



ANNUAL REPORT

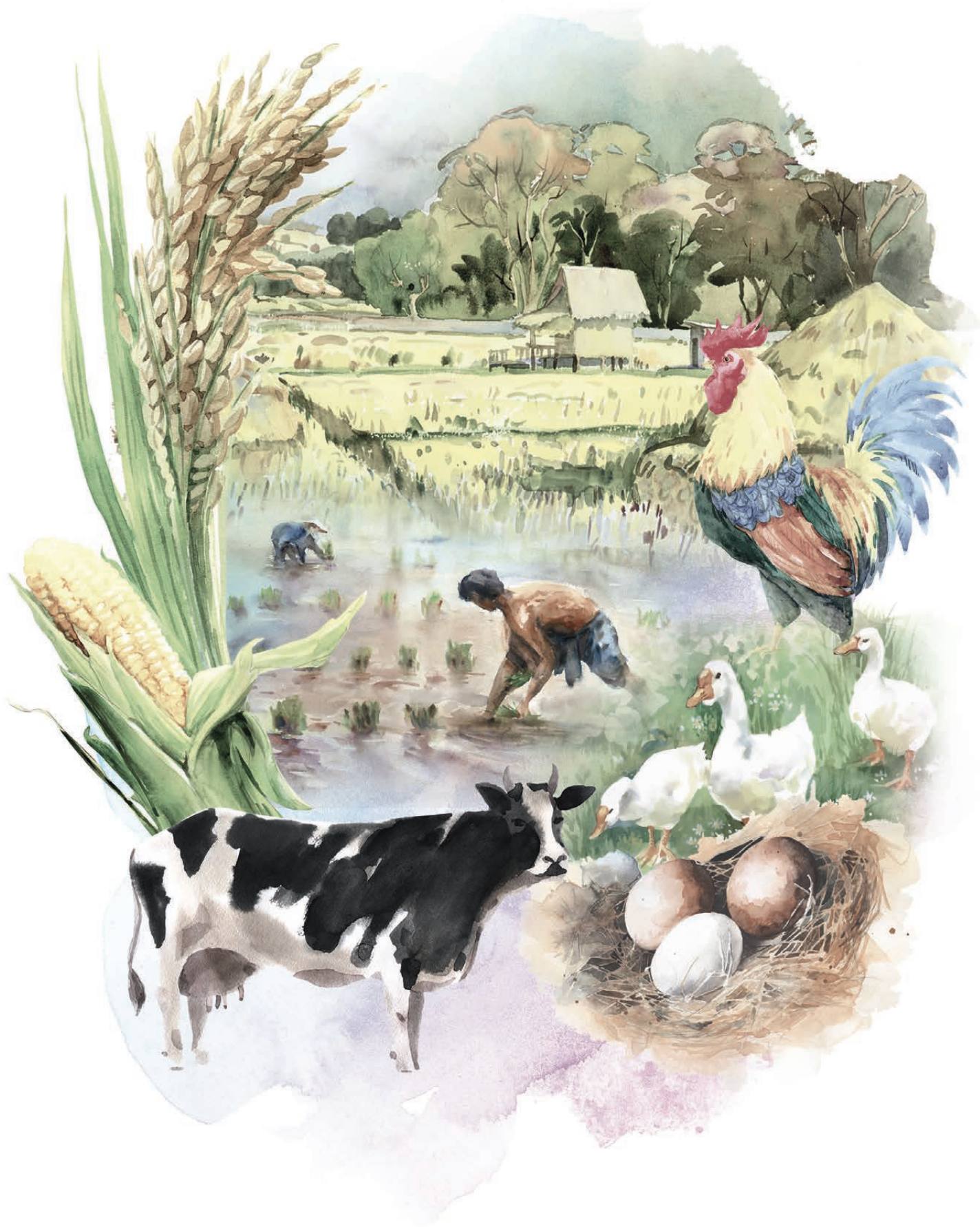
2016



years of
quality | *value* | *virtue*

ปวงข้าพระพุทธเจ้า
ขอน้อมเกล้าน้อมกระหม่อมรำลึก
ในพระมหากรุณาธิคุณหาที่สุดมิได้

ข้าพระพุทธเจ้า คณะผู้บริหารและพนักงาน
บริษัท เอส แอนด์ พี ซินดิเคท จำกัด (มหาชน)



ความพอเพียง

ความพอเพียง หมายถึง ความพอประมาณ ความมีเหตุผล รวมถึงความจำเป็นที่จะต้องมีระบบภูมิคุ้มกันในตัวที่ดีพอ สมควรต่อการกระทบใดๆ อันเกิดจากการเปลี่ยนแปลงทั้งภายในภายนอก ทั้งนี้ จะต้องอาศัยความรอบรู้ ความรอบคอบ และความระมัดระวังอย่างยิ่ง ในการนำวิชาการต่างๆ มาใช้ในการวางแผนและการดำเนินการทุกขั้นตอน และขณะเดียวกันจะต้องเสริมสร้างพื้นฐานจิตใจของคนในชาติ โดยเฉพาะเจ้าหน้าที่ของรัฐ นักทฤษฎี และนักธุรกิจ ในทุกระดับ ให้มีสำนึกในคุณธรรม ความซื่อสัตย์สุจริต และมีความรอบรู้ที่เหมาะสม ดำเนินชีวิตด้วยความอดทน ความเพียร มีสติปัญญา และความรอบคอบ เพื่อให้สมดุลและพร้อมต่อการรองรับการเปลี่ยนแปลงอย่างรวดเร็ว และกว้างขวาง ทั้งด้านวัตถุ สังคม สิ่งแวดล้อม และวัฒนธรรมจากโลกภายนอกได้เป็นอย่างดี

เศรษฐกิจพอเพียง เป็นปรัชญาชี้ถึงแนวการดำรงอยู่ และปฏิบัติตนของประชาชนในทุกระดับ ตั้งแต่ระดับครอบครัว ระดับชุมชน จนถึงระดับรัฐ ทั้งในการพัฒนาและบริหารประเทศให้ดำเนินไปในทางสายกลาง โดยเฉพาะการพัฒนาเศรษฐกิจ เพื่อให้ก้าวทันต่อโลกยุคโลกาภิวัตน์

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เราน้อมนำแนวพระราชดำริ “เศรษฐกิจพอเพียง” มาปรับใช้และยึดถือเป็นแนวทางปฏิบัติในการดำเนินธุรกิจของ เอส แอนด์ พี เพื่อน้อมรำลึกในพระมหากรุณาธิคุณของพระบาทสมเด็จพระปรมินทรมหาภูมิพลอดุลยเดช ที่ทรงอุทิศพระวรกาย และพระราชทานทรัพย์ เพื่อประโยชน์สุขแห่งปวงชนชาวไทยเสมอมา

quality

Our Principles of doing sustainable business
are “Quality”, “Value” and “Virtue”

S&P always commits to a **high Standard Quality of Products and Services**. We endeavor to consistently develop our innovative product and service with care and eagerness for sustainable relationship with our customers.



value

We believe in “Value” for our customers by providing innovative products and services that add value to them to their utmost satisfaction and sustainability, in addition to nutritional value and safety.



virtue

We cultivate “Virtue” for our efficient, effective and transparent ways of work throughout our organization. We also commit ourselves to good corporate governance and fair treatments to all parties: our customers, competitors, business partners, societies and environment.



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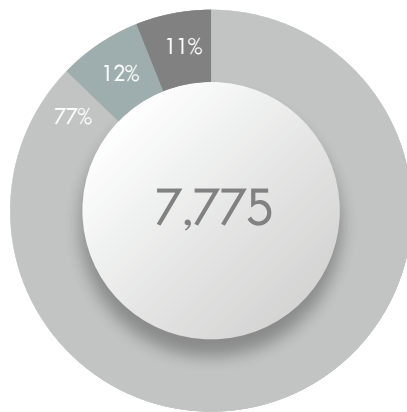
GENERAL CORPORATE
INFORMATION AND
OTHER REFERENCES

Financial Highlight

	2014	2015	2016
Statements of Profit or Loss (Million Baht)			
Total Revenue	7,347	7,631	7,932
Revenues from Sales and Services	7,257	7,552	7,775
Gross Profit	3,320	3,554	3,476
Profit before Finance Costs and Income Tax Expenses (EBIT)	633	766	557
Net Profit (Attributable to Owners for the Parent)	498	606	438
Statement of Financial Position (Million Baht)			
Total Assets	3,625	3,807	3,714
Total Liabilities	1,306	1,308	1,293
Total Shareholders' Equity	2,319	2,499	2,421
Paid-up Capital	490	490	490
Financial Ratio			
Gross Profit Margin (%)	45.75	47.06	44.71
Net Profit Margin (%)	6.78	7.94	5.52
Return on Major Holders' Equity (%)	22.43	26.10	18.46
Return on Assets (%)	13.73	16.31	11.64
Liquidity Ratio (Times)	1.37	1.48	1.39
Debt to Equity Ratio (Times)	0.58	0.54	0.55
Per Share Data* (Baht per Share)			
Closing Price as of December 31	27.00	28.00	25.50
Par Value	1.00	1.00	1.00
Book Value per Share	4.56	4.91	4.75
Earning per Share	1.01	1.23	0.89
Dividend per Share	0.80	1.10	0.80
Dividend Payout Ratio (%)	78.82	89.00	89.67

Revenue 2016

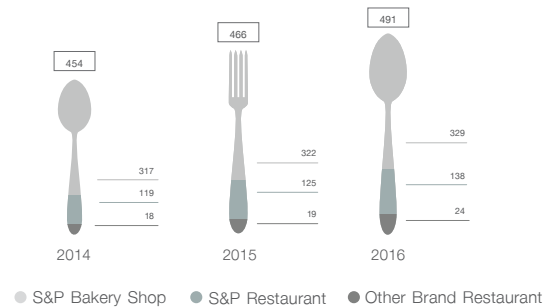
Proportion of Total Revenues by Channel of Distribution 2016



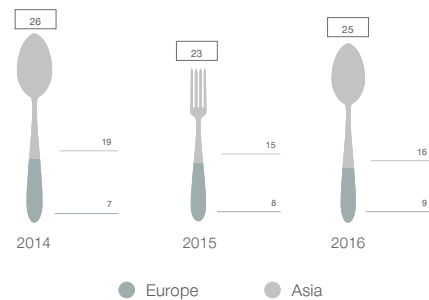
	Million Baht
• Domestic Restaurant and Bakery Shop	6,009
• Packages Food and Bakery Trading	820
• Overseas Restaurant	945
• Others*	1
• Total Revenues	7,775

*Rent Income from outsiders

Number of Domestic Branches

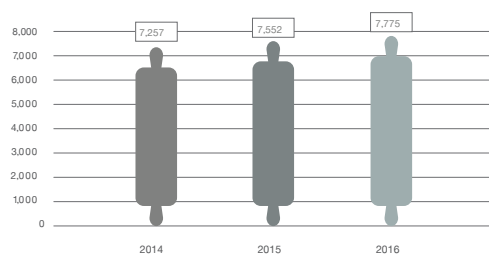


Number of Overseas Restaurants

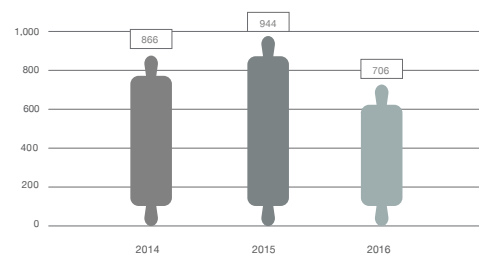


2016 Performances

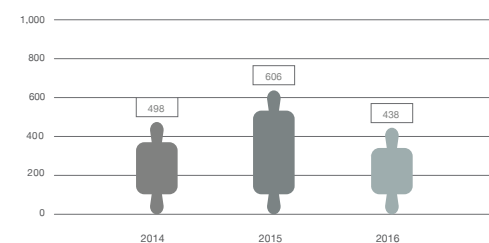
Revenue from Sales and Service (Million baht)



