	Balance as at December 31, 2014
Cost				
Leasehold rights	195,437	3,549	(30,697)	168,289
Total cost	195,437	3,549	(30,697)	168,289
Accumulated Amortization				
Leasehold rights	(125,395)	(12,849)	25,213	(113,031)
Total Accumulated Amortization	(125,395)	(12,849)	25,213	(113,031)
Leasehold rights	70,042			55,258

As at December 31, 2013

	Separate Financial Statements			
	Balance as at January 1, 2013	Additions	Disposals	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
Amortization for the years ended December 31,				
2014				12,849
2013				10,146

14. INTANGIBLE ASSET

Intangible asset as at December 31, consists of:

As at December 31, 2014

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at January 1, 2014	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2014
Cost					
Computer software development costs	22,995	3,844	-	-	26,839
Total cost	22,995	3,844	-	-	26,839
Accumulated Amortization					
Computer software development costs	(9,213)	(3,993)	-	-	(13,206)
Total Accumulated Amortization	(9,213)	(3,993)	-	-	(13,206)
Intangible asset	13,782				13,633

As at December 31, 2013

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at January 1, 2013	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2013
Cost					
Computer software development costs	14,269	9,433	-	(707)	22,995
Total cost	14,269	9,433	-	(707)	22,995
Accumulated Amortization					
Computer software development costs	(6,166)	(3,047)	-	-	(9,213)
Total Accumulated Amortization	(6,166)	(3,047)	-	-	(9,213)
Intangible asset	8,103				13,782
Amortization for the years ended December 31,					
2014					3,993
2013					3,047

As at December 31, 2014

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2014	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2014
Cost					
Computer software development costs	22,835	3,626	-	-	26,461
Total cost	22,835	3,626	-	-	26,461
Accumulated Amortization					
Computer software development costs	(9,211)	(3,919)	-	-	(13,130)
Total Accumulated Amortization	(9,211)	(3,919)	-	-	(13,130)
Intangible asset	13,624				13,331

As at December 31, 2013

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2013	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2013
Cost					
Computer software development costs	14,269	9,273	-	(707)	22,835
Total cost	14,269	9,273	-	(707)	22,835
Accumulated Amortization					
Computer software development costs	(6,166)	(3,045)	-	-	(9,211)
Total Accumulated Amortization	(6,166)	(3,045)	-	-	(9,211)
Intangible asset	8,103				13,624

Amortization for the years ended December 31,

2014					3,919
2013					3,045

15. DEFERRED INCOME TAX AND INCOME TAX EXPENSE

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Deferred tax assets	33,448	24,789	26,698	24,711
Deferred tax liabilities	2,130	2,439	-	-

The movements of deferred tax assets and liabilities for the years ended December 31, 2014 and 2013 are as follows:

Consolidated Financial Statements

As at December 31, 2014

Unit : Thousand Baht

	Balances as at January 1, 2014	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2014
Deferred tax assets resulted from				
Allowance for doubtful accounts	509	6	-	515
Buildings and equipment - difference of depreciation rate	170	(367)	-	(197)
Allowance for impairment of investments	999	(999)	-	-
Provision for customer loyalty programmes	1,015	854	-	1,869
Employee benefit obligation	19,537	2,602	-	22,139
Actuarial (gain) loss on defined employee benefit plan	1,607	-	(2,415)	(808)
Unearned revenues	2,304	67	-	2,371
Unused tax losses	-	6,441	-	6,441
Provision for costs of dismantling, removing and restoring the site	6	2,341	-	2,347
Revaluation of trading securities	(1,358)	129	-	(1,229)
Deferred tax liabilities	24,789	11,074	(2,415)	33,448
Deferred tax liabilities resulted from				
Revaluation of available-for-sales securities	(123)	-	26	(97)
Buildings and equipment - difference of depreciation rate	(2,316)	283	-	(2,033)
Deferred tax liabilities	(2,439)	283	26	(2,130)

Consolidated Financial Statements**As at December 31, 2013**

Unit : Thousand Baht

	Balances as at January 1, 2013	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2013
Deferred tax assets resulted from				
Allowance for doubtful accounts	509	-	-	509
Buildings and equipment - 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	1,607	-	-	1,607
Unearned revenues	(2,008)	4,312	-	2,304
Provision for costs of dismantling, removing and restoring the site	-	6	-	6
Revaluation of trading securities	-	(1,358)	-	(1,358)
Deferred tax liabilities	18,604	6,185	-	24,789
Deferred tax liabilities resulted from				
Revaluation of available-for-sales securities	(85)	-	(38)	(123)
Buildings and equipment - difference of depreciation rate	(1,618)	(698)	-	(2,316)
Deferred tax liabilities	(1,703)	(698)	(38)	(2,439)

Separated Financial Statements
As at December 31, 2014

Unit : Thousand Baht

	Balances as at January 1, 2014	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2014
Deferred tax assets resulted from				
Allowance for doubtful accounts	431	-	-	431
Buildings and equipment - difference of depreciation rate	170	(367)	-	(197)
Allowance for impairment of investments	999	(999)	-	-
Provision for customer loyalty programmes	1,015	854	-	1,869
Employee benefit obligation	19,537	2,401	-	21,938
Actuarial (gain) loss on defined employee benefit plan	1,607	-	(2,415)	(808)
Unearned revenues	2,304	67	-	2,371
Provision for costs of dismantling, removing and restoring the site	6	2,317	-	2,323
Revaluation of trading securities	(1,358)	129	-	(1,229)
Deferred tax assets	24,711	4,402	(2,415)	26,698

Separated Financial Statements
As at December 31, 2014

Unit : Thousand Baht

	Balances as at January 1, 2013	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2013
Deferred tax assets resulted from				
Allowance for doubtful accounts	431	-	-	431
Buildings and equipment - 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	1,607	-	-	1,607
Unearned revenues	(2,008)	4,312	-	2,304
Provision for costs of dismantling, removing and restoring the site	-	6	-	6
Revaluation of trading securities	-	(1,358)	-	(1,358)
Deferred tax assets	18,526	6,185	-	24,711

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 reduce to 20% of net profit for the accounting periods beginning on or after January 1, 2013 but not later than December 31, 2014, and according to Royal Decree No. 577 B.E. 2557 issued under the Revenue Code regarding the corporate income tax rate reduction effective on November 11, 2014, to extend the reduced corporate income tax at 20% of net profit for accounting period beginning on or after January 1, 2015 but not later than December 31, 2015. Therefore, the Company has used tax rates of 20% for calculation of the corporate income tax for the years ended December 31, 2014 and 2013.

Based on the aforementioned information and the guideline of the Federation of Accounting Professions, the Company assumes that the related tax law will be amended in order that the corporate income tax rate for the accounting periods beginning on or after January 1, 2016 will not be over 20% to comply with the Cabinet's resolution regarding corporate income tax rate reduction. Therefore, the Company has used tax rate of 20% for the deferred tax calculation as at December 31, 2014 and 2013.

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Current tax	149,411	173,576	140,025	161,922
Adjustment prior year income tax expense	(5,192)	(4,996)	(5,192)	(4,996)
Deferred tax expenses relating to the origination and reversal of temporary differences	(11,357)	(5,487)	(4,402)	(6,185)
Income tax per the statements of comprehensive income	132,862	163,093	130,431	150,741

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Accounting profit before income tax	629,797	797,723	643,441	776,550
Applicable corporate income tax rates	8.5% - 25%	8.5% - 25%	20%	20%
Current income tax	136,999	172,455	128,688	155,310
Adjustment prior year income tax expenses	(5,192)	(4,996)	(5,192)	(4,996)
Tax effect of non-deductible expenses (benefits)	1,055	(4,366)	6,935	427
Income tax expenses per the statements of comprehensive income	132,862	163,093	130,431	150,741

The Company and domestic subsidiaries used corporate income tax at the rate of 20% except for a domestic subsidiary, which used corporate income tax at the rates for Small and Medium Enterprises of 15% - 20%.

Overseas subsidiaries used tax rates of each country at the rates of 8.5% - 25%.

16. BANK OVERDRAFT

As at December 31, 2014 and 2013, S&P Restaurant Limited, a subsidiary, has bank overdrafts with a financial institution amounting to GBP 17,709 and GBP 38,164 (equivalent to Baht 0.91 million and Baht 2.06 million, respectively). Bank overdrafts carried interest at the rate of the bank's lending base rate + 0.5% per annum.