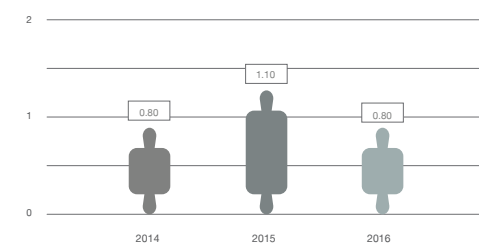
Operating Cash Flow (Million baht)



Net Profit (Million Baht)



Dividend per Share (baht/share)



Board of Directors



Mrs. Patara Sila-On | Chairperson



Mr. Pravesvudhi Raiva | Vice Chairperson /
Chairman of the Executive Committee



Mrs. Kessuda Raiva | Director / Nomination and
Remuneration Committee /
Executive Committee / Chief Executive Officer



Mr. Kachorndej Raiva | Director / Executive Committee



Ms. Sophavadee Uttamobnol | Independent Director /
Audit Committee



Ms. Cattleya Saengsastra | Independent Director /
Chairperson of the Audit Committee



Mr. Aviruth Wongbuddhapitak | Independent Director /
Chairman of the Nomination
and Remuneration Committee



Mrs. Patamavalai Ratanapol | Director / Nomination and
Remuneration Committee /
Executive Committee



Mr. Piya Sosothikul | Independent Director /
Audit Committee / Nomination and
Remuneration Committee / Risk Management Committee



Mr. John Scott Heinecke | Director /
Risk Management Committee /
Executive Committee



Mr. Vitoon Sila-On | Director and Company Secretary /
Chairman of the Risk Management Committee /
Executive Committee / President - Operation
and Human Resource



Mr. Kamtorn Sila-On | Director / Executive Committee /
Risk Management Committee /
President – Production and Finance

Message from Chairperson



S&P is a leader in the restaurant business in Thailand. We offer unrivaled products and services to all different segments of our customers. Moreover, we are a leader in promoting vocational education opportunities for Thai youths, who can in turn contribute to society as capable professionals.

Warmest greetings to our Shareholders

2016 was a year full of utmost grief for Thai people due to the passing of our beloved King Bhumibol Adulyadej.

S&P expressed our deepest sorrow and unwavering loyalty through various gestures such as the offering of our products and snacks to the general public who came to pay their respect to our late King at the Grand Palace as well as participating in one of the royal chanting ceremonies. Nevertheless, we continued to develop all aspects of the company, be it in product development, staff training, or the continued enhancement of S&P Learning Centre which produces more qualified staffs with each passing year. We also opened a Skills Standard Testing Centre, as endorsed by the Department of Skill Development, Ministry of Labour. In addition, S&P continues to make contributions to help the environment, as witnessed through our ground breaking pilot solar-powered bakery factory. Through installing a solar roof to supply power for our bakery production line at the Bangna Km 23.5 factory, we are able to both conserve power and at the same time help improve the environment.

On behalf of the Board of Directors, I would like to express my deep appreciation to our shareholders, trading partners, as well as the executives and staffs of the company for your valuable and continuing support. In this 44th year of S&P, we shall continue to maintain our adherence to good governance and dedication to provide the very best products and services.



Patara Sila-On
Chairperson

Message from Chief Executive Officer



“Our principles of doing sustainable business
are QUALITY, VALUE and VIRTUE”

Message from Chief Executive Officer

2016 was a challenging year in which the Thai economy grew by only 3%. The prices of agricultural products such as rice and rubber dropped, combined with the effects of draught and flood. Political situations further affected consumer spending which posed greater challenges on the food industry.

To conform with the vision of S&P. “To be the most trusted Thai restaurant and bakery chain”, we shall continue to build our growth and develop our strategy to increase our products and service quality. In 2016, we have opened more than 30 restaurants and bakery shops in Thailand. We also opened 1 Patara restaurant in London, 1 S&P Restaurant&Bakery in Phnom Penh and also for the first time, Vanilla Restaurant in Shanghai. In Bangkok, we have opened 2 new concept restaurants, SNP HEADQUARTER and SNP/CAFE to present a neo-classic Thai and international dishes to our new lifestyle customers.

Our production facilities have also been improved for more efficiency. A solar roof has been installed at our Bangna factory to produce an efficient and cost-saving lighting system. The Lean Manufacturing system has been introduced to our factories. We have also installed SAP ERP system to excel all management and production functions.

Our marketing strategy has also been moving more toward the digital technology to be used in advertising, public relation, survey and customer relation.

People development has been given as a top priority to all levels, our staff, our Learning Center students, our bachelor degree scholarship students and trainee students from various vocational schools. Socially, we support all our staff to be part of the communities such as Project Kitchen For Kids, an activity which helps schools to build kitchens and teach students to cook good nutritious food.

All of these social and business activities are based on our 3 principles of doing things : QUALITY, VALUE and VIRTUE.

I wish to thank our shareholders, our customers, our partners, the love, passion and devotion of our people for the support given to the company for the past 44 years and more to come. We will continually sustainably grow together in the future.



Kessuda Raiva
Chief Executive Officer

Nature of Business

Company History

Starting as a food and ice cream shop on Soi Sukhumvit 23, “S&P” was founded on October 14th, 1973. The company later introduced its bakery line and offered made-to-order cakes. S&P garnered wide-spread popularity that led to its rapid expansion throughout Thailand because of its product quality, presentation and unique packaging designs. In 1980 the company opened its landmark outlet in Siam Square and became one of the first food business operators who applied various marketing strategies and radio media. In addition, S&P became one of the first food beverage providers to open its restaurant in department stores. For the upcountry expansion, Chiang Mai was the first province where S&P had expanded outlet to.

The company significantly grew within a short period of time and finally became listed in the Stock Exchange of Thailand in 1989. The Company continues to invest in expanding its brand through opening up more restaurants and outlet channels. The company has also been successful in introducing other new brands such as Patara Fine Thai Cuisine, Vanilla, BlueCup Coffee, Delio cookies, Jelio Jelly and so forth. Moreover, S&P has been famously known for its moon cakes branded under “S&P” and “Golden Dragon”.

In 1990, the company opened its first overseas operation under the restaurant brand “Patara” in London. The aim of Patara was to offer quality, delicious Thai food while satisfying the foreign market’s growing demands towards Thai food. The company operates with a total of 25 branches in 6 countries: England, Switzerland, Austria, Singapore, China and Cambodia under its portfolio of brands such as Patara, Vanilla, Suda, Bangkok Jam, Siam Kitchen and S&P.

S&P continuously develops product lines for the instant food and ready to eat meal sector. The company has also expanded its range of services to offer S&P Catering as well as home food delivery through its hotline 1344 of “S&P Delivery 1344”. It has even taken a further step to offer Japanese food under its brand “Maisen” and “Umenohana”

The year of 2016 auspiciously marked 43 years of the company’s operations and a firmer step toward its 44th Year. The company is dedicated to constantly improving itself in all factors of its operations, services, and product lines across all brands. Above of all, it is committed to offering the highest quality products aligned with global standards to ensure freshness, hygiene, safety and great taste.

Business Overview – The Company and its Subsidiaries

S&P Syndicate Public Company Limited and its subsidiaries specialise in the food and beverage industry. Details of operations, products, services and structure as described below:

1. Domestic Business Group

As of December 31st, 2016, the Company operates domestically with 490 branches and 1 franchise. This group has been a major channel of distribution and main source of the revenues for the Company. The Company positions each of its brand differently. However S&P restaurants and bakeries offer at family-friendly dining atmosphere and serve the mass markets. Details of domestic restaurant and bakery business of the Company are as shown below:



Domestic Restaurant and Bakery Shop	Number of Branch		
	Bangkok	Upcountry	Total
S&P Bakery Shop	114	215	329
S&P Restaurant & Bakery	70	67	137
Vanilla Group	5	-	5
BlueCup (standalone)	2	1	3
Patio	1	-	1
Patara	1	-	1
Grand Seaside	-	1	1
Maisen	9	1	10
Umenohana	1	0	1
SNP	2	0	2
S&P Franchise	1	-	1
Total	206	285	491

In addition to the branch operations, the Company also operates Delivery Services of food, bakery and beverage (S&P Delivery 1344), outside food catering services (S&P Catering) and Trading Business.

1.1 Business Group – operated under S&P Syndicate Plc.

(1) S&P Restaurant & Bakery



S&P restaurants offer a full range of dine-in and take away food products such as ready-meal. It also offers desserts, pastries and cakes, in addition to beverage under the BlueCup brand. S&P restaurant serves various groups of customers, e.g. teenagers, working people and all family members. The restaurant provides eat in, take away and delivery services with wide selection from menu. The customer can buy tasty frozen ready-to-eat meal, cookies, various bakery products and Thai desserts. It is a simple choice for delicious food for everyone, all day and for any occasion.



(2) S&P Bakery & Coffee

The Bakery & Coffee shops are located in the areas reachable to customers in various communities, e.g. supermarkets, Department Stores, office buildings, educational institutes, hospitals and gas stations. These shops serve as convenient points of access for purchasing BlueCup coffee, bakery, cakes, cookies, sandwiches, daily freshly baked products, and ready-to-eat meals. Location of these shops are mainly in the Bangkok Metropolitan areas as well as other main hubs throughout the country.

(3) BlueCup Coffee



BlueCup Coffee is S&P's coffee and beverage chain that was opened on January 21st 2002. BlueCup entered the market at a time when the Thai coffee shop industry was rapidly growing. The Company has planned to expand BlueCup Coffee to cover all target areas of the Country. In addition to the "BlueCup Coffee" counters in S&P restaurant and S&P Bakery Shop, there are also standalone "BlueCup Coffee" branches, currently 3 branches: in Siam Paragon, Central World and Suvarnabhumi Airport.



(4) S&P Delivery 1344

S&P Delivery or the 1344 Hotline is S&P's home delivery business. It offers this service through telephone hotlines, website and mobile application. This service offers on-demand delivery of S&P's food, bakery and cakes.



(5) S&P Catering (Outside Catering)

S&P Catering provides food catering services and snack box options to various corporate functions, events, private parties and serves a board clientele.



(6) Trading Business – Food and Bakery

To promote sales of our S&P products through retail channels, the company established the Trading Business Department. Under this sector, we have products under S&P brand in various categories such as sausage under “S&P Premo” brand, cookies and snack under “S&P Delio”, frozen food under “S&P Quick Meal”, caragenan jelly under “S&P Jelio” and also moon cake under “Golden Dragon” brand. These products have been distributed via domestic modern trade, including hypermarkets, Department Stores, and convenient stores. Moreover, we also offer producing OEM products for various food chain customers and also export some products.

(7) VANILLA

VANILLA Group of restaurants have been designed to reach modern teenagers and young professionals who are self-confident and have good taste life style. Restaurants in VANILLA Group offer high-quality food in unique ambiances where the customers can feel their classy good taste food.