17. TRADE AND OTHER PAYABLES

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Trade payables - other companies	464,714	422,869	393,469	382,041
Trade payables - related parties	5,077	1,351	5,252	1,604
Advance received from related parties	-	-	3	42
Accounts payable - acquisition of assets	72,138	86,263	67,707	66,169
Unearned revenues	18,193	15,667	18,058	15,667
Other payables	79,483	76,571	76,445	74,344
Accrued expenses	293,509	277,766	227,121	224,655
	933,114	880,487	788,055	764,522

18. 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	
	2014	2013	2014	2013
Long-term borrowings from financial institutions	55,165	65,845	-	-
<u>Less</u> Current portion of long-term borrowings from financial institutions	(21,652)	(24,358)	-	-
	33,513	41,487	-	-

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

	Credit limit	Currency	Interest Rate (% p.a.)	Repayment terms	Repayment date and due date	Balance As at December 31, 2014		Balance As at December 31, 2014	
						Currencies	Thousand Baht	Currencies	Thousand Baht
S&P Restaurant Limited ⁽¹⁾									
Loan from overseas commercial banks	450,000	GBP	Bank base rate + 0.5%	Repayable on a monthly basis of GBP 7,500 per installment	May 2011 to April 2016	120,000	6,138	210,000	11,323
	600,000	GBP	Bank base rate + 0.5%	Repayable on a quarterly basis of GBP 37,500 per installment	October 2012 to June 2016	262,500	13,427	412,500	22,240
	340,000	GBP	Bank base rate + 0.5%	Repayable on a quarterly basis of GBP 17,000 per installment	April 2014 to January 2019	289,000	14,782	-	-
Bangkok Jam Co., Ltd.									
Loan from overseas commercial banks	10,000,000	TWD	Bank base rate + 2.75%	Repayable on a quarterly basis of TWD 834,000 per installment	December 16, 2011 to September 16, 2014	-	-	2,494,000	2,729
Loan from overseas commercial banks ⁽²⁾	10,000,000	TWD	Bank base rate + 2.75%	Repayable on a quarterly basis of TWD 834,000 per installment	May 8, 2012 to February 6, 2015	826,000	858	4,162,000	4,553
S&P International Foods Co., Ltd. ⁽³⁾									
Loan from local commercial banks	25,000,000	BAHT	MLR - 2%	Repayable on a quarterly basis of Baht 1,260,000 per installment	January 15, 2014 to January 15, 2019	-	19,960	-	25,000
Total long-term loans of subsidiaries							55,165		65,845

⁽¹⁾ S&P Restaurant Limited used its buildings with the cost value of GBP 2.01 million (equivalent to Baht 102.81 million) and GBP 1.30 million (equivalent to Baht 64.15 million), respectively, as collateral for such long-term loans with a commercial bank. The Company has to maintain debt to the property value ratio in accordance with the condition on the loan agreements (see Note 12).

⁽²⁾ Bangkok Jam Co., Ltd. used a fixed deposit of SK Catering Pte. Ltd. as collateral (see Note 9.2).

⁽³⁾ S&P International Foods Co., Ltd., a subsidiary, received credit facilities from local financial institution. 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. to be not less than 99.99% throughout the period of the loan agreement. In addition, such subsidiary has to maintain its debt to equity ratio as specified in the loan agreement.

19. 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, 2014 and 2013 are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Current service cost	16,863	14,134	15,336	13,530
Interest cost	4,397	3,598	3,992	3,364
Expenses recorded in the statement of comprehensive income	21,260	17,732	19,328	16,894

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	
	2014	2013	2014	2013
Beginning balance of present value of defined benefit obligation	112,833	95,101	105,722	88,828
Current service cost	16,863	14,134	15,336	13,530
Interest cost	4,397	3,598	3,992	3,364
Actuarial gain on defined employee benefit plan	(16,245)	-	(12,077)	-
	117,848	112,833	112,973	105,722
<u>Less</u> Benefits paid during the year	(7,325)	-	(7,325)	-
Ending balance of present value of defined benefit obligation	110,523	112,833	105,648	105,722

For the year ended December 31, 2014, the Company recognized the actuarial gain in the consolidated and separate statements of comprehensive income in the amount of Baht 16.25 million and Baht 12.08 million, respectively. Such actuarial loss mainly resulted from the change in discount rate, salary increase rate and employee turnover rate according to the actuarial assumption.

The key actuarial assumptions used to calculate the defined benefit obligation as at December 31, 2014 and 2013 are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Discount rate	3.58% - 4.11%	3.73% - 3.89%	3.58%	3.89%
Mortality rate	Thai Mortality Table 2008	Thai Mortality Table 2008	Thai Mortality Table 2008	Thai Mortality Table 2008
Normal retirement age	60 years	60 years	60 years	60 years
Salary increase rate	4%	5%	4%	5%
Employee turnover rate	0% - 41%	0% - 35%	0% - 41%	0% - 35%

20. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities as at December 31, 2014 and 2013 consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Provision for costs of dismantling, removing and restoring the site	35,002	4,699	34,093	4,699
Deposits received from leases - lease agreements more than 1 year	-	2,802	-	-
Others	1,475	1,986	254	1,145
	36,477	9,487	34,347	5,844

21. 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.

22. SHARE CAPITAL

On November 12, 2013, the Board of Directors' meeting of the Company passed a resolution to reduce its capital of the Company due to the outstanding treasury shares which the Company bought in 2010 at the price of Baht 250.95 million by reduction of its authorized share capital by 6,604,600 ordinary shares (totalling value Baht 33.02 million) from 104,686,273 ordinary shares to 98,081,673 ordinary shares (see Note 23). The Company registered such capital reduction with the Department of Business Development, the Ministry of Commerce on December 8, 2013.

On April 21, 2014, the Annual General Shareholders' Meeting of the Company passed a resolution to approved the change of par value of ordinary shares from Baht 5 per share to Baht 1 per share. As a result, the numbers of authorized ordinary changes from 98,081,673 shares to 490,408,365 shares (see Note 24). The Company registered the change of the amendment to the Memorandum of Association of the Company to be in accordance with the change of the par value of the Company's shares. The Company registered the change of the par value of the Company's shares with the Ministry of Commerce on May 7, 2014.

23. TREASURY SHARES AND TREASURY SHARES RESERVE

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

Subsequently, on November 12, 2013, the Board of Directors' meeting of the Company passed the resolution to reduce its capital due to outstanding treasury shares by reduction of its authorized share capital (see Note 22).

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 to the unappropriated retained earnings after the reduction of its capital.

24. BASIC EARNINGS PER SHARE

The effect of the change of par value of the Company's ordinary shares as mentioned in Note 22 resulting in changes in the weighted average number of ordinary shares and the basic earnings per share for the consolidated and separate financial statements for the year ended December 31, 2013. Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares issued during the year, after adjusting the number of ordinary shares as a result of the change of par value of ordinary shares. The number of ordinary shares of the prior year has been adjusted as if the change of par value of ordinary shares had been incurred at the beginning of the earliest period reported.

Weighted average number of ordinary shares for the year ended December 31, 2013 is changed due to the change of par value of ordinary shares as follows:

Unit : Shares

	Previously presented	"Restated"
Weighted average number of ordinary shares	98,081,673	490,408,365

The basic earnings per share

Unit : Baht per share

	Consolidated Financial Statements		Separate Financial Statements	
	Previously presented	"Restated"	Previously presented	"Restated"
For the year ended December 31, 2013	6.38	1.28	6.38	1.28

25. APPROPRIATION OF EARNINGS AND DIVIDEND

S&P Syndicate Public Co., Ltd.

On April 24, 2013, the Annual General Shareholders' Meeting of the Company passed a resolution to distribute an annual dividend from the operations of the year 2012 for 98,081,673 shares at Baht 6.00 per share, totalling Baht 588 million. The dividend consists of interim dividend at Baht 1.50 per share of 98,081,673 shares, totalling Baht 147 million which was paid on September 7, 2012 and additional dividend at Baht 4.50 per share of 98,081,673 shares, totalling Baht 441 million, which was paid on May 15, 2013.

On April 21, 2014, the Annual General Shareholders' Meeting of the Company passed a resolution to distribute the dividends from the operations of the year 2013 for 98,081,673 shares at Baht 5.50 per share, totalling Baht 540 million and as the Company already distributed the interim dividends at Baht 1.25 per share of 98,081,673 shares, totalling approximately Baht 123 million in September 2013, therefore, the Company will pay the remaining dividends of Baht 4.25 per share of 98,081,673 shares, totalling Baht 417 million which was paid on May 15, 2014.

On August 13, 2014, the Board of Directors' Meeting of the Company passed the resolutions to distribute the interim dividends from the operations of the six-month period ended June 30, 2014 for 490,408,365 shares at Baht 0.10 per share, totalling approximately Baht 49 million, which was paid on September 12, 2014.

Subsidiaries

On September 25, 2013, the Board of Directors' meeting of S&P Restaurant Limited approved the ordinary share dividend of 900,000 ordinary shares to the shareholders of the subsidiary at par value Pound 1 per share at the rate of 1 existing ordinary share for 9 new ordinary shares 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.

On April 24, 2014, the Annual General Shareholders' Meeting of S&P Global Co., Ltd. approved to distribute the dividends to ordinary shareholders of 500,000 shares at Baht 20 per share, totalling Baht 10 million. The subsidiary paid such dividends on May 9, 2014.

On April 24, 2014, the Annual General Shareholders' Meeting of S&P Asset Co., Ltd. approved to distribute the dividends to ordinary shareholders of 10,000 shares at Baht 500 per share, totalling Baht 5 million. The subsidiary paid such dividends on May 9, 2014.

26. 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 and services, 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 cost plus margin or the price as stipulated in the agreement.