• Vanilla Brasserie: Cafe/patisserie Salon de crêperie/ Chocolatier/ Confiserie

Inspired by pattern of French Cafe, the restaurant is designed to fit modern lifestyle customers of Siam Paragon by offering creative menu, such as pasta, salad, sandwich, French sweets, including premium souvenir.



• Vanilla Café: Japanese Style Cafe

Italian-Japanese restaurant designed in Japanese Retro style emphasizing on simplicity. The restaurant offers privacy in every corner of the restaurant and attracts customers by varieties of Japanese cakes and desserts to feel like dining at your friend place. This is considered as a successful choice to draw the high-end customers to their satisfaction.



• Vanilla Home Café: Quick Lunch & Street Food

Vanilla Home Café, a Vanilla Style under “Easy Thai local food concept” restaurant which emphasizes on meticulously cooked food form fresh and good quality raw materials, presented with premium bakery, beverage, and blended Thai material desserts.



• Vanilla Bake Shop

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



• Vanilla Cafeteria

The newest branch in Vanilla Group, located in Bangkok's modern shopping complex, The EmQuartier, "Vanilla Cafeteria" is the best spot to hang out with either friends, family and your loved one. Beautifully decorated in Art Deco style, offering a wide range of menu selections from the famous Vanilla menu, including main dishes, pasta, and appetizers as well as the best selections of coffee, tea, and well selected bakery.

(8) Patio: Delicatessen

The international restaurant serves specific group of customers who prefer the international Home Style Cooking in the simple and relaxing atmosphere.



(9) Patara: Fine Thai Cuisine



Patara, the fine Thai restaurant, offers stylish Thai cuisine for business gatherings and special occasions, including meetings and auspicious ceremony. The décor evokes feelings of traditional and comfortable Thai hospitality. The restaurant has received the Thailand Best Restaurant Award for 9 consecutive years.



(10) Grand Seaside: Seafood

The seafood restaurant offers seafood and contemporary Thai food in a relaxing ambience at Laem Farn, Sriracha, Chonburi Province. A best choice for customers who are fond of authentic Thai food and seafood in refreshing atmosphere of Eastern seaside.



(11) SNP/HQ and SNP/CAFE

Modern Stylish Restaurants, decorated in trendy mood and tone for fineness and relaxing ambience with special collection of premium food, bakery, fresh premium cakes from our modern CAKE STUDIO and varieties of beverage, uniquely only at SNP. The first flagship store "SNP/HQ" was opened in July 2016 at Italthai Tower, New Petchburi Road and the second branch, "SNP/CAFE" at FYI – Rama 4 Road, was in operations in October 2016.

1.2 Business Group under Subsidiary Companies

(1) S&P Asset Co.,Ltd.

Paid up capital of Baht 1 million, of which the Company holds 99.93%, engages in real estate development.

(2) S&P International Foods Co.,Ltd.

Established on July 27, 2012 with the paid up capital of Baht 50 million which 99.99% of its shares are held by the Company. It currently operates franchise Japanese restaurants in Thailand, "Maisen". As of early 2017, 10 branches are in operations.

MAISEN



"Tonkatsu Maisen", is a top Japanese favorite well-accepted brand in Tonkatsu restaurant in Japan since 1965; and well-known for Tonkatsu (battered deep fried pork) as soft enough to cut with chopsticks, making a big step for their 48th Anniversary by consenting business alliance with S&P to open the first Tonkatsu Maisen restaurant in Thailand at B Floor of Silom Complex to introduce soft pork-deep-fried with a breadcrumb coating that spreads like a blooming flower, served with an original sauce: the dreamful soft delicious Tonkatsu, second to none.

(3) Umenohana S&P Co.,Ltd.

Established on June 7, 2013 to operate Japanese restaurant and food products in Thailand with the paid up capital of Baht 25 million 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 and sell its products under "Umenohana" brand in Thailand. Currently there is 1 branch.

Umenohana is a Japanese restaurant operated 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 strict well and consistently trained staffs to immerse their everyday heartfelt services.

1.3 Business Group under Associated Companies

(1) HD Distributors (Thailand) Co.,Ltd.

Registered capital at 100 Million Baht which the Company held 47.99%. HD Distributors (Thailand) imports and distribute Häagen Dazs, the global super-premium ice-cream, in Thailand.

However, The Company sold all shares of HD Distributors (Thailand) Co.,Ltd. in April 2016 because the parent company of HD had to restructure all of their group in Thailand and requested to buy all shares back from S&P.



(2) Foodhouse Catering Services Co.,Ltd.

Paid up capital of Baht 10 million, of which S&P holds 49.97% and engages in various food businesses related to operations of canteens, food services contracts with various institutes, such as hospitals, factories, and schools. This is a joint venture with Property Care Services (Thailand) Co.,Ltd., a subsidiary of OCS (U.K.) Co.,Ltd. under the brand "Foodhouse".



(3) MSC Thai Cuisine Co.,Ltd.

Registered capital of Baht 50 million, the Company held 40% of such company's authorized share capital with Minor Food Group Plc. and Visdom Link Co.,Ltd. to operate MSC Thai culinary school.

M.S.C. Thai Culinary School

MSC mainly focuses on developing chefs to meet accepted standards. By doing so, the school has thus prepared courses for those who wish to be a professional chef and master in cooking Thai food. The school aims to cultivate chef for food service industry ranging from restaurants to hotels domestically and international.



2. International Business Group

S&P Group has been an example of successful food business operator in both domestic market and abroad. The Company is a Thai Food Cultural Ambassador by expanding branches abroad in form of direct investments and joint investments with local investors.

As of December 31st, 2016, The Company has 25 restaurants abroad in 6 countries as follows:

Restaurant abroad	England	Switzerland	Austria	Singapore	China	Cambodia	Total
Patara	6	1	1	1	1	-	10
SUDA	1	-	-	-	-	-	1
Siam Kitchen	-	-	-	3	-	-	3
Bangkok Jam	-	-	-	8	-	-	8
Vanilla	-	-	-	-	1	-	1
S&P	-	-	-	-	-	2	2
Total	7	1	1	12	2	2	25

2.1 S&P Global Co.,Ltd.

Paid up capital of 50 million Baht, of which the Company holds 80% of the shares. S&P Global operate restaurant business abroad under various brands as follows:



● Patara: Fine Thai Cuisine

Authentic Thai cuisine in modern and elegant environment with the western concept. Patara has 6 branches in England, which the latest branch is “Patara – Hamstead Branch” – opened end April 2016. The rest of “Patara” are in Switzerland, Austria, Singapore and China – one branch in each country.



● SUDA: Thai Cafe Restaurant

Relaxed Thai restaurant, open all day to provide varieties of Thai food, relevant for the 21st Century young customers.



● Siam Kitchen: Delicious Home-Styled Thai Cuisine

Well accepted by Singaporeans, Siam Kitchen has got “Halal” certification and therefore being Thai restaurants that could reach Muslim customers in Singapore.



● Bangkok Jam (Singapore): Thai and Pan-Asian Cuisine

Modern Thai food, influenced by Asian countries. A place for young working customers who prefer modern and quick service food.



● VANILLA Restaurant

The latest restaurant abroad under VANILLA brand, the first VANILLA in Shanghai, decorated in beautiful Art Deco Style. VANILLA Shanghai offers variety collections from the famous VANILLA menu list, to capture modern lifestyle customer groups.

2.2 S&P International Foods (Cambodia) Co.,Ltd.

Established on April 30th, 2014 with paid-in capital 1,830 Million Riels (about 15 Million Baht) and 99.99% share owned by the Company. S&P Cambodia operates restaurant business in Cambodia with 2 branches, one in AION Mall and the other on Somdej Pan Avenue, Phnom Penh.



Type of Products and Services

1. Bakery Products

S&P has been a pioneer and leader in the cake and bakery industry for more than 43 years. It continues to develop and introduce new products to the market, along with offering unique packaging designs to capture the attention of its customers. The company never ceases to place great importance on the quality of its ingredients, raw materials, freshness and taste. Hence, the company's motto of "Simply Delicious".

1.1 Cake

S&P has extensive experience in the development, production and sale of cake. The company strives to select the finest ingredients to offer the best cakes in the market.

Apart from the tasty, consistent and smooth cake texture, S&P has also developed new methods to present cakes and create its decoration to please all groups of customers, whether it be buyers, givers, receivers, and eaters, for a special occasion to give a cake or for sharing happiness whether on a birthday, a graduation or career celebration, a special opportunity between the giver and the taker, or any Thai, Chinese or international festivals, or even for a celebration of a sport festival in which a cake can take part in building happiness to all the related persons giving or taking, close friends, associates, and family.

Our cake decoration includes liveliness and attractiveness, with many designs to be chosen. We also accept cake orders according to customers' creation, needs, and uniqueness, as a service provided by S&P to all customers. Besides, we also supply cakes with licensed characters favored by many groups of customers; for example, Doraemon cakes, Disney's cartoon cakes, Star Wars cakes, and Marvel's superhero cakes to be chosen on preference.

Additionally, in 2016, S&P also introduced "Naked Cakes", which had a small amount of cream and butter sponge texture for health-conscious customers but remaining with deliciousness and loveliness, showing customers' good tastes completely. The naked cakes were a supplementary part to the introduction of pound cake, individual cake, cupcake and frozen cake to be serviced to customers at all branches of S&P countrywide.





1.2 Pastries (Pie and Puff)

Our pastries emphasize on “freshness”, “deliciousness”, “baking at the shop” and “new every day” which composes of “pie and puff group”. 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 “Danish croissant group” with soft flour texture and authentically fresh butter; these include French croissant, croissant hotdog roll and spinach Danish and “pizza group” which are ready to eat with no need to add extra seasoning as we have prepared them with intense flavors, as preferred by local tastes. In the past year, S&P also introduced a variety of new flavored pies for customers to choose and eat in any place at any time, including mini ham-cheese croissant, mini tuna croissant, Belgian chocolate Danish and Hawaiian barbecue pie, as freshly baked every morning for customers every day.



1.3 Bread

Bread is divided into “bread with filling”, being soft bread with both savory and sweet filling; and sandwich bread, which comes in several flavors preferred by regular customers for its freshness and taste. Moreover, we give importance to healthy products by introducing new products in responding to customers who pay attention to health and quality, such as GABA-rice bread, whole wheat flour bread, whole grain bread, and high calcium bread.

1.4 Cookies

We use real fresh 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, and caramel, premium cookies such as chocolate chip, almonds, Earl Grey, Mocha Almond and Short Bread that have more butter than other cookies. The Company has also introduced Lava Cookies: premium cookies with melted chocolate inside. Two styles were offered: Chocolate Lava cookies and chocolate chip Lava cookies, which continue to be favored these days.



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





1.5 Mooncakes

The Company is dedicated to delivering delicious, new, fresh, mooncakes with longer shelf life. We remain a leader and well accepted by the customers both domestically and overseas, especially Chinese customers, in the sale of this product under the brands of S&P and Golden Dragon. Each year, we offer a variety flavors of mooncakes with delicious filling made from unique ingredients to satisfy the different craving of our customers. In 2016, S&P introduced 2 new fillings of mooncakes: custard lava filling and golden durian caramel. These delicious moon cakes were also packaged in beautiful designs. The packaging allowed these moon cakes to be given as auspicious gifts to family and loved ones.