The significant balances of assets, liabilities, and transactions occurred with the related parties are as follows:

26.1 Significant balance with related parties as of December 31, 2014 and 2013 are as follows:

Unit : Thousand Baht

Account name/ Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2014	2013	2014	2013
Trade receivables					
S&P Global Co., Ltd.	Subsidiary	-	-	291	54
S&P Food Solution Co., Ltd.	Subsidiary	-	-	-	1,795
<u>Less</u> Allowance for doubtful account		-	-	-	(1,795)
		-	-	-	-
S&P International Foods Co., Ltd.	Subsidiary	-	-	11,740	1,952
Umenohana S&P Co., Ltd.	Subsidiary	-	-	38	-
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	5,647	-
HD Distributors (Thailand) Co., Ltd.	Associate	70	128	70	128
Foodhouse Catering Services Co., Ltd.	Associate	925	376	925	376
The Thai Cuisine Co., Ltd.	Associate	63	-	63	-
The Minor Food Group Public Co., Ltd.	Related party	801	860	801	860
Other related parties	Related party	675	1,096	675	1,096
		2,534	2,460	20,250	4,466
Advance payments to related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	286	4,724
S&P Food Solution Co., Ltd.	Subsidiary	-	-	-	2,996
<u>Less</u> Allowance for doubtful account		-	-	-	(2,966)
		-	-	-	30
S&P International Foods Co., Ltd.	Subsidiary	-	-	17,010	8,815
Umenohana S&P Co., Ltd.	Subsidiary	-	-	206	5,685
S&P Asset Co., Ltd.	Subsidiary	-	-	487	-
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	4,493	-
HD Distributors (Thailand) Co., Ltd.	Associate	207	229	207	229
Foodhouse Catering Services Co., Ltd.	Associate	185	329	185	329
Other related parties	Related party	-	7	-	7
		392	565	22,874	19,819

Unit : Thousand Baht

Account name/ Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2014	2013	2014	2013
Accrued income - related parties					
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	1,655	-
S&P Restaurant Limited	Subsidiary	-	-	668	62
SK Catering Pte. Ltd.	Subsidiary	-	-	159	140
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	2,358	858
Foodhouse Catering Services Co., Ltd.	Associate	125	94	125	94
		125	94	4,965	1,154
Loans to related parties					
(Interest rate percentage per annum)					
Patio International Limited (3.5%)	Subsidiary	-	-	-	3,178
<u>Less</u> Allowance for doubtful account		-	-	-	(3,178)
		-	-	-	-
SK Catering Pte. Ltd. (3.0%)	Subsidiary	-	-	-	2,565
S&P Restaurant Limited (3.0%)	Subsidiary	-	-	20,318	21,430
Patara Restaurant, Vienna GmbH (3.0%)	Subsidiary	-	-	49,974	49,974
<u>Less</u> Allowance for doubtful account		-	-	(25,000)	-
		-	-	24,974	49,974
Foodhouse Catering Services Co., Ltd. (5.0%)	Associate	7,500	7,500	7,500	7,500
		7,500	7,500	52,792	81,469
Investments in associates					
HD Distributors (Thailand) Co., Ltd.	Associate	63,475	61,128	48,998	48,998
Foodhouse Catering Services Co., Ltd.	Associate	4,900	6,380	4,997	4,997
<u>Less</u> Allowance for impairment of investment		-	(4,997)	-	(4,997)
		4,900	1,383	4,997	-
The Thai Cuisine Co., Ltd.	Associate	17,620	-	20,000	-
		85,995	62,511	73,995	48,998

Unit : Thousand Baht

Account name/ Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2014	2013	2014	2013
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
<u>Less</u> Allowance for impairment of investment		-	-	-	(10,034)
		-	-	-	-
S&P International Foods Co., Ltd.	Subsidiary	-	-	49,997	49,997
Umenohana S&P Co., Ltd.	Subsidiary	-	-	15,000	15,000
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	14,885	-
		-	-	120,881	105,996
Trade payables					
S&P Asset Co., Ltd.	Subsidiary	-	-	136	253
S&P International Foods Co., Ltd.	Subsidiary	-	-	39	-
HD Distributors (Thailand) Co., Ltd.	Associate	927	1,351	927	1,351
The Minor Food Group Public Co., Ltd.	Related party	1,402	-	1,402	-
Other related parties	Related party	2,748	-	2,748	-
		5,077	1,351	5,252	1,604
Advance received from related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	3	23
S&P International Foods Co., Ltd.	Subsidiary	-	-	-	19
		-	-	3	42

26.2 Movements of loans to related parties

Movements of loans to related parties for the years ended December 31, 2014 and 2013 are as follows:

Unit : Thousand Baht

Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2014	2013	2014	2013
Patio International Limited	Subsidiary				
Beginning balances		-	-	3,178	3,178
<u>Less</u> Written-off during the year		-	-	(3,178)	-
		-	-	-	3,178
<u>Less</u> Allowance for doubtful accounts		-	-	-	(3,178)
Ending balances		-	-	-	-
S&P Restaurant Limited	Subsidiary				
Beginning balances		-	-	21,430	-
<u>Add</u> Loan granted during the year		-	-	-	21,430
Unrealized loss on revaluation		-	-	(1,112)	-
Ending balances		-	-	20,318	21,430
SK Catering Pte. Ltd.	Subsidiary				
Beginning balances		-	-	2,565	-
<u>Add</u> Loan granted during the year		-	-	-	7,786
<u>Less</u> Repayment during the year		-	-	(2,565)	(5,221)
Ending balances		-	-	-	2,565
Patara Restaurant, Vienna GmbH	Subsidiary				
Beginning balances		-	-	49,974	-
<u>Add</u> Loan granted during the year		-	-	-	49,974
		-	-	49,974	49,974
<u>Less</u> Allowance for doubtful accounts		-	-	(25,000)	-
Ending balances		-	-	24,974	49,974
Foodhouse Catering Services Co., Ltd.	Associate				
Beginning balances		7,500	7,500	7,500	7,500
<u>Add</u> Loan granted during the year		-	-	-	-
Ending balances		7,500	7,500	7,500	7,500

26.3 Significant transactions with related parties for the years ended December 31, are as follows:

Unit : Thousand Baht

Account name/ Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2014	2013	2014	2013
Revenues from sales					
S&P International Foods Co., Ltd.	Subsidiary	-	-	25,483	2,174
Umenohana S&P Co., Ltd.	Subsidiary	-	-	853	-
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	9,395	-
HD Distributors (Thailand) Co., Ltd.	Associate	433	591	433	591
Foodhouse Catering Service Co., Ltd.	Associate	3,125	3,188	3,125	3,188
The Minor Food Group Public Co., Ltd.	Related party	12,985	20,903	12,985	20,903
Swensen's (Thai) Co., Ltd.	Related party	33,860	17,618	33,860	17,618
Other related parties	Related party	23,040	19,962	23,040	19,962
		73,443	62,262	109,174	64,436
Rental income from buildings and equipment					
S&P Global Co., Ltd.	Subsidiary	-	-	918	522
Umenohana S&P Co., Ltd.	Subsidiary	-	-	390	-
S&P International Foods Co., Ltd.	Subsidiary	-	-	425	-
HD Distributors (Thailand) Co., Ltd.	Associate	812	843	812	843
The Thai Cuisine Co., Ltd.	Associate	1,750	-	1,750	-
		2,562	843	4,295	1,365
Dividend income					
S&P Global Co., Ltd.	Subsidiary	-	-	8,000	-
S&P Asset Co., Ltd.	Subsidiary	-	-	4,996	-
HD Distributors (Thailand) Co., Ltd.	Associate	-	-	2,262	3,860
		-	-	15,258	3,860

Unit : Thousand Baht

Account name/ Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2014	2013	2014	2013
Other income					
S&P Global Co., Ltd.	Subsidiary	-	-	1,312	1,200
S&P Asset Co., Ltd.	Subsidiary	-	-	96	96
S&P International Foods Co., Ltd.	Subsidiary	-	-	744	744
Umenohana S&P Co., Ltd.	Subsidiary	-	-	360	-
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	1,647	-
S&P Restaurant Limited	Subsidiary	-	-	635	62
SK Catering Pte. Ltd.	Subsidiary	-	-	27	140
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	1,499	858
HD Distributors (Thailand) Co., Ltd.	Associate	61	56	61	56
Foodhouse Catering Services Co., Ltd.	Associate	1,450	1,770	1,450	1,770
The Thai Cuisine Co., Ltd.	Associate	89	-	89	-
		1,600	1,826	7,920	4,926
Share of profits (losses) of associates					
HD Distributors (Thailand) Co., Ltd.	Associate	4,608	7,635	-	-
Foodhouse Catering Services Co., Ltd.	Associate	3,518	1,383	-	-
The Thai Cuisine Co., Ltd.	Associate	(2,380)	-	-	-
		5,746	9,018	-	-
Purchases of goods					
HD Distributors (Thailand) Co., Ltd.	Associate	6,057	7,878	6,057	7,878
Other related parties	Related party	7,281	-	7,281	-
		13,338	7,878	13,338	7,878
Rental and other expenses					
S&P Global Co., Ltd.	Subsidiary	-	-	-	3
S&P Asset Co., Ltd.	Subsidiary	-	-	4,503	4,548
S.R. Estate Ltd.	Common director	432	432	432	432
Seacon Development Public Co., Ltd	Common director	949	1,198	949	1,198
Directors	Directors	6,487	2,423	6,487	2,423
		7,868	4,053	12,371	8,604