In addition to the mooncakes under the brands S&P and Golden Dragon, during The Chinese Mid-Autumn Festival, the Company will produce mooncakes in a special form and with a special filling under the brand VANILLA; its uniqueness is the delicious taste and beautiful package, with luxury unparalleled to any other products in general as it is only made for this special occasion in a limited number. VANILLA brand mooncakes are highly mentioned, demanded and liked by the customers and the recipients.



1.6 Thai Sweet Delicacies

S&P Thai sweet delicacies are various of forms and tastes; the Company also offers some indigenous and rarely found Thai desserts as well as a refined blend of Thai and Western flavors in contemporary beautiful package, constantly preferred by the customers; for instance, Golden Egg strips, cotton-wool cake, tapioca balls with pork filling, and Thai steamed coconut milk sticky rice loaf (in Thai - kow-tom-jim). Our Thai sweet delicacies are always filled with deliciousness, consistency, refinement and freshness

2. Food Products



2.1 Food Products

Since our first store, S&P has offered some food menus: starting with those simply single dishes with taste that impressed many customers. Some of those menus are still popular up to now such as Rice with Roasted Chicken, Fried Glass Noodles Thai Style, Rice with Prawns and Bird Chili, American Fried Rice, Rice Vermicelli with Fried Chicken in Roasted Chili Sauce. Later on, in response to the request from our customers, more varieties have been added ranging from appetites, salad, sandwich, pasta, Japanese food, vegetarian food, main dishes and also desserts. In addition to this, in some period or festival of the year we also arrange promotion of special menus to create novelty; some even become our signature dish in summer of every year such as Khao Chae and sweet sticky rice with mango, which customers always recall. We also offer a variety of healthy menus to customers who pay more attention to health issues and raw material sources.

S&P menus are adjusted to different periods of the year; the restaurant menus include main courses to be shared among family members or friends, whether for luncheon or dinner, in response to customers who want a variety of food, trust in taste, deliciousness, cleanness, and consistency to every order. For customers who want quickness along with good taste in a proper quantity, single dish menus are an appropriate choice as there are several tasty dishes of both Thai and international food, freshly in-house cooked by expert chefs with good quality raw materials.



2.2 Frozen Finished Food: Quick Meal

As a pioneer in the ready-to-eat frozen food industry, the Company has consistently invested in research and development of new products in order to improve the food taste to be delicious according to the customers' demands and to launch new products and packages in order to make customers more convenience and to keep the production standard. S&P frozen finished food of all menus is carefully cooked to satisfy the customers' deliciousness and also to provide value and nutritional safety. Our modern packaging, both inside and outside, is suitable to hastily lifestyle of consumers, is convenient and use little time in warming the food. We also offer a variety of frozen food menus and an ongoing introduction of new products.

2.3 Sausage: Premo

We have various types of sausage, ham, and bacon for a group of customers that needs quality food with cleanness and safety. With our exclusive formula, S&P selects only the finest quality firm pork meat to produce sausages which are clean, safe and tasty as familiarized by Thais. The sausages are standard raw materials being used for S&P restaurants and are distributed through modern trade channels. We also offer original equipment manufacturer (OEM) for other food business groups.



2.4 Carrageenan Jelly: Jelio Jelly

Ready-made carrageenan jelly, both in the forms of carrageenan jelly mixed with fruit flesh cups and ready-to-drink jelly mixed with fruit juice providing high vitamin C, are produced in different sizes to be sold to customers at S&P branches and through other trade channels such as supermarkets and convenience stores.



2.5 International Food Products: PATIO

S&P produced international food under the brand "Patio", including salad dressing, frozen soup and other delicatessens made with tastiness and care for consumers' health which is distributed in S&P outlets and supermarkets of the leading department stores.

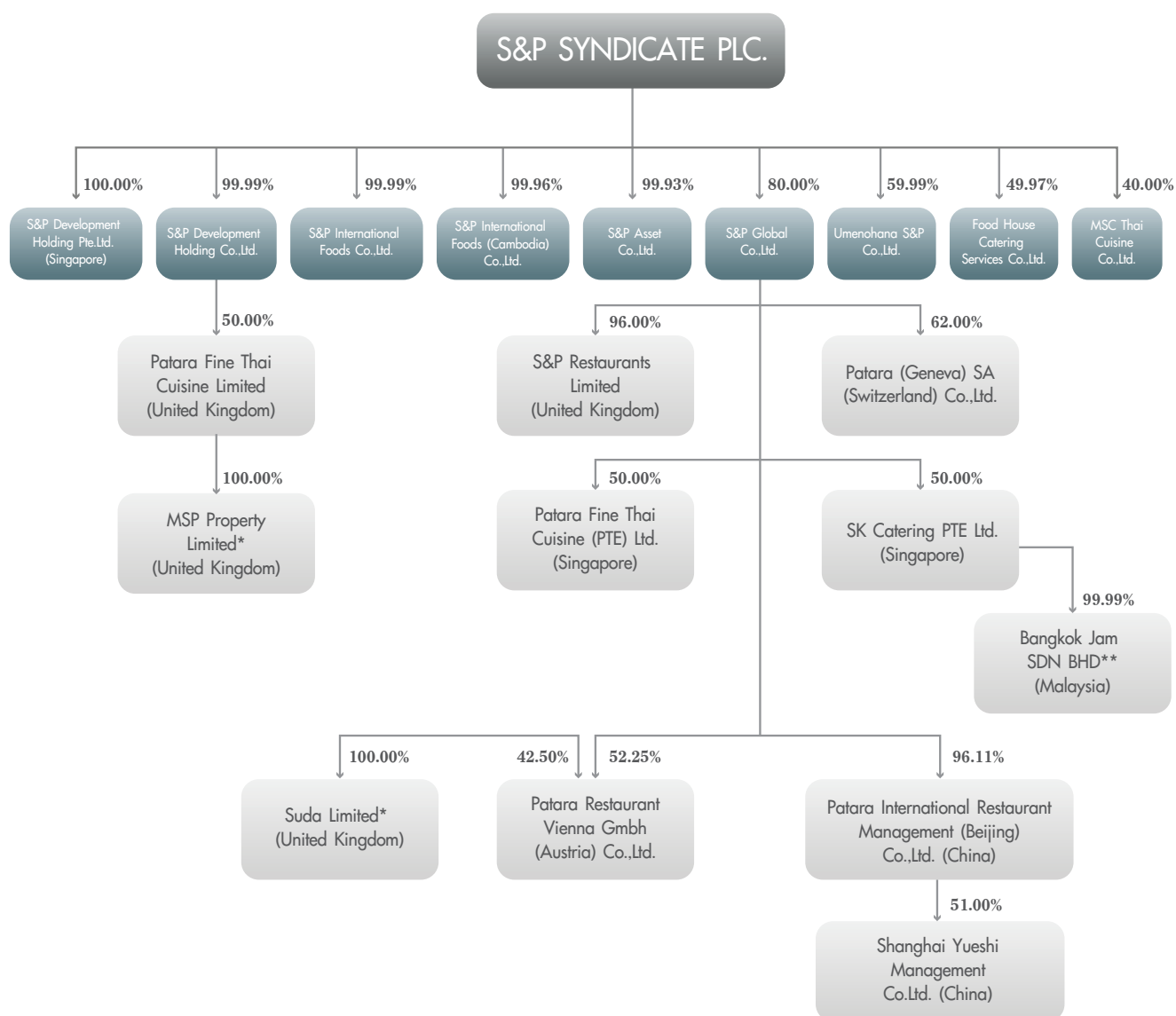


3. Beverage Products

Drinks from S&P beverage bar consists of fruit juice beverage made from 100% fresh fruit juice and smoothie fruit juice providing benefit and freshness to the body, such as smoothie watermelon juice, fresh orange juice, pineapple juice, longan juice, coconut juice, etc. Moreover, S&P has healthy drink of soybean milk through the Japanese production process from Umenohana Shop called "Toniyu Beverage", to sell in both hot and cold drinks.

For those coffee lovers within all S&P Restaurants, we have BlueCup Coffee corners providing high quality fresh coffee, with a unique taste from 100% Arabica coffee beans from cultivated areas in Thailand and a selection of excellent coffee beans from abroad, along with the latte art to create a pattern or design on the surface of the latte. BlueCup also introduced a new product called "Cold Brew", fresh coffee processed through cold pressing to obtain a better concentrated, aromatic and smooth taste; the coffee beans used for BlueCup won a gold medal award from the program "International Coffee Tasting" from Italy in 2012.

S&P Group Structure

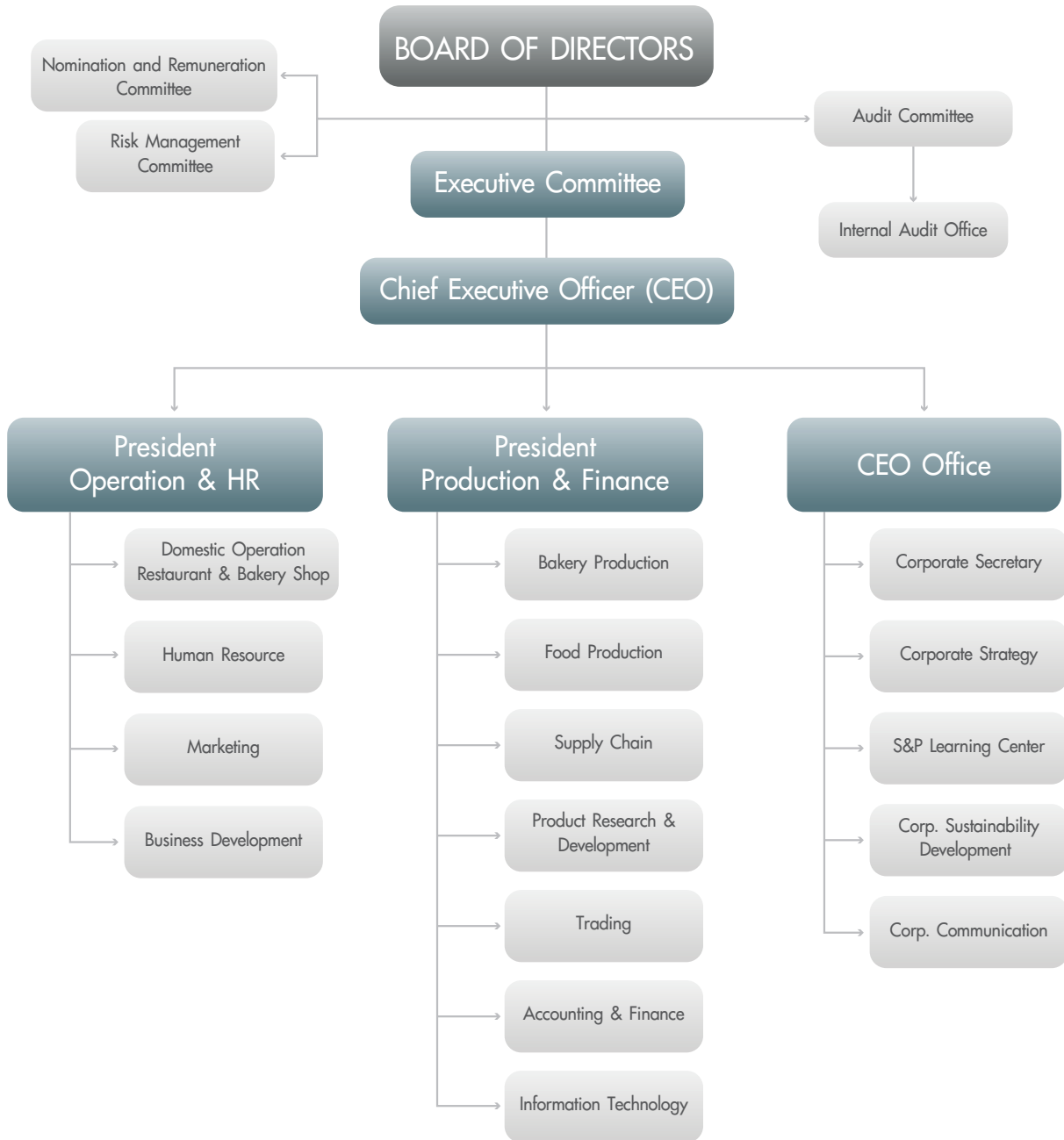


Note:

* Not yet in operation

** Ceased operation

Organization Chart 2017



Management structure of the Company

The management structure of the Company comprises of boards and committees, i.e. Board of Directors, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Executive Committee and Management Team. Details are as follows:

Board of Directors

The Board of Directors consists of 12 members

(1) Mrs.Patara Sila-On	Chairperson of the Board of Directors
(2) Lt.Varakorn Raiva*	Vice Chairperson of the Board of Directors (*resigned on February 23 rd , 2016)
(3) Mr.Pravesvudhi Raiva	Vice Chairperson , Chairman of the Executive Committee
(4) Mrs.Kessuda Raiva	Director, Chief Executive Officer
(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) Mrs.Patamavalai Ratanapol	Director
(12) Mr.Kachorndej Raiva	Director
(13) Mr.Kamtorn Sila-On	Director (*appointed on February 23 rd , 2016)

Audit Committee

Audit Committee consists of 3 members as follows:

(1) Ms.Cattleya Saengsastra	Chairperson – Audit Committee
(2) Ms.Sophavadee Uttamobol	Audit Committee
(3) Mr.Piya Sosothikul	Audit Committee

Nomination and Remuneration Committee

Nomination and Remuneration Committee consists of 4 members as follows:

(1) Mr.Aviruth Wongbuddhapitak	Chairman – Nomination and Remuneration Committee
(2) Mrs.Patamavalai Ratanapol	Nomination and Remuneration Committee
(3) Mr.Piya Sosothikul	Nomination and Remuneration Committee
(4) Mrs.Kessuda Raiva	Nomination and Remuneration Committee

Risk Management Committee

Risk Management Committee consists of 4 members as follows:

(1) Mr.Vitoon Sila-On	Chairman–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

Executive Committee consists of 7 members as follows:

(1) Mr.Pravesvudhi Raiva	Chairman – Executive Committee
(2) Mr.Kachorndej Raiva	Executive Committee
(3) Mrs.Kessuda Raiva	Executive Committee
(4) Mr.Vitoon Sila-On	Executive Committee
(5) Mr.John Scott Heinecke	Executive Committee
(6) Mrs.Patamavalai Ratanapol	Executive Committee
(7) Mr.Kamtorn Sila-On	Executive Committee

Management Team

Major Management Team consists of 8 persons as follows:

(1) Mr.Pravesvudhi Raiva	Chairman Executive Committee
(2) Mrs.Kessuda Raiva	Chief Executive Officer President – S&P Global Co.,Ltd.
(3) Mr.Vitoon Sila-On	President – Operation & Human Resource
(4) Mr.Kamtorn Sila-On	President – Production and Finance
(5) Mr.Somjit Kititeerakul	Vice President – Bakery Production
(6) Mr.Chongchana Chantamas	Vice President – Food Production
(7) Mr.Dhawatt Pansatiankul	Vice President – Branch Operation
(8) Mr.Amphol Raungturakit	Finance and Accounting Director

Note: Details of Directors and Management Team are presented in the Details related to Management and Executives of the Company.

Economic Situation and Business Competition

Thai Economy in 2016 grew only 3 percent, slightly higher than prior year, affected from positive measures from the government acceleration in investments for Basic Infrastructure of the country and communication system, supported with tax measures that were launched from time to time to accelerate economies. Factors on prices of agricultural products that slightly increased during the second half of the year, from rubber and rice, did support a little more, but the economic growth was still below the ones in the past.

Global oil prices were still in the low side affected from more supply of oil produced from oil shale, while the OPEC Group still holds silent in reduction of the Group oil production, which must be low enough volume to drive the global oil price up.

The negative factors that deter Thai economic growth were draught that affected decrease in agricultural products in many areas during the early period of the year. Then, flood came in Quarter 4/2016 which lasted till early 2017 which has caused more effects to the Thai economy. Although some business sectors grew, for example: Production sector grew; Export increased, Number of Tourists grew and had drawn more money into the country, but the low price condition of major agricultural products of the country still exists and could not help more to drive the growth.

One important variable in the domestic food business that played more active role recently was “marketing operations”. More competitors entered food business, both in domestic markets and from abroad. Growing numbers of restaurants and bakery shops; more products were produced and launched into the markets during the last few years. The changes have created more choices for consumers. Furthermore, low economic growth, political situation in the country and a lot of important incidents that happened during the year 2016, both in Thailand and other areas, have caused more difficulties to the business operations.

Easier access to marketing information, i.e. Mobile Marketing, Online ordering through web or other applications, etc. have caused more difficulties to food business operators. Business operators have to adjust themselves more to stay competitive: for example: direct confrontation (selection of branch locations, discount and promotion), deployment of various marketing tools to communicate direct to customers, direct delivery of products and services to customers, and utilizing a lot of marketing tools that have been limitedly used in the past: e.g. mass customization (Process to order products that produced as per design of the customers, Interactive Marketing (Interactive screen that customers can select their choices from touch screen), Crowdsourcing (collecting marketing information from customers through medias for products and services that will offer to the customers). These are just a few tools that producers and food operators in Thailand have to adjust themselves to cope up with new strategies and technology in order to be more competitive.

S&P have been adjusting ourselves more in the context of “marketing strategy”. Deep analysis of market segmentation has been executed for branch site selection. Strengths and Weaknesses, market growth forecast and potential numbers of customers and business opportunities have been analyzed for branch site selection, for example S&P plans to reduce expansion in Hypermarket and Community Mall, where the numbers of customers have been reducing over the time, and then will expand in other segments where growing trends are better and competition will be lower. Besides, S&P have improved our online ordering of 1344 S&P Delivery through website and new mobile application in 2016 and promote more marketing activities through Social Media and Mobile application, not only LINE, FACEBOOK but also through modern online sale medias, Online sale service providers and our own S&P online sale, to increase customer base and revenues.

S&P has been continuously grown through expansion of branches. As of end of 2016 S&P had a total of 491 domestic branches under various brands: S&P, SNP/HQ and SNP CAFÉ, BlueCup, VANILLA, Patio, Patara, Grand Seaside, Maisen and Umenohana. While number of branches abroad was 25 (9 branches in Europe and 16 branches in ASIA).

By Channels of distribution of the Company, Revenues from domestic branches (restaurants and bakery shop) grew 4.45% Y-O-Y; Trading of food and bakery through retailers, convenience stores and supermarkets grew 5.67%. The growing revenues were mainly from branch expansion, continuous launches of marketing activities and promotion programs. Restaurant business of subsidiaries abroad was 7.53% lower revenues Y-O-Y due to the low economic growths and effects of political uncertainties from re-election in many countries and BREXIT which negatively affected most businesses in the countries where S&P subsidiaries were located. Although revenues in AEC and China grew, the portions were still small, compared to the total revenues of all branches abroad.

The Company and its subsidiaries reported a total revenues 7,774.9 Million Baht for the whole group, a 222.9 Million baht increase from prior year or 2.9 percent increase, which was quite satisfied, compared to the economic growth of Thailand at 3 percent in 2016.

In 2017, S&P plans to open about 20 new domestic branches under S&P and other brands. The expansion strategy is to select only good business potential locations by using information and experiences that S&P has got from the past plus more additional surveyed information. S&P will reduce expansion in Hypermarket and Community Mall, which are low growing areas with higher rent and service fee over the time, and move to locations where more potential customers come, less competition and more potentials for revenues. Moreover, the Company will renovate about 20 existing branches to present more modern identities, look better, adding more comfort spaces for the customers, create better dining atmosphere for the customers and draw more revenues to the branches.

For expansion outside Thailand, S&P emphasizes branch expansion in Cambodia, where potential is still good enough and will also consider open branches in AEC, including selling S&P franchise to high potential business partners in AEC.

Notable Events in 2016

Expansion of Business and Product Development

1. Expansion of Business

In order to meet the company's growth target, increase revenue and meet consumer demands, S&P opened new branches. In 2016, the company has a total of 490 branches, 24 more branches than the previous year of which are: 5 bakery shops 14 S&P restaurants, 1 BlueCup coffee shop, 2 Maisen restaurants, SNP/HQ and SNP/CAFE.

For Overseas branches: one additional branch of "PATARA" in England, one S&P in Cambodia and one VANILLA RESTAURANT in Shanghai-China.

2. Product Development and Promotion Programs

S&P launched a variety of new products for both the food and bakery product lines, Such product include: cakes in new taste and designs for New Year festival, Chinese New Year, EURO 2016 Football, mini ham-cheese croissant, mini tuna croissant, Hawaiian Barbeque pie, Lava-Valentines' cookies, new filling moon cake, VANILLA moon cake, Disney's cake, Starwars cake, Super Heroes-Marvell cake and Naked Cake – less cream cake for health conscious customers.

In regards to food, additional menus have been introduced, such as: Sea Bass menus – special prices or "Joy Card" members, special festive menus – KowChae and sweet sticky rice with mango (Namdokmai), Riceberry menus to support "Friends in Need (of "PA") project in commemoration of Her Majesty Queen Sirikit 84th birthday anniversary, shrimp menus of "Eat shrimp together" program, meal box 9 day – 9 set during the vegetarian festival, Salmon menus of "Maisen", including new creative food and beverage menus at SNP/HQ and SNP/CAFE.

As for distribution channels, S&P has improved its efficiency of its 1344 Delivery service through implementation of better technology. Customers can now order through online platforms such as the 1344 website and mobile application to receive greater convenience.

Viral video ad: "The Gift" was launched early 2016 to promote cake during New Year Festival. Advertising for moon cake: "Lunar heartfelt blessing" was launched during Chinese Mid-Autumn Festival. Moreover, seven videos online under the concept of "Freshness is our signature", in order to convey the quality and freshness of S&P products; food, bakery and beverage and promote through social media & instore media

In regard to beverages, new various menus of BlueCup were introduced, such as the "BlueCup Cold Brew" contained in bottle with rich and smooth taste and exceptional aroma, to be sold at S&P shops, and the BlueCup D-DAY program of "buy one drink, get one free" to occur on every 2nd and 4th Friday of each month throughout the year, which helped increase the sales volume to S&P. Also, SNP/HQ and SNP/CAFE developed many interesting refreshments to offer as new choices to customers.

Awards and Achievement in 2016



1. Marketing Hall of Fame

Khun Patara Sila-On, Chairperson of S&P Syndicate Plc., was awarded the **“Marketing Hall of Fame”** award in the announcement of the 2016 Thailand’s Marketing Hall of Fame as held by the Marketing Association of Thailand and presided by H.E. Prof. MD. Kasem Wattanachai, Privy Councillor. The award was the result of her qualifications with experiences, knowledge, skill and outstanding work as widely accepted, and as an ideal model of modern marketers; it was conferred on Tuesday, September 6th, 2016 after a 10-year absence of this award-giving ceremony.