Unit : Thousand Baht

Account name/ Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2014	2013	2014	2013
Service expenses					
S&P Asset Co., Ltd.	Subsidiary	-	-	1,277	1,277
The Minor Food Group Public Co., Ltd.	Related party	3,493	-	3,493	-
Seacon Development Public Co., Ltd	Common director	3,510	3,543	3,510	3,543
Other related parties	Related party	1,020	-	1,020	-
		8,023	3,543	9,300	4,820
Management benefit expenses					
Short-term benefits	Management	58,259	49,211	44,459	38,800
Long-term benefits	Management	933	895	727	640
		59,192	50,106	45,186	39,440

27. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2014 and 2013 are as follows:

Unit : Thousand Baht

Account name/ Company's name	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Changes in inventories of finished goods and work in process - increase	(5,196)	(627)	(5,117)	(627)
Raw materials and consumables used	2,342,476	2,277,321	2,062,106	2,039,207
Cost of finished goods purchased	68,019	59,882	68,019	59,882
Depreciation and amortization	359,488	289,618	292,196	244,498
Employee expenses	1,788,010	1,718,159	1,394,474	1,383,456
Transportation expenses	192,302	184,621	190,336	184,122
Selling expenses	240,455	271,225	216,137	247,799
Management benefit expenses	59,192	50,106	45,186	39,440
Services charge expenses	315,127	285,892	315,127	285,892
Loss on impairment of fixed assets (reversal)	8,946	53	(751)	53
Loss on write-off of fixed assets	17,265	14,069	16,402	10,852
Doubtful debts - loan to a related party	-	-	25,000	-

28. PROVIDENT FUND

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

For the years ended December 31, 2014 and 2013, the Company's contributions and subsidiaries' contributions to provident funds which were recorded as expenses in the consolidated statements of comprehensive income were Baht 21.47 million and Baht 19.29 million, respectively.

For the years ended December 31, 2014 and 2013, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of comprehensive income were Baht 15.17 million and Baht 14.67 million, respectively.

29. CAPITAL MANAGEMENT

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

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

30. DISCLOSURE OF FINANCIAL INSTRUMENT INFORMATION

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

30.1 Credit Risk

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

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

30.2 Interest Rate Risk

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

30.3 Foreign Exchange Risk

Foreign exchange risk arises from the potential for a change in foreign exchange rate to have an adverse effect on the Company and its subsidiaries in the current reporting period and in future years. The Company and its 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 effect of 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 instrument to manage such risk.

30.4 Estimated Fair Value of Financial Assets and Liabilities

For the fair value disclosures, considerable judgement is necessarily required in estimation of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company and its subsidiaries in estimating fair value of financial instrument.

Cash and cash equivalents, temporary investments, trade and other receivables, loan to a related party, bank overdraft, 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.

31. FINANCIAL INFORMATION BY SEGMENT

Financial information by the reportable segments which are domestic restaurants and bakery shops, packaged food and bakery trading business, overseas restaurants and others.

Elimination of inter-segment, segment revenues and profit and reconciliation of total segment profit to profit before income tax expense and comprehensive income for the years ended December 31, 2014 and 2013 are as follows:

Unit : Thousand Baht

	Domestic restaurants and bakery shops	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, 2014							
Segment revenues	5,489,645	736,184	1,017,115	38,821	7,281,765	(24,910)	7,256,855
Segment profit (loss)	957,258	85,618	7,173	(4,909)	1,045,140	-	1,045,140
Unallocated income (expenses):							
Total other income							89,840
Central selling and administrative expenses							(443,830)
Management benefits							(59,192)
Net loss on exchange rate							(5,018)
Finance costs							(2,889)
Share of profit of associates							5,746
Profit before income tax expense							629,797
Income tax expense							(132,862)
Profit for the year							496,935
Total other comprehensive income for the year - net of tax							(1,578)
Total comprehensive income for the year							495,357

Unit : Thousand Baht

	Domestic restaurants and bakery shops	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 benefits							(50,106)
Finance costs							(4,277)
Share of profit of associates							9,018
Profit before income tax expense							797,723
Income tax expense							(163,093)
Profit for the year							634,630
Total other comprehensive income for the year - net of tax							17,767
Total comprehensive income for the year							652,397

Unit : Thousand Baht

	Domestic restaurants and bakery shops	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter-segment	Total
Statements of financial position							
As at December 31, 2014							
Trade and other receivables	54,674	178,575	55,122	1,119	289,490	(17,891)	271,599
Inventories	160,175	1,237	13,571	2,255	177,238	-	177,238
Property, plant and equipment	542,153	774	267,691	3,138	813,756	(25)	813,731
Leasehold right	47,471	-	15,121	-	62,592	-	62,592
Assets under common use							
- Trade and other receivables							41,387
- Inventories							151,594
- Property, plant and equipment							792,051
- Leasehold right							7,787
- Others							1,307,121
Total assets							3,625,100
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

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, 2014			
Revenue from external customers	6,166,297	1,017,115	7,183,412
Segment assets			
As at December 31, 2014			
Non-current assets	1,646,309	422,829	2,069,138
Revenues			
For the year ended December 31, 2013			
Revenue from external customers	6,045,615	892,276	6,937,891
Segment assets			
As at December 31, 2013			
Non-current assets	1,613,838	330,414	1,944,252

32. COMMITMENTS AND LETTERS OF GUARANTEE

As at December 31, 2014 and 2013, the Company and its subsidiaries had commitments and letters of guarantee as follows:

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

Domestic offices rental and services expenses

Unit : Thousand Baht

Payment period	As at December 31,	
	2014	2013
Not later than 1 year	438,576	381,646
Later than 1 year but not later than 5 years	884,533	807,288
Later than 5 years	125,819	141,877

Overseas subsidiaries rental and services expenses

Unit : Thousand Baht

Payment period	As at December 31,	
	2014	2013
Not later than 1 year	135,052	121,212
Later than 1 year but not later than 5 years	188,306	226,801
Later than 5 years	132,953	109,030

32.2 As at December 31, 2014 and 2013, the Company and its subsidiaries have outstanding capital commitments relating to construct of new branches, shops and new factory of Baht 48.69 million and Baht 67.93 million, respectively.

32.3 As at December 31, 2014 and 2013, the Company and its subsidiaries have letters of guarantee issued by a bank to guarantee for electricity usage for the Company and its subsidiaries of Baht 52.38 million and Baht 51.98 million, respectively. Such amount included the letters of guarantee of Baht 0.58 million which deposit at bank was used as collateral (see Note 9.1).

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

S&P Syndicate Public Company Limited issued a letter of guarantee dated October 26, 2012 to an overseas company to guarantee for all payments that the subsidiary has to pay according to the License Agreement.

33. EVENT AFTER THE REPORTING PERIOD

On February 20, 2015, the Company's Board of Directors' meeting passed a resolution to distribute an annual dividend from the operations of the year 2014 for 490,408,365 shares at Baht 0.80 per share, totalling Baht 392.33 million. The dividends consist of interim dividends at Baht 0.10 per share, totalling Baht 49.04 million which was paid on September 12, 2014 and the additional dividends of 490,408,365 shares at Baht 0.70 per share, totalling Baht 343.29 million, which will be paid on May 15, 2015. The Board of Directors will propose to the shareholders at the annual general shareholder meeting to obtain an approval for the dividend payment.

34. RECLASSIFICATIONS

Certain reclassifications are made to the consolidated and separate statement of financial position as at December 31, 2013 to conform to the classifications used in the consolidated and separate financial statements as at December 31, 2014 as follows:

Account	Amount (Thousand Baht)	Previous classification	Current classification
Provision for costs of dismantling, removing and restoring the site	4,698	Other current liabilities	Other non-current liabilities
Accrued social security fund expense	5,114	Other current liabilities	Trade and other payables
Income tax relating to components of other comprehensive income	1,607	Other components of shareholders' equity	Retained earnings - unappropriated

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized directors of the Company on February 20, 2015.

Business Overview

Summary of 2014 Performance

In 2014, the Company and its subsidiaries (“a group of companies”) reported the revenue from sales and services of 7,257 million Baht, an increase of 257 million Baht from the same period of last year, accounted for a growth of 3.67%. The net profit was 498 million Baht, a decrease of 128 million Baht from the previous year, accounted for a minus growth of 20.45%. The performance was mainly affected by the political situation that caused the economic slowdown and new restaurant business from overseas. However, in this 2014 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 437 outlets. In addition to this, a group of companies has also expanded its Japanese Tonkatsu (soft pork-deep-fried) Restaurant under the brand Maisen to be more 3 branches this year. The Company has expanded the Thai restaurant under brand S&P where the first branch at Cambodia. In the current revenue structure, the total revenues were contributed from overseas operation increased from 12.75% in 2013 to 14.02% in the same period of 2014.

Revenue from Sales and Services

The revenue from sales and services increased from 7,000 million baht in 2013 to 7,257 million baht in 2014, with the growth rate of 3.67%, which can be categorized into the following sales channels:

Revenue breakdown by distribution channel

(Unit: Million Baht)

Distribution Channels	2014		2013		Increase (Decrease) %
	Amount	%	Amount	%	
Domestic restaurant and bakery shop	5,528	76.17	5,382	76.89	2.84
Packaged food and bakery trading business	711	9.80	722	10.31	(2.49)
Overseas restaurant	1,017	14.02	892	12.74	14.01
Others*	1	0.01	4	0.06	(82.50)
Total	7,257	100.00	7,000	100.00	3.67

* Rental revenue

Domestic restaurant and bakery shop business

In 2014, the revenue from the domestic restaurant and bakery shop business contributed to 76.27% of the revenue from sales and services. It increased 153 million baht, or by 2.84 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 and Maisen brand. In 2014, the Company opened 33 new outlets, consisting of 15 restaurants and 18 bakery shops. The Company’s total of 446 outlets as of year ended 2014 comprised 126 restaurants and 320 bakery shops. The Company’s focus on opening more new outlets in Bangkok & perimeter areas have carried on to this year due to the Company’s recognition of its potential and growth in consumer purchasing power in central of Thailand. In addition, the Company has continued to implement online marketing activities through advertising through various media such as line application by focusing on strengthening the product promotion and the sense of trust and goodwill towards the S&P brand.

Packaged food and bakery trading business

In 2014, sales from this business had a share of 9.70% of the revenue from sales and services, and decrease of 18 million Baht from the previous year, the rate of decline of 2.49% under previous year. The Modern Trade business currently in production activities, house brand which some items are products that the company had sold to this business and directly affect to our brand portfolio. While the company has a strategy to expand its customer base by expanding distribution channels. In order to reach their customers and the supply to new potential partners to support the business to grow.

Overseas restaurant

Revenue from this business in 2014 accounted for 14.02% of the revenue from sales and services, an increase of 125 million Baht from the previous year, with a growth rate of 14.01%. In spite of the sluggishness of the world economy in 2014, 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. In 2014, the overseas restaurant group has introduced 4 new restaurants under "Bangkok Jam" in Singapore. In the meantime, the company has expanded the Thai restaurant under brand "S&P" where the first branch in Cambodia also.

Revenue breakdown by product type

(Unit: Million Baht)

Product	2014		2013		Increase (Decrease) %
	Amount	%	Amount	%	
Bakery	3,145	43.34	3,144	44.92	0.03
Domestic food and beverage	2,247	30.96	2,117	30.24	6.14
Overseas restaurant	1,017	14.02	892	12.74	14.01
Food products**	605	8.33	625	8.93	(3.20)
Other products***	243	3.35	222	3.17	9.46
Total	7,257	100.00	7,000	100.00	3.67

** 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 2014, bakery products had the highest proportion of 43.34% when compared with the revenue from the sales and services while the proportion for the domestic food and beverage was at 30.96%. In terms of the sales growth volume, bakery products had a growth rate of 0.03% due to the new competitors in the market including the product diversification and sales promotion activities, it directly impacts to our products growth. However, food and beverage had a growth rate of 6.14%, 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 2014, the cost of sales and services slightly decreased from 54.34% in 2013 to 54.25% due to more efficient in raw material acquisition and inventory control management which enabled the effective cost controlling for raw material.

Expenses

In 2014, the expense compare with the revenue from the sales and services increased from 35.67% in 2013 to 38.35% the increase was from the outlets expansion both in domestic and overseas, compare with the revenue from the sales and services employee salary increase from 11.85 % in 2013 to 12.34 in 2014 as well as an increase in the premises and related infrastructure expenses increase from 11.11 in 2013 to 12.20 in 2014 and the increase in depreciation from new outlets and renovate new look outlets increase from 3.11 in 2013 to 3.50 in 2014.

The Company's net profit

Since the expansion of revenue from sales and services in 2014 was below the set target, the proportion of the Company's net profit to the net revenue from sales and service thus decreased from 8.94% in 2013 to 6.86% in 2014. The Company's net profit in 2014 decrease from 626 million Baht in 2013 to 498 million Baht, a decrease of 128 million Baht or 20.49%, and the ROE decreased from 28.92 in 2013 to 22.43 in 2014.

Operating efficiency

The group of companies had a decrease in return on assets from 17.92% in 2013 to 13.73 in 2014 due to the decrease of the Company's net profit

Overview of financial status and cash flow statement of 2014

The group of the companies had total assets at year end 2014 of 3,625 million Baht. The current assets and non-current assets accounted for 42.61% and 57.39% respectively, whereas the current liabilities accounted for only 31.00% of total assets. Thus, the liquidity is as 1.37 times, due to the group of companies' rapid turnover from cash sales.

The net cash from operation was at 866 million baht, as a result of 1,024 million Baht of operating cash flows before tax and the tax payment of 158 million Baht.

The change of cash flows from investing and financing activities comprised cash receive for temporary investment of 130 million Baht, investment in associate of 20 million Baht, investment in fixed assets of 475 million baht, resulting from investment in production machinery, construction and furnishing due to restaurant and bakery expansions. In addition, the dividend payment of 467 million Baht, coupled with other cash flows from the operation, the group of companies had a net decrease of cash totaling 23 million Baht. With the large amount of existing cash at 547 million Baht as the beginning of 2014, the cash and cash equivalent for the business as of the end of the year was at 570 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 statements provided that the amount to be declared shall not exceed the retained earning 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 where by 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 take into consideration the economic outlook and business operating performance.

The Board of Directors' Meeting No. 1/2015 held on February 20, 2015 had passed resolution to proposed the Annual General Meeting of Shareholders 2015 on April 22, 2015, to adopt the interim dividend payment of 0.10 Baht per share paid on September 13, 2014, and to approve the dividend payment for 2014's operating result of 0.80 Baht per share, or the remaining dividend payment of 0.70 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 78.82 %.

Details of dividend payment for operating year 2014 compared with previous year.

Dividend Details	2014	2013
1. Net profit (Million Baht)	497.74	626.02
2. Number of shares	490,408,365	98,081,673
3. Dividend Paid per share		
3.1 Interim Dividend (Baht/Share)	0.10	1.25
3.2 Additional Dividend (Baht/Share)	0.70	4.25
4. Total Dividend Paid		
4.1 Interim Dividend (Baht/Share)	49.04	12.60
4.2 Additional Dividend (Baht/Share)	343.29	416.85
Dividend Payout Ratio (%)	78.82	86.17

S&P's subsidiaries and affiliates

Names / Location	Type of business	No. of common share		% Holding
		Total Share	No. of Shares held by S&P Group	
S&P Syndicate Public Company Limited Italthai Tower, 23 rd – 24 th Floor, No. 2034/100 – 107, New Petchburi Road, Bangkokpi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 - 4000 Fax : +66 (0) 2785 - 4040	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 International Foods Company Limited No. 2034/100 New Petchburi Road, Bangkokpi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 - 4000 Fax : +66 (0) 2785 - 4560	Operate Japanese Restaurant under “Maisen” brand	500,000	499,970	99.99%
S&P International Foods Company Limited (Cambodia) Level 6 th , Phnom Penh Tower, No. 445, Preah Monivong Boulevard, Sangkat Beoung Prolit, Khan7 Makara, Phnom Penh, Cambodia Tell : +855 23 901 415 Fax : -	Operate Restaurant Business under “S&P Restaurant” and “BlueCup” in Cambodia	45,750	45,730	99.96%
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 Global Company Limited No. 2034/100 New Petchburi Road, Bangkokpi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 - 4000 Fax : +66 (0) 2185 1274	Operate Thai restaurants in overseas, currently with 10 subsidiaries as follows	500,000	400,000	80.00%

S&P's subsidiaries and affiliates

Names / Location	Type of business	No. of common share		% Holding
		Total Share	No. of Shares held by S&P Group	
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”	100,000	96,000	96.00%
Patara (Geneva) SA** No.94, Rue des Eaux-Vives CH-1207, Geneva Switzerland Tel : (4122) 735-0517 Fax : (4122) 735-0538	Operate Thai restaurants under “Patara” brand in Geneva, currently with 1 branch	200	124	62.00%
Patara Fine Thai Cuisine 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 8 branches	300,000	150,000	50.00%