2. Thailand Top Company Awards 2016

S&P Syndicate Plc. was awarded with the **“Thailand Top Company Awards 2016”** for the third consecutive year. S&P Syndicate Plc. received the “Thailand Top Company Awards 2016”, as a business organization with outstanding operation result in the food and beverage industry, for the third consecutive year, from the Thai Chamber of Commerce University, in cooperation with ARIP Co., Ltd. and Business+ Magazine, in a ceremony presided by H.E. Prof. MD. Kasem Wattanachai, Privy Councillor; the award was given to Khun Kessuda Raiva, President, at Dusit Thani Bangkok Hotel on February 24th, 2016.



3. Outstanding Women Entrepreneurs Award 2016

Khun Kessuda Raiva, President, received the **Outstanding Women Entrepreneurs Award 2016** in the Outstanding ASEAN Women Entrepreneurs Forum 2016, as one of the 10 Thai female entrepreneurs to be honored with the award from H.E. Mdm. Nguyen Thi Doan, Vice President of the Socialist Republic of Vietnam, in Ha Noi, Vietnam, on March 4th-5th, 2016. In addition, the Ministry of Social Development and Human Security, Thailand, also held a congratulations party in Thailand.



4. Gold Medal Award from the IFFA (Internationale Fleischwirtschaftliche Fachmesse) International Quality Competition for Sausages

S&P Syndicate Plc. received the award from the International Quality Competition for Sausages by IFFA (Internationale Fleischwirtschaftliche Fachmesse), a first-class trade exhibition for the meat industry as held every 3 years; this time, it took place on May 7th-12th, 2016 in Frankfurt, Germany.

The awarded S&P sausage products are the following:

1. Gold Medal Award for riceberry sausage product, with a full total score of 50;
2. Gold Medal Award for bacon cheese sausage product, with a full total score of 50;
3. Silver Medal Award for garlic pork sausage product.

At all events, S&P Syndicate Plc. was the only AEC country to receive an honor to participate in the competition with the best quality sausages awarded with the Gold Medal Awards from the expert committee of a German institution; the criteria for scores on sausage quality was based on the appearance, package, meat characteristic, taste, color, overall composition, consistency/texture, and product aroma. It was a pride for S&P to be accepted on a global scale.



5. Private Sector Collective Action Coalition Against Corruption
S&P Syndicate Plc. was granted a renewal of certificate for Private Sector Collective Action Coalition Against Corruption from the CAC Council; Khun Kessuda Raiva, President of S&P Syndicate Plc., accepted the certificate for the 2nd quarter of 2016, to be valid for 3 years, at Grand Hyatt Erawan Hotel on Tuesday, August 16th, 2016.



6. ESG 100 Certificate : 2016

S&P Syndicate Plc. has the distinction for excellence in environment, social and good governance. Khun Pravesvudhi Raiva, Chairman of the Executive Committee of S&P Syndicate Plc., accepted the ESG 100 Certificate of 2016 from Dr. Pipat Yodprudikan, Director of Thaipat Institute, in the selection of 100 registered companies ranked for the securities in the corporate sustainability development with Environmental, Social and Governance (ESG) excellence. This year, S&P was conferred with the certificate for the second consecutive year.



7. Associate Founding Fellow of the “Financial Discipline Building Campaign”

S&P Syndicate Plc. received a trophy award as an **associate founding fellow of the project called “Financial Discipline Building Campaign”**, from Pol.Gen. Abdul Saengsingkaew, Minister of Social Development and Human Security, in honor of the auspicious occasion of Her Majesty Queen Sirikit's 7th cycle birthday anniversary on August 12th, 2016; Khun Patara Sila-On, Chairperson of the Board of Directors, and Khun Kessuda Raiva, President, accepted the trophy on Monday, August 22nd, 2016 at the Stocking Exchange of Thailand. This project is a pilot project to guide employees' financial problem solution, build financial disciplines, and improve efficiency and productivity of the participating employees.



8. “The 2016 Role Models in Business Sector of the Year” Award
Khun Kamtorn Sila-on, Senior Vice President - Production and Supply Chain at S&P Syndicate Plc., received an honorable trophy for “the 2016 Role Model of the Year in Food and Beverage Business” from General Pichitr Kullavanijaya, Privy Councillor, in the “Quality Persons of The Year 2016” project by the Foundation of Science and Technology Council of Thailand (FSTT) at Chulabhorn Research Institute on October 19th, 2016

Corporate Social Responsibility

Overall Policy

S&P Syndicate Public Company Limited has been doing CSR (Corporate Social Responsibility) activities earnestly, whether regarding the education of disadvantaged students by admitting them to school at vocational certificate level in the fields of retail business, and food and nutrition at the S&P Learning Center in the bilateral 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 aspect, the factory has improved its quality and standardization systems so they are always acceptable at national and international levels of standard to customers’ satisfaction, with the Company’s awareness on corporate social responsibility in the areas of business and others in which the Company has taken part in the development and improvement of living and social conditions.

Furthermore, the Company was selected as one of 100 listed companies, for being sustainable development business that has been performing well on environment, social and governance (ESG) issues - or ESG 100 Security Group. This distinction was selected from listed companies by ThaiPAT Institute and the Securities and Exchange Commission, and has been awarded with the ESG 100 Certificate for the second consecutive year.

Overall Operation

In addition to the careful selection of good quality and fresh raw materials and the emphasis on developing the quality products for the consumers, the Company also has been practicing the Corporate Social Responsibility (CSR) in all of the Company’s main units, whether under the anti-corruption policy as effective throughout the organization, the responsibility for consumers, the environment conservation, and the improvement of operation systems to reduce energy use of the production line. The following activities have been undertaken continually:

Anti-corruption Policy

S&P Syndicate Public Company Limited is aware of the importance of complying with the anti-corruption policy and guidelines as the Company and its subsidiaries have participated in the Nation Associated Anti-Corruption Network (NACN) and have also been certified as a member in the Private Sector Collective Action Coalition against Corruption Project of Thai Institute of Director (IOD) for the second consecutive time on July 22nd, 2016. In addition to this, the Company and its subsidiaries have also set the code of conduct in compliance with this policy in order to build moral principles, ethics and honesty in the operation of employees at all levels, with organizational transparency and verifiability; and such compliance has constantly been monitored.

In addition, the S&P Learning Center included the code of conduct and whistleblower in the orientation training course for all new employees, and provided “Growing Good” curriculum in order to cultivate the integrity principle for students who will later on become the Company’s staffs.

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

has announced its express policy on anti-corruption, in not accepting or giving gifts and not creating or encouraging any behaviors leading to corruption. The Company also initiated WB News (Whistleblower News) to disseminate knowledge and clarify with all staff of the Company about the code of conduct in accordance with anti-corruption policy. This WB News was made in cartoon style that was easily to understand and monthly circulated through the Company’s website.

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 identified, 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 up, the resources utilized for reducing the risk was defined, and the evaluation of the operation of risk management plan was regularly followed up.

Responsibility for consumers

The Company and its subsidiaries’ policy is to focus on producing quality and safe product in accordance with the law and international quality standard by controlling the whole process of food chain: from the quality of raw material, the safety and cleanness of production process, the staff’s attention to cleanness and quality, the consistent product quality, as well as the product distribution process from the Company’s factories and shops, to the consumption of the consumers. The back tracking system also has been applied in order to ensure the consumers of quality and safety in consuming products under the brands of S&P, Premo, Delio, Patio, and other brands of the Company’s Group, with its determination to continue developing in line with the growth of the market and quality standard in international level to satisfy the need of the consumers domestically and internationally.

(1) Food Production Group

The policy of the food production group of the Ladkrabang Factory is to emphasize on producing the products with good quality, safety, complying 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 consumption of the consumers, and also the food traceability system in order to ensure the consumers of the quality and safety. The food line of the Ladkrabang Factory also has quality systems of food production accredited by governmental agencies, 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 of product quality and safety.

In 2016, the food production group has emphasized on the significance of production standard by organizing training and seminar about standard on raw material preparation, standard on food preparation and cooking, standard on food preparation, and measures to control allergens, etc. In this respect, the Company also improved its factory for the production line to be ready to manufacture food products with quality, cleanness and safety at all times.

(2) Bakery Production Group

The bakery production group has carried out production continuously under qualified systems acceptable to international standards. In this regard, the Sukhumwit 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) standard has also been continually applied.

Besides, the bakery production group's laboratory that examines the raw material, the finished product and the environment was also certified ISO/IEC 17025: 2005 standard from the Department of Medical Sciences and the Thai Industrial Standard Institute. Furthermore, the bakery 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 also had its food safety management system accredited pursuant to the ISO 22000:2005 from Lloyd's Register (LRQA), which is a standard covering good practice of the production facility, food safety and production system that can confirm the quality and safety from the production facility to the consumers.

In 2016, the bakery production group organized several seminars and trainings on the GMP system, the standardized internal quality audit, the understanding about the standard specification of

laboratory in accordance with ISO/IEC17025:2005, the follow-up on laws about food label, nutrition label and related laws, the safety and occupational health and working environment, for both existing and new employees. Also, the compliance with such regulations was always monitored.

Environment Conservation

The Company has always been aware of the importance of environment conservation in many ways. In 2016, the production groups did not only commit to producing food and bakery with no effect to the environment and surrounding communities, but also emphasized on decreasing the costs of energy and production leading to the higher level of production efficiency. In 2016, the factory's internal lighting bulbs were replaced with LED bulbs to improve energy saving and increase the useful life and subsequently also reduce the garbage quantity from lighting bulbs. The factory also applied the solar energy as alternative energy to save the electricity use in a project of solar roof installed at Bangna Bakery Factory; the purpose was to generate electricity from the solar energy to be used for the Factory's lighting system, which helped to save averagely over 3 million Baht per year on the electricity consumption and to reduce the carbon dioxide amount emitting from the electricity generation by fuel at over 300 tons (equivalent) per year. This project has been planned to be extended to other factories in the future.

Additionally, waste sorting has been continually encouraged to reduce the bio-waste to be recycled into bio-fertilizer. The Company's staff is supervised in terms of narcotics harms with an application for accreditation on workplace drug prevention for Sukhumwit, Bangna and Lamphun bakery factories.

On June 23rd, 2016, the Company received a certificate of drug prevention coalition from the Office of Labor Protection and Welfare Area 8, for the prevention, solution and supervision of drug problems in the worker group; and

On July 25th, 2016, the Lamphun factory was accredited for the preventing drug problems in the workplace.

Participating in Developing the Community or 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 National Education Act B.E.2542 (A.D. 1999). S&P Syndicate Public Company Limited is one of the seven business establishments with preparedness and property to be a model of forming a learning center, as considered by the Office of the Education Council; 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 to support the Company's business growth as well as to offer an opportunity to underprivileged students.

In 2016, there have already been 7 classes of students graduated from this learning center. Also, the S&P Learning Center has implemented educational program in association with nationwide academic institutes and schools, including:

1) Providing scholarship for those disadvantaged students from the Rajaprajanugroh and Suksasongkra Schools nationwide as well as those low-income students from other schools. This scholarship was provided for students to further their school free of charge at vocational certificate level of S&P Learning Center, and bachelor's degree level. 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 2016, there were 47 vocational certificate level students graduated and they have already been recruited as the Company's employees. The total number of graduating students from 7 classes is almost 200.