S&P's subsidiaries and affiliates

Names / Location	Type of business	No. of common share		% Holding
		Total Share	No. of Shares held by S&P Group	
Patara International Restaurant Management (Beijing) Co., Ltd.* 6 th Floor, Jinbao Place, 88 Jinbao Street, Dongcheng District, Beijing, China Tel : (8610) 85221678 Fax : (8610) 85221369	Operate Thai restaurants under “Patara” brand in China, currently with 1 branch	4,000,000	3,650,000	91.25%
Patara Restaurant, Vienna GmbH** Petersplatz 1 / Goldschmiedgasse 9 / Graben, Vienna , Austria 27 – 28 / Top.Nr.7 1010 Wien Tel : +43 199 719 38 Fax : -	Operate Thai restaurants under “Patara” brand in Austria, currently with 1 branch	1,200,000	1,116,600	93.05%
Bangkok Jam Co., Ltd ***** 1F, No.12, Ln.247, Sec 1, Dun-hua S. RD., Taipei, Taiwan Tel : (8862) 2731-5288 Fax : (8862)2731-5243	Operate restaurants under “Bangkok Jam” brand, currently with 2 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 Fax : +66 (0) 2696-1001	Operate restaurants under “Bangkok Beat Bistro” brand, currently with 1 branches	350,000	174,999	49.99%
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%

S&P's subsidiaries and affiliates

Names / Location	Type of business	No. of common share		% Holding
		Total-Share	No. of Shares held by S&P Group	
The Thai Cuisine Co.,Ltd. No. 457 – 457/1 – 6 Sukhumvit 55, Klongtannua, Vadhana, Bangkok Tel : +66 (0) 2636-6901 Fax : +66 (0) 2636-7660	Operate “M.S.C. Thai Culinary School”	400,000	200,000	50.00%
Foodhouse Catering Services Company Limited 234 Soi Sukhuvit 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%
HD Distributors (Thailand) Company Limited 20 th floor, 539/2, Gypsum Mertropolitan Tower, Sri-Ayudhya Road, Tanon Phayathai Sup-district, Rajdhavee, Bangkok Tel : +66 (0) 2696-1000 Fax : +66 (0)2696-1001	Sole importer and distributor of Haagen-Dazs ice cream	200,000	95,996	47.99%

Remarks

* 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.

Detail of S&P Food Solution Co.,Ltd. was not shown in this S&P's Subsidiaries and Affiliates Table because it has already ceased operation since August 2010 and liquidated in October 10, 2014.

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)	
			2014	2013
S&P Global Co., Ltd.	Subsidiary	Revenues from sales	0.11	-
		Rental income from buildings and equipment	0.92	0.52
		Revenues from service	1.20	1.20
		Dividen income	8.00	-
S&P Restaurant Co., Ltd.	S&P Global Co., Ltd's subsidiaries	Interest income	0.63	0.06
SK Catering PTE Ltd.		Interest income	0.03	0.14
Patara Restaurant, Vienna GmbH		Interest income	1.50	0.86
S&P International Foods Co., Ltd.	Subsidiary	Revenues from sales	25.48	2.17
		Revenue from services	0.74	0.74
		Rental income from buildings and equipment	0.43	-
S&P Asset Co., Ltd.	Subsidiary	Revenues from services	0.10	0.10
		Dividen income	4.99	-
		Rental income from building and sevice	5.78	5.83
HD Distributors (Thailand) Co., Ltd.	Associate (Parent Company of HD Distributors (Thailand) Co.,Ltd.)	Revenues from sales	0.43	0.59
		Revenues from services	-	0.06
		Rental income from buildings and equipment	81.00	0.84
		Dividen income	2.26	3.86
		Purchases of goods/ services	6.06	7.88
The Thai Cuisine Co.,Ltd.	Associate	Revenue from services	0.09	-
		Rental income from buildings and equipment	1.75	-
Foodhouse Catering Services Co., Ltd.	Associate	Revenues from sales	3.13	3.19
		Revenues from services	1.08	1.40
		Interest income	0.37	0.38
The Minor Food Group Public Co., Ltd.	Related company (Minor International Public Company Liminted's subsidiaries)	Revenues from sales	18.40	20.90
		Revenues from services	3.49	-

Connected Transactions

Account name/ Company's name	Relationship	Type of Transaction	Amount (Million Baht)	
			2014	2013
Minor Cheese Limited	Related company (Minor International Public Company Liminted's subsidiaries.	Purchases of goods	5.85	-
Minor Dairy Limited		Purchases of goods	1.44	-
Minor Global Limited		Revenues from service	1.02	9.72
Minor DQ Limited		Revenues from sales	12.65	2.92
Minor Dairy Limited		Revenues from sales	2.08	17.62
Swensen's (Thai) Limited		Revenues from sales	33.86	7.32
SLRT Limited		Revenues from sales	2.75	-
The Coffee Club (Thailand) Limited		Revenues from sales	0.15	-
S.R. Estate Co., Ltd.	Related company	Rental of premises	0.43	0.43
Directors	Directors	Rental of offices and storage	1.46	2.42
		Revenues from service	5.02	-
Seacon Development Public Co., Ltd.	Directors	Rental and services	4.46	4.74

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

Account name/ Company's name	Relationship	Type of Transaction	Amount (Million Baht)	
			2014	2013
S&P Global Co., Ltd.	Subsidiary	Trade accounts receivable	0.29	0.05
Patio International Co., Ltd.	S&P Global Co., Ltd's subsidiaries	Receivable - short-term loans (3.5%)	-	3.18
		less Allowance for doubtful accounts	0.00	(3.18)
S&P Restaurant Co., Ltd		Receivable - short-term loans (3.0%)	-	21.43
S&P Restaurant Co., Ltd		Receivable - long-term loans (3.0%)	20.32	-
SK Catering PTE Ltd.		Receivable - short-term loans (3.0%)	-	2.57
Patara Restaurant, Vienna GmbH		Receivable - short-term loans (3.0%)	-	49.97
Patara Restaurant, Vienna GmbH		Receivable - long-term loans (3.0%)	49.97	-
		less Allowance for doubtful accounts	(25.00)	-

Connected Transactions

Account name/ Company's name	Relationship	Type of Transaction	Amount (Million Baht)	
			2014	2013
S&P Food Solution Co., Ltd.*	Subsidiary (Formerly S&P Pizzanotti (Thailand), Limited)	Trade accounts receivable	-	1.79
		less Allowance for doubtful accounts	-	1.79
S&P International Foods Co., Ltd.	Subsidiary	Trade accounts payable	0.14	-
		Trade accounts receivable	11.74	1.95
S&P Asset Co., Ltd.	Subsidiary	Trade accounts payable	0.14	0.25
Umenohana S&P Co., Ltd.	Subsidiary	Trade accounts receivable	0.04	-
S&P Internation Food (Cambodie) Co.,Ltd.	Subsidiary	Trade accounts receivable	5.65	-
HD Distributors (Thailand) Co., Ltd.	Associate	Trade accounts payable	0.93	1.35
		Trade accounts receivable	0.07	0.13
Foodhouse Catering Services Co., Ltd.	Associate	Trade accounts receivable	0.92	0.38
		Receivable - short-term loans (5.0%)	-	7.50
		Receivable - long-term loans (5.0%)	7.50	-
Thai Cuisine Co.,Ltd.	Associate	Trade accounts receivable	0.06	-
The Minor Food Group Public Co., Ltd.	Related company (Minor International Public Company Limited's subsidiaries)	Trade accounts receivable	0.80	0.86
		Trade accounts payable	1.40	-
Minor DQ Limited	Related company (Minor International Public Company Limited's subsidiaries)	Trade accounts receivable	0.40	0.59
Minor Dairy Limited		Trade accounts receivable	0.66	-
		Trade accounts payable	0.17	0.46
Swensen's (Thai) Limited		Trade accounts receivable	-	0.05
SLRT Limited		Trade accounts receivable	0.11	-
Minor cheese Limited		Trade accounts receivable	2.09	-

Remark * 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.

The Risk Management Committee has set a policy and considered 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 themanagement recognize this factor and have arranged for training to build appropriate competency for each level of employees. Training and operation manuals have been issued and for important functions, there is clear separation of duties to serve as checks and balances for each other. 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 does 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, 2014, the Company's registered capital is 490,408,365 baht, divided into 490,408,365 ordinary shares of par value of 1 baht each. The paid-up capital amounts to 490,408,365 baht, divided into 490,408,365 ordinary shares of par value of 1 baht each. (The resolution of the 2014 Annual General Meeting of Shareholders of S&P Syndicate Public Company Limited, held on April 21, 2014 approved a change in the par value of the Company's share from 5 Baht per share to 1 Baht per share. The Company has completed the registration of change in share par value with the Registrar for Public Limited Companies, the Ministry of Commerce, on May 7, 2014)

Shareholders

The first 10 majority shareholders whose names appeared in the register of shareholders as of January 22, 2015 are as follows:

Group of Shareholders		Number of Shares	Percent
1	The Sila-On and Raiva Groups	209,191,400	42.66
2	Minor International Public Company Limited	163,601,920	33.36
3	Mrs. Supapan Pichaironarongsongkram	17,345,000	3.54
4	THE HONGKONG AND SHANGHAI BANKING CORPORATION	11,356,000	2.32
5	Mr. Aryuth Charnsethikul	7,372,000	1.50
6	Mr. Chalee Valaisathien	6,262,500	1.28
7	CREDIT SUISSE AG SINGAPORE BRANCH	6,250,000	1.27
8	Mrs. Parinya Khancharoensuk	5,212,310	1.06
9	Mr. Niti Osathanukrua	4,800,500	0.98
10	Mr. Phithak Phisethsith	4,150,000	0.85

Management Structure

The Company's Committee Structure

The Company's management structure comprises of 5 sets of committee: Board of Directors, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Executive Committee. The details and scope of authorities of each are as follows.