2) Collaborating with the Vocational Education Commission (VEC) in admitting vocational students in Bangkok and from provincial regions to do internship. In 2016, there were totally 830 students from more than 50 vocational colleges sending their students to train with the Company.

3) Collaborating with university level institutes to cultivate the bachelor level graduates in the fields of culinary business and service in order to develop the human resources equipped with the knowledge and skill in food and service business that suit with the demand of the Company. Upon their completion, the students from this program can immediately become chef or restaurant/bakery shop management. The institutes collaborating in this program included:

- Suan Dusit University: Program in Culinary Technology and Service (Class of 1st – 5th)
- Rajamangala University of Technology Krungthep: Program in Retail Marketing and Program in Food and Nutrition (Class of 2nd)
- Institute of Vocational Education: Northern Region 2 (Phrae Vocational College), Program in Retail Marketing (Class of 3rd)

In 2016, there were totally 130 bachelor degree students receiving scholarship and 20 of them graduated from Suan Dusit University. These graduates will be later recruited as the Company's employees.

4) Collaborating with university level institutes in admitting the students to train in on-the-job training and career training in the Company outlets/office/factory. The institutes collaborating in this program included Rajamonkol Institute of Technology - Thunyaburi, Assumption University, Mahidol University, Kasetsart University, Chiang Mai University, Rajabhat Suan Sunandha University, Suan Dusit University, Silpakorn University, Burapha University, Rangsit University, King Mongkut's Institute of Technology Ladkrabang, and Chulalongkorn University. The total numbers of student were 37.

5) Collaborating with the Vocational Education Commission (VEC) as an S&P representative was appointed by the VEC to be a chairperson of joint public-private sub-committee to cultivate qualified vocational graduates in food and service business. The memorandum of agreement of this joint public-private sub-committee has been created with the objective to develop the international standard labor in accordance with the market demand. This effort will be done in collaboration with the vocational schools nationwide.

(2) Dhamma Practice Venue, Raiva House

The Raiva House located in the Bang Phra sub-district of Chonburi province is the site used for teaching Dhamma, the teaching of Buddha to foster the development of inner peace and mental strength.

In 2016, The Raiva House provided a total of 21 Dhamma courses to over 1,000 participants, most of which were the company's employees and also the public.

Activities for Society and Environment – CSR 2016 Project

1. "Make A Wish" Project

S&P Syndicate Public Company Limited organized the 12th year "Make A Wish" Project. The company was able to deliver a weighted total of 720 pounds of cake to 25 different charities and foundations for the disadvantaged, disabled, orphaned children and the elderly. The aim of such work was to bring happiness to these people in which the company plans to continually do every coming year.



2. “Filling Smile” Project (9th Year)

S&P Syndicate Public Company Limited organized the 9th year “S&P Filling Smile” activity in which S&P staff jointly transplanted rice seedlings in order to learn H.M. King Bhumibol’s Philosophy of Sufficiency Economy. In addition, Khun Patara Sila-On, Chairperson of the Board of Directors, gave a support to Nakhon Pathom School for the Deaf and a lunch to the students.



3. “S&P Kitchen for Kids” Project

S&P Syndicate Public Company Limited continued “S&P Kitchen for Kids” project for the 8th year by improving the hygienic condition of the kitchen and donating the kitchen utensils for the schools in need. This year, 3 schools were selected for this program: Rajaprajanugroh 52 School in Loei Province, Rajaprajanugroh 27 School in Nong Khai Province, and Ban Tha Wang Hin Border Patrol Police School in Prachuap Khiri Khan Province. The Company also brought the specialists to share their knowledge in kitchen sanitation with school’s cooks and students. In addition, on the donation day, the Company also provided lunch for students and agricultural plots to support the sustainable farming. Also, the recipe book “Favorite Menus for School Kids” created by the Company was given to strengthen students’ good nutrition and to be an alternative to allocate various menus to them.



This year, 5 schools were revisited for follow-up: Rajaprajanugroh 36 School in Phuket Province, Phraratchatan Na Yao Secondary School in Chachoengsao Province, Suksasongkraw Sschool in Suratthani Province, Rajaprajanugroh 32 School in Ubon Ratchathani Province, and Rajaprajanugroh 15 School in Buriram Province; the assessment result of each school ranged in Good and Excellent levels.

4. “Food 4 Good” Project

In collaboration with the Yuvabadhana Foundation, the Company donated 1 Baht from each sales of 2-pound cake to the fund during August 2015-July 2016, for the foundation to donate to underprivileged foundations or charity organizations so that they would have nutritious food.



5. Quality of Life Improvement for Students in Underprivileged Schools Project

S&P Syndicate Public Company Limited participated as the host in the Quality of Life Improvement for Students in Underprivileged Schools Project, and was appointed as a project member to be responsible for Amnat Charoen Province, with the Office of Deputy Prime Minister (by Air Chief Marshal Prajin Juntong) as the main responsible unit. In this project, the Company provided support to Banphontong School in Amnat Charoen Province for an improvement of kitchen and canteen, and provided kitchen utensils to the project center to be distributed to different schools under the project for purpose of future benefits and improvement of students’ quality of life in underprivileged schools.



6. S&P organizing the Cooking Training with the Recipe of “Favorite Menus for School Kids” Project

S&P Syndicate Public Company Limited in collaboration with the Bangkok Metropolitan Administration (BMA) provided a training course “Favorite Menus for School Kids” for cooks in schools under the BMA affiliation to be able to prepare menus with nutrition and under a limited budget, as well as to educate them with the proper method of waste sorting. The training was held at S&P Skill Standard Testing Center.



7. The “Friends in Need (of “PA”) Go Forward for Organic Riceberry” Project

S&P Syndicate Public Company Limited joined the signing of an MOU in the press conference for the “Friends in Need (of “PA”) Go Forward for Organic Riceberry” Project organized in commemoration of Her Majesty Queen Sirikit’s 84th birthday anniversary; Khun Patara Sila-On, Chairperson of the Board of Directors, presided the event on July 22nd, 2016 at Siam Paragon. The project’s objectives were to support Thai farmers by bringing their agricultural products such as Riceberry rice into new shop menus, to encourage consumers to choose more of healthy food as well as to give a donation to the Friends in Need (of “PA”) Volunteers Foundation, Thai Red Cross Society.



8. The Siam Pangus" Research Fund Support Project

S&P Syndicate Public Company Limited in collaboration with the National Innovation Agency provided a fund for the research of Siam Pangus fish to Maejo University. The research was inaugurated in THAILAND RESEARCH EXPO 2016. The objectives were to support the fish-breed research and development, as well as the development of suitable feeds and breeding methods, and to provide trainings and follow-ups to farmers until the Siam Pangus fish meat becomes tasty and highly nutritious. The Company was proud to have supported Thai researchers and be part of the farmers' fish culture promotion and their body of knowledge in the occupation with standards and sustainability, so that they can produce quality fish to the market.



9. The Fundraising Project for the Ramathibodi Foundation under the royal patronage of Her Royal Highness Princess Maha Chakri Sirindhorn

S&P Syndicate Public Company Limited provided a fund to the Ramathibodi Foundation under the royal patronage of Her Royal Highness Princess Maha Chakri Sirindhorn, for the construction of the Chakri Naruebodindra Medical Institute, Faculty of Medicine, Ramathibodi Hospital; the fund was raised from the sale of Danish butter cookies in floral boxes of 230 grams with 25 Baht to be donated from each box, as well as the Company's contribution.



10. S&P Volunteering

S&P Syndicate Public Company Limited arranged for staff teams with volunteer spirit to distribute S&P snacks and desserts to people who came to pay their respects to the body of the late King Bhumibol. The distributions took place along with other units such as Ruamkatuny Foundation, Thai Army Wives Association, Medical Council of Thailand, Royal Thai Navy, Norn Klao Pattana Foundation, and Chitralada School, from October 17th to December 22nd, 2016 at Sanam Luang, in commemoration of H.M.'s royal grace & deepest remembrance of His Majesty King Bhumibol Adulyadej.

11. The "Solar Roof" S&P Bakery Factory Energy Saving Project

The bakery production group of S&P Syndicate Public Company Limited at Bangna Factory emphasized the vision of food business leader with environmental care held a ceremony to inaugurate the "Solar Roof" S&P Bakery Factory Energy Saving Project, by installing solar roof panels of 510 kW on the factory roof area of 2,700 m². The solar roof helps to generate electricity at 720,000 units per year, which can reduce the carbon footprint of the business sector at 390 Ton CO₂e per year or equivalent to planting 15,000 trees. It was estimated to decrease the electricity cost in the factory during the peak time at noon by 3 million Baht per year, or 20% of annual electricity cost because it was concerned with heat reduction within the building and cooling load reduction.



As a business sector organization of food production and sale, S&P is aware of the importance on operating the business along with the awareness of environmental impact; previously, the Company held projects to reduce energy use annually: for example, the replacement of fluorescent bulbs with LED bulbs project for longer useful life and energy saving, the motor air blower control of the waste water treatment unit project by using solar roof panels to generate electricity as part of the factory's capacity enhancement by controlling the production costs within the specified criterion but maintaining the productivity and preparedness in delivering S&P products to customers in parallel with conserving the environmental balance; the S&P products manufactured in this factory included banana cakes, butter cakes, marble cakes, puffs, pies, cookies, moon cakes, and pizzas.

12. Cookies given to the Bangkok Education Office

S&P Syndicate Public Company Limited delivered 4,725 boxes of cookies to the Bangkok Education Office as accepted by Dr. Pusadee Tamthai, Deputy Governor of Bangkok Metropolitan Administration, and Mr. Jaroon Meethanathaworn, Director-General, Department of Education, BMA, at Bangkok Metropolitan Administration, to be given to schools under the BMA affiliation.



13. Opening Ceremony of Skill Standard Testing Center, S&P Learning Center

On May 19th, 2016, S&P Syndicate Public Company Limited conducted a ceremony to open the Skill Standard Testing Center at the Learning Center of S&P Syndicate Public Company Limited in order to provide capacity development to students, S&P staff and general public; it was collaboration between the Company, the Ministry of Labor and Suan Dusit University. In this ceremony, M.L. Pundarik Samiti, Permanent Secretary of Labor, Dr. Pornchanit Kaew-Nate, Vice President of Suan Dusit University, Khun Patara Sila-On, Chairperson of the Board of Directors, jointly opened the Skill Standard Testing Center at the Learning Center of S&P Syndicate PCL, on Rama 9 Road.



14. Moon Cakes given to the Troops of Different Units

S&P Syndicate Public Company Limited gave 13,900 pieces of moon cake to the Royal Thai Army as accepted by Khun Benjawan Sitthisad, President of Thai Army Wives Association, at the Thai Army Wives Association on October 10th, 2016. In addition, the moon cakes were also given to the Naval Inspector General Department, the Ruamkatunyu Foundation, and the Sports Association for the Disabled of Thailand under the Royal Patronage, for encouragement to the troops of different units in the missions for the country and for further benefits of the government sector and the public.



15. Award Giving Ceremony for Success and Thanksgiving to S&P Staff representing the National Sports Team in the 2016 Paralympic Games

S&P Syndicate Public Company Limited held an award giving ceremony to honor the success and give thanks to the S&P staffs that represented the National Sports Team in the 2016 Paralympic Games. The event took place at S&P Suan Luang Rama IX Park to thank and congratulate the S&P staffs that went to compete in the 2016 Paralympic Games from September 8th-18th, 2016 in Rio De Janeiro, Brazil. In the past year, the Company had a policy to promote, improve and give all its employees a chance to perform their duties to the utmost efficiency.