1. Board of Directors

As of December 31, 2014, the Board of Directors comprises 12 members.

Name / Position	Total Attendances/ Total number of the meeting (Including AGM)	Board of Directors Allowance	Total Attendances / Total number of the meeting	Audit Committee Allowance	Total Attendances/ Total number of the meeting	Nomination and remuneration Committee	Total Attendances/ Total number of the meeting	Risk Management Committee* Allowance	Total
1. Mrs. Patara Sila-On Chairperson of the Board of Directors	7/7	440,000	-	-	-	-	-	-	440,000
2. Lt. Varakorn Raiva Vice Chairperson of the Board of Directors	7/7	295,000	-	-	-	-	-	-	295,000
3. Mr. Pravesvudhi Raiva Chief Executive Officer	6/7	295,000	-	-	-	-	-	-	295,000
4. Ms. Cattleya Saengsastra Independent Director, Chairperson of the Audit Committee	7/7	395,000	5/5	150,000	-	-	-	-	545,000
5. Ms. Sophavadee Uttamobol Independent Director, Audit Committee	7/7	395,000	5/5	100,000	-	-	-	-	495,000
6. Mr. Aviruth Wongbuddhapitak Independent Director, Chairperson of Nomination and Remuneration's Committee	7/7	395,000	-	-	2/2	30,000	-	-	425,000
7. Ms. Patamavalai Ratanapol Director, Nomination and Remuneration's Committee	4/7	335,000	-	-	2/2	20,000	-	-	355,000
8. Mr. Piya Sosothikul Independent Director, Nomination and Remuneration's Committee, Risk Management Committee (Appointed on February 28, 2012)	7/7	395,000	-	100,000	2/2	20,000	5/5	40,000	555,000
9. Mr. John ScottHeinecke Director, Risk Management Committee (Appointed on February 28, 2012)	7/7	395,000	-	-	-	-	4/5	30,000	425,000

Name / Position	Total Attend-ances / Total number of the meeting (Including AGM)	Board of Directors Allowance	Total Attend-ances / Total number of the meeting	Audit Commit-tee Allow-ance	Total Attend-ances / Total number of the meeting	Nomina-tion and remuneration Committee	Total Attend-ances / Total number of the meeting	Risk Manage-ment Commit-tee* Allow-ance	Total
10. Mr. Kachorndej Raiva Director	6/7	295,000	-	-	-	-	-	-	295,000
11. Mrs. Kessuda Raiva President, Nomination and Remuneration's Committee	6/7	295,000	-	-	2/2	-	-	-	295,000
12. Mr. Vitoon Sila-On Director and Company Secretary, Chairperson of Risk Management Committee	7/7	295,000	-	-	-	-	5/5	30,000	325,000
Total		4,225,000		350,000		70,000		100,000	4,745,000

* The meeting allowance for the risk management committee No.4/2014 was not paid since this meeting was held on the same day with the Executive Committee meeting No.6/2014. All members of risk management committee were part of Executive Committee and thus only Executive Committee meeting allowance was paid.

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

- Gratuity was fixed at 380,000 baht for the chairperson of the board and 255,000 baht for each director.
- The regular remuneration for the chairperson was at 30,000 baht per month and 20,000 baht per month for each director, 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 non-executive chairperson was 30,000 baht per time and 20,000 baht per time for each non-executive director.
- The meeting allowance for non-executive chairperson of the audit committee was 30,000 baht per time, and the non-executive members of audit committee at 20,000 baht per time each.
- The meeting allowance for the non-executive chairperson of the nomination and remuneration committee was 15,000 Baht/time, and non-executive members of nomination and remuneration at 10,000 Baht/time.
- The meeting allowance for the non-executive chairperson of the risk management committee was 15,000 Baht/time, and non-executive members of risk management committee at 10,000 Baht/time.
- With effective from the date of Annual General Meeting of Shareholders held on April 21, 2014 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 2014, there were a total of 5 Audit Committee meetings. Please see the 'Board of Director' section above 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 3 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 2014 General Shareholders Meeting, held on April 21, 2014, resolved to approve the directors' remuneration divided into the following:

Meeting Allowance (Baht/person/time)	2014		
	Chairperson (Non-Executive)	Executive Director	Non-Executive Director
Board of Directors	30,000	-	20,000
Audit Committee	30,000	-	20,000
Nomination and Remuneration Committee	15,000	-	10,000
Risk Management Committee	15,000	-	10,000
Executive Committee	30,000	-	20,000

Meeting Allowance (Baht/person/time)	2014		
	Chairperson (Non-Executive)	Executive Director	Non-Executive Director
Board of Directors	30,000	20,000	20,000
Audit Committee	15,000	-	10,000

The regular remuneration and the meeting allowance mentioned above will be effective as from May 2014 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 of 2014 was fixed at 380,000 baht for the Chairperson of the board and 255,000 baht each for the 11 directors of the Company. The gratuity amounts in total to 3,185,000 baht, and shall be paid in accordance to the period of holding their position.

The comparison of director's remuneration in 2014 and 2013 are as follows;

Remuneration	2014		2013	
	Person	Baht	Person	Baht
Regular Remuneration for Non-Executive Director	6	1,860,000	6	1,860,000
Meeting Allowance	12	1,560,000	12	1,730,000
Gratuity	12	3,185,000	12	3,620,000
Total		6,605,000		7,210,000

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.

The comparison of remuneration for the board of directors and the executive committee in 2014 and 2013 are as follows;

Remuneration	2014		2013	
	Person	Baht	Person	Baht
Salaries	12	32,694,800	12	25,197,700
Bonuses, special rewards and travel expenses	12	3,545,838	12	3,094,800
Total		36,240,638		28,292,500

The above remuneration was not included the allowance paid to the board of directors and some executive directors as shown under the heading “Board of Directors”.

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 etc.

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 in setting the policy of the Company.

In addition, the Company also considers the corporate governance evaluation of the Thai listed companies by comparing the past-3-years evaluation results and the suggestions on how to compile with the good corporate governance for listed companies from the Good Governance Development & Alliance Department. This evaluation results were proposed in the Board of Director Meeting No.1/2558 in order to obtain the direction to improve the corporate governance.

Moreover, the Company 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@snffood.com or audit@snffood.com or at telephone no. 0-2785-4000, 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. 0-2785-4000, or on the website www.snffood.com or via the email address presidentoffice@snffood.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 2014, 4 Audit Committee meetings were held and reports were submitted to the Board of Directors. For the Audit Committee's opinions, please refer to details in the heading "Internal Control".

2. Counter-balancing by Non-executive Directors

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

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

3. Combination or Separation of Positions

- The Board Chairperson is the representative of the group of majority shareholders, who, in 2012, hold in aggregate 39.83 percent of the shares.
- The Board Chairperson is not the same person as the Vice President, but both are the representatives of the same group of majority shareholders.
- The Board of Directors comprises 4 independent directors and 2 non-executive directors, who will lead to management counterbalancing and cross-examination.

4. Roles, Duties and Responsibilities of Board of Directors

4.1 Leadership and Visions

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

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

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

4.3 Policy on Conflicts of Interests

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

4.4 Internal Control and Audit System

Internal Control

The Company has set the policy in developing the internal control efficiently, effectively, and continually. In addition to the internal control in operation and in the computer system that are compatible with the operation of the Company, in order to comply with the internal control system efficiently this year the Company has introduced the self-control evaluation system to each division to use as a guideline to evaluate oneself frequently. This is to prevent or to mitigate unaware fault or fraud.

Internal Audit

The company recognizes the importance of the internal audit as a tool to guarantee that the internal control has been practiced efficiently and continually. Also, the Audit Committee intends to elevate the standard of the auditing work, it thus determines that the audit unit must have vision to audit creatively and generate value added for the organization as mention in principle of the good corporate governance. Moreover, it also determines to evaluate the auditing work quality by those divisions that have been audited as well as to have the internal audit department to evaluate itself

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 5 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 2014, the Board of Directors held 6 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 The Performance Evaluation of the Board of Directors

Nomination and Remuneration Committee has considered the performance evaluation forms of the Board of Directors and other committees of the Company by categorizing into the performance evaluation of each directors and the performance evaluation of a whole group of directors. Once the performance evaluation forms have been considered, it was proposed in the Board of Director Meeting.

The Board of Directors approved the performance evaluation forms mentioned above for the year 2014. The evaluation topic included the evaluation of the structure and the qualification of the directors, the role and responsibility of the directors, the meeting of the directors, the performance of the directors, the relationship with the Management, and the self development of the directors and the Management.

The Nomination and Remuneration Meeting No.1/2015 held on 13 February 2015 has considered the summary of the performance evaluation of the directors by comparing with the past 3-years results, and proposed it to the Board of Directors Meeting No. 1/2015 held on 20 February 2015 to consider merit, demerit, and direction for improvement. The performance evaluation was aimed to obtain the result to use in improve the performance of the directors. For the year of 2014, in overall the Board of Directors agreed that the most of the operations have been done properly.

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 the past year the company has focused on the development of executive officers in accordance with the strategic plan of the organization, the major courses included 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 abroad.

Furthermore, the Company also supports the development and the creation of human resources through 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	2014		2013	
	Number of employee	Remuneration (Million Baht)	Number of employee	Remuneration (Million Baht)
Local Offices	583	247.56	435	182.16
Branch Operation Dept	4,749	792.65	4,009	653.46
Factories	1,925	343.80	1,987	294.95
Total	7,257	1,384.01	6,431	1,130.57

Internal Control

The Company has a policy in developing the internal control to be continually efficient, be written into statement covering 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 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 establishment of the internal control standard 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.

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 fluctuated 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. Thus, the Risk Management Committee has been established and 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. In addition, the Risk Management Committee also provides opinion in relation to the auditing as well.

5. Risk Management Policy

The Company value the significance of the risk management which is the essential mechanic and tool in managing organization to achieved the set target. The policy on risk management has been set to emphasize on risk management in accordance with the good corporate governance and also to manage risk within the whole organization integrally, systematically and continually. It is expected that the risk will be minimized to the acceptable level. The Company has determined to have the procedure to follow up the risk management in all level and the result must be reported. This measure also has been applied to minimize the risk to the acceptable level. Besides, the Company has specified that the risk must be review and update to be accordance with the situation in every year.

6. Controlling Activities

The Company has clearly defined the duty and the responsibility of each position, and also provided “The Internal Control Regulations and Business Authorization” for each division to use in its operation. These regulations and authorization will be reviewed and improved to allow the operation process align with the organization structure and the present operation. They were also designed to allow each function to be able to check and balance as well as to recheck the operation result if it has always been done in comply with the rules and regulations specified in “The Internal Control Regulations and Business Authorization” and other Company’s manuals. This is to guarantee that the operation has been done under the sufficient and appropriate internal control, and also efficiently.

7. Information and Communication

The Company places importance on information and communication system, and encourage the continual development in order to manage all information to be correct and up-to-date. Thus the modern and efficient information technology system has been implemented. This system also provides data security in all operation that includes data collecting, data processing, reporting, filing, and assessing. It is expected that the operation and the utilization of significant data by the Management or other stake holders in company management will be correct, complete and sufficient within the appropriated time. The Company also sets the policy in relation to the security of information technology and data utilization, and also provides the intranet system as a communication channel within an organization for the announcement of the policy, the regulation, the order, the authorization manual, the operation manual, and other information.

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, the root cause will be analyzed, and the follow-up and improvement measures will be continuously set. Also the operation report of the Audit Committee will be proposed to the Board of Director in every quarter.

Details of All Directors and Executives

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executive	Previous 5-year experience	
					Period / position	Company
Mrs. Patara Sila-On Chairperson of the Board of Directors	73	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.
Lt. Varakorn Raiva Vice Chairperson of the Board of Directors	67	MA Economics University of Indiana, USA B.Econ Economics (2nd Class Honor), Chulalongkorn University, Bangkok, Thailand	2.24	First brother	Past 5 years / Vice Chairperson of the Board of Directors	S&P Syndicate Public Co., Ltd.
Mr. Pravesvudhi Raiva Chief Executive Officer Chairperson of the Executive Committee	64	BA 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 Poom Palung Pandin Program, Class of 2nd Chulalongkorn University	6.22	Third brother	2008 – 2014/ President Director 2015 – Present Chief Executive officer	S&P Syndicate Public Co., Ltd. Charn Issara Development Public Co., Ltd. S&P Syndicate Public Co., Ltd.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executive	Previous 5-year experience	
					Period / position	Company
Mr. Kachorndej Raiva Executive Committee Director	65	B.Acc 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.
Mrs.Kessuda Raiva President President for S&P Golbal Co.,Ltd.	61	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. Pravesvdi Raiva	2013 – Present/ Nomina- tion and Remuneration Committee Member 2008 - 2014 / Executive Vice President 2015 – Present/ 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	47	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	First Son of Mrs. Patara Sila-On	2012 – Present/ Chairper- son of Risk Management Committee 2010 – Present /Director 2007 – 2010 / 2008 – Present / Senior Vice President-Do- mestic 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 Executive	Previous 5-year experience	
					Period / position	Company
Ms.Cattleya Saengsastra Independent Director, Chairperson of the Audit Committee	67	B.Acc 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	0.01	- None -	Past 5 years / Independent Director, Chairperson of the Audit committee Director, Executive Committee Director	S&P Syndicate Public Co., Ltd. Dynasty Ceramic Public Co., Ltd.
Ms.Sophavadee Uttamobol Independent Director, Audit Committee Director	55	MBA Business Administration Chulalongkorn University, Bangkok,Thailand LL.B Bachelor of Law Thammasat University, Bangkok, Thailand Director Accreditation Program Certificate (DAP) Audit Committee Program Certificate (ACP) Thai Institute of Directors Association	-	- None -	Past 5 years / Independent Director, Audit Committee Director Independent Director, Audit Committee Director	S&P Syndicate Public Co., Ltd. Bumrungrad Hospital Public Co., Ltd.
Mr.Aviruth Wongbuddhakitak Independent Director, Chairperson of Nomination and Remuneration Committee	67	MBA Accounting Information System New York University, U.S.A. B.Acc Accounting Chulalongkorn University Bangkok, Thailand Directors Certification Program Certificate (DCP) Thai Institute of Directors Association	-	- None -	2010 - Present / Independent Director, Chair- person 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. Advanced Info Service Public Co., Ltd. The Siam Cement Public Co., Ltd. (SCC) Thai Plastic and Chemicals Public Co., Ltd. Deves Insurance Public Co., Ltd.

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executive	Previous 5-year experience	
					Period / position	Company
Mrs. Patamawalai Ratanapol Director, Nomination and Remuneration Committee	59	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&PSyndicate Public Co., Ltd. Minor Corporation Public Co., Ltd. and Subsidiaries The Minor Food Group Plc's and Subsidiaries
Mr. Piya Soonthikul Independent Director, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee	45	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 2011 - Present / Independent Director, Audit Committee, Nomination and Remuneration Committee 2001 - Present / Executive Committee - Present / Executive Committee - Present / Executive Committee - Present / Director - Present / Director - Present / Director - Present / Executive Committee - Present / Executive Committee	S&PSyndicate Public Co., Ltd. Bualuang Securities PLC Seacon Co., Ltd. Thaichueros Co., Ltd. Nanyang Marketing Co., Ltd. Nanyang Industry Co., Ltd. Seacon Development PLC Erawana Co., Ltd. Siam Housing Co., Ltd

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executive	Previous 5-year experience	
					Period / position	Company
Mr. John Scott Heinecke Director	44	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
Mr. Somjit Kitteerakul Vice President for Bakery	53	B.S. Biotechnology, Kasetsart University M.S. Ramkhamhaeng University	-	- None -	Past 5 years/ Vice President for Bakery	S&P Syndicate Public Co.
Mr. Chongchana Chantamas Vice President for Food Operations	50	B.S. Food Science and Technology, Kasetsart University	-	- None -	2015 - Present/ Vice President for Food Operations and R&D (Pack- aged Food) 2013 - 2014/ Vice President - Trade 2008 - 2014/ Vice President for Food Operations	S&P Syndicate Public Co.
Mr. Pakorn Tiewcharoen Vice President - Trade	44	MBA Business Administration, SASIN-Kellogg Program BBA Business Administration, Assumption University	-	- None -	2015 - Present/ Vice President - Trade 2013 - 2014/ 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)

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executive	Previous 5-year experience	
					Period / position	Company
Mr.Kam Tiditjumnorn Vice President – Finance and Accounting	43	MSc Management, Surrey European Management School, University of Surrey, UK B.Acc. Accountancy, Dhurakij Pundit University	-	-None-	2014 – Present/ Vice President – Finance and Accounting 2008 – 2014/ Finance Director	S&P Syndicate Public Co. The Minor Food Group Plc's and Subsidiaries
Mr.Kamtorn Sila-on Vice President – Group Production & Supply Chain	45	MBA Financial Engineering, MIT Sloan School, Massachusetts, USA MEng Chemical Engineering; Associate of the City and Guilds Institute of Upper Second Class Honours, Imperial College of Science Technology and Medicine, London, England Audit Committee Program Certificate (ACP) Director Certification Program Certificate (DCP) Thai Institute of Directors Association	1.06	2 nd Son of Mrs. Patara Sila-On	2014 – Present/ Vice President – Group Production & Supply Chain 2011 – 2014/ Deputy Managing Director, Head of Private Client Investment Management	S&P Syndicate Public Co. Bualuang Securities Plc., Bangkok, Thailand

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 490,408,365 ordinary shares with a par value of 1 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 8 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”)



บริษัท เอส แอนด์ พี ซินดิเคท จำกัด (มหาชน)
2034/100-107, อาคารอิตัลไทย ทาวเวอร์ ชั้น 23-24
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