At present, S&P has a total of 48 para-athletes, ranking the 3rd among the private sector organizations to have para-athlete staff under affiliation. Our staff to get medals from the Boccia competition included Khun Subin Thipmanee and Khun Nuanchan Polsila; Khun Subin won a gold medal for Thailand and was also the best athlete for 2016. The Company was highly proud of our staff's victory and reputation gained for the country and the Company.



16. Acceptance of the "Investment Promotion Certificate"

S&P Syndicate Public Company Limited by Khun Pravesvudhi Raiva, Chairman of the Executive Committee, Khun Kamtorn Sila-on, Senior Vice President of Group Production and Supply Chain, and Khun Somchit Kitithirakun, Vice President of Bakery Production, received the "Investment Promotion Certificate" from the Board of Investment of Thailand (BOI), as delivered by Khun Hirunya Suchinai, Secretary-General of the BOI, for the investment privileges and benefits of the Lamphun Bakery Factory, the Company's business operation, the investment promotion in the country's northern region, and the country's economic stimulation; the acceptance took place on Friday, December 2nd, 2016 at the Office of the BOI.

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 consolidated financial statements, have been prepared in accordance with the Thai Accounting Standard No.1 (Revised B.E.2555), regarding "Presentation of Financial Statements", in accordance with the Regulation of the Stock Exchange of Thailand dated January 22nd, 2001, regarding "the presentation 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 28th, 2011 regarding "The Brief Particulars in the Financial Statements B.E.2554", in accordance with Thai Accounting Standard No.34 (revised B.E.2558) regarding "the interim financial statement", in accordance with Thai Financial Reporting Standards and Accounting Practices generally accepted in Thailand, including sufficient disclosure of significant information in the notes to the financial statements.

The Board of Directors has appointed the Audit Committee, comprising of independent Directors, to be responsible for controlling the correctness and sufficiency of the financial statements, and assessing the appropriateness and efficiency of the internal control system and the independency of the internal audit. This is to assure that the account records have been booked, accurately, completely, and on time to prevent fraud or misconduct. The opinions of the Audit Committee have been presented in the Annual report.

The Board of Directors has an opinion that the audited financial statements, noted to the financial statements, statements of financial position, operating results and cash flows of the Company have been fairly presented their correctness in accordance with the Generally Accepted Accounting Principles. Besides, the Company has provided the corporate governance and internal control system that reasonably assure material correctness.



(Patara Sila-On)
Chairperson



(Kessuda Raiva Chief)
Chief Executive Officer

Audit Committee's Report

The Board of Directors of S&P Syndicate Public Company Limited has appointed 3 independent Directors to be the Audit Committee: Ms.Cattleya Saengsastra as Chairman of the Audit Committee, Ms.Sophavadee Uttamobol and Mr.Piya Sorsothikul as Audit Committee members. The Audit Committee performs its duties as per Audit Committee Charters, e.g. reviewing financial statements, internal control, overseeing practices as per laws, policies, regulations and orders, reviewing related party transactions and transactions that may cause conflict of interests, encourage good corporate governance, and proposing to appoint auditor and its remuneration.

To achieve the duties and responsibility mentioned above, in 2016, the Audit Committee held 6 meetings with the auditor, the internal auditors and involved persons, included a meeting with the auditor without participation of Management. All members of the Audit Committee regularly participates in such meetings. Summary of key issues were as follows:

1. Quarterly and Yearly review of financial statements of the Company and its Subsidiaries in 2016

The meetings were held with the auditor, internal auditors, Executives of Finance and Accounting group, and other involved persons to review information, evidences and accounting system and to discuss related matters and obtain satisfactory explanation for material transactions, e.g. the asset impairment, expense budget, domestic operations and operation abroad, various agreements and reporting issues as per new audit standards. These are for obtaining reliable financial statements in accordance with the accounting standards, issued by the Federation of Accounting Professions of Thailand under the Accounting Act, including appropriate and sufficient disclosure of information for business operations. The observations from the auditor for accounting adjustments were totally agreed by Accounting and were adjusted accordingly, which led the auditor to express its opinion without condition for the financial statements of the Company and the consolidated financial statements.

After satisfactory reviews, the Audit Committee endorsed the audit report, financial statements and notes to the financial statements to propose to the Annual General Meeting of the Shareholders for approval.

2. Review of Internal Control System

Review of the internal control system and computer system used to record financial transactions was executed, together with the internal audit and involved management, for the operational practices as per internal control regulations and authorities assigned by the Company. After discussion, it was found out that the Company has got decent internal control system and computer system well enough to fit for current operations under the current business environment, corresponding to the review of the external auditor, which did not make any major comment concerning the internal control system of the Company.

In 2016, there was an approved project to install package software, SAP (System Application and Products in Data Processing) to develop operation systems, data processing process and reporting to a more efficient and effective manners. The project will be completed and Go Live about early Quarter 2/2017, which will be an important system to raise the Company internal control system to better level.

3. Review of Internal Audit

The Audit Committee reviewed the operations of the internal audit as per approved audit plan and found out that the results were well beyond the target to improve the audit work in accordance with the vision of the internal audit (Creative audit for adding value to the organization as per good corporate governance principles). The internal audit was able to set missions, strategies and plans and could successfully implement major portions of the target. This has been considered from the quarterly audit summaries that the internal audit presented to audited units mentioning what were found and noted some suggestions for setting measures and standards for corrections, which have helped the audited units to a more efficient operations. Besides, the quality assurance unit, inside the internal audit Office, has

requested for evaluation and comments from the audited units for the audit service work to compare with the self-evaluation result of the audit team, which the results came out to be quite close. Internal audit can also take the comments from the audited units for its own quality improvements.

4. Review of compliances as per laws, rules and regulations

The Audit Committee reviewed the internal audit and involved divisions and found out that the audited units had satisfactorily complied to the laws, rules and regulations. The minor issues were followed up for prompt actions. In addition, there were agendas to consider changes of Law, accounting standards and other issues related to the Company operations, on quarterly basis, so that the opinions can be made for setting up of the operating procedures for related units to be in line with the business of the Company.

5. Assessment of Risk Management

This year the Audit Committee has assessed the risk management by the Risk Management Committee and found that its operations are conformed to the regulation of risk management; could control and follow up, and could also manage to decrease risk, especially those significant ones, to the acceptable level. This could be evidently witnessed from the continuously improved total revenues, compared to past years'. In this Annual report, significant risk factors are presented. Moreover, for the major expansion projects and new projects, the Company has set the regulation for risk assessment, including the forecast of those risk factors that may impede success of the project and the methods to decrease the risk in advance if risk would incur as forecasted.

6. Review of related transactions and conflict of interest transactions

The Audit Committee has reviewed with involved persons to consider the appropriateness and adequacy for reviewing intra-company transactions and connected transactions which may lead to conflict of interest, on quarterly basis. It was found that in 2016 the intra-company transactions are in normal courses of business transactions and the connected transactions are normal transactions as per announcement of the Stock Exchange of Thailand. Adequate information was properly disclosed in the Annual Report.

7. Promotion of Good Corporate Governance

The Company has strived to operate the business by holding to the good corporate governance principles so that its operations will be transparent and accountable. Besides, in order to build the creditability 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 law, regulation, and code of conduct. In 2016, however, there were quite a few appeals for misconduct and fraud which all had been checked, investigated and handled. Communication activities have been posted to employees at all levels to understand and behave as per or code of conduct, especially on the anti-corruption issues. Moreover, the internal audit operation efficiency has been geared more toward preventive measures.

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 performs well. The Committee had consensus to propose Deloitte Touche Tohmatsu Jaiyos Co.,Ltd. to be the Company auditor for another one more year. The appointment will be proposed to the Board of Directors to consider before proposing to the shareholders to approve the auditor appointment and fix the remuneration in the 2017 Annual General Meeting.

To maintain the righteous and independence of the audit works from the Management, the Audit Committee has one meeting with the auditor without Management. The auditors informed that they could get good co-operation and could appropriately perform their work as per accounting standards. The Audit Committee has an open-door policy for the internal audit team and the auditor to meet for discussion at all time, both the external auditor and the internal auditor, for suggestions to develop higher standard, efficient, effective, and up-to-date audit operations.

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

Opinion

We have audited the consolidated financial statements of S&P Syndicate Public Company Limited and its subsidiaries (the Group) and the separate financial statements of S&P Syndicate Public Company Limited (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2016, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying 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, 2016, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants determined by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
<p>Valuation of investment in subsidiaries in the separate financial statements and valuation of fixed assets and leasehold rights of those subsidiaries in the consolidated financial statements</p> <p>Two subsidiaries have incurred material retained deficit. This may cause the recoverable amounts of investment in such subsidiaries and fixed assets and leasehold rights of those subsidiaries to be less than the carrying amounts, which are in the amounts of Baht 50 million, Baht 59 million and Baht 12 million, respectively. Therefore, investments and fixed assets and leasehold rights of those subsidiaries may have incurred impairment. The consideration of impairment of investments in subsidiaries and fixed assets and leasehold rights of those subsidiaries is depended on the judgements and assumptions used by management in estimating the recoverable amounts.</p>	<p>Our key audit procedures included:</p> <ul style="list-style-type: none"> Understanding the impairment consideration process and related internal control procedures relating to impairment recognition Reviewing the design and implementation of the internal control procedures for such matter Involving our internal specialist to assist with: <ul style="list-style-type: none"> Critically evaluating whether the model used by management to calculate the value in use of the individual Cash Generating Units complies with the requirements of TAS 36 Impairment of Assets. Validating the assumptions used to calculate the discount rates and recalculating these rates.

Key Audit Matters	Audit Responses
Accounting policies for impairment of assets, impairment, impairment of investments and detail of investments in subsidiaries and fixed assets and leasehold rights of those subsidiaries were disclosed in the Notes 3.10, 3.20, 10, 13 and 14 to the financial statements.	<ul style="list-style-type: none"> Analysing the projected future cash flows used in the models to determine whether they are reasonable and supportable given the current market and expected future performance. Subjecting the key assumptions to sensitivity analysis. Comparing the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the accuracy of management's projections.

Other Information

Management is responsible for the other information. The other information comprises information included in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Group.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BANGKOK
February 23, 2017



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, 2016

UNIT : BAHT

ASSETS	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
CURRENT ASSETS					
Cash and cash equivalents	4.1	551,885,559	650,969,643	408,825,555	498,011,934
Temporary investments	5	224,672,493	317,645,387	205,245,664	312,789,399
Trade and other receivables	6 and 26	317,507,749	333,502,746	347,754,226	335,781,597
Short-term loan to a related party	7 and 26	-	-	9,000,000	-
Current portion of loans to related parties	12	-	-	10,539,055	18,054,890
Inventories	8	311,744,413	324,038,040	295,333,187	309,242,875
Other current assets		41,590,279	9,224,243	35,946,860	7,061,959
Total Current Assets		1,447,400,493	1,635,380,059	1,312,644,547	1,480,942,654
NON-CURRENT ASSETS					
Deposits used as collateral	9	1,052,860	1,052,860	583,660	583,660
Investments in associates	10 and 26	27,721,813	84,940,840	4,997,000	53,995,000
Investments in subsidiaries	10 and 26	-	-	260,880,839	220,880,839
Investments in joint ventures	10 and 26	97,098,743	86,959,641	20,000,000	20,000,000
Other long-term investment	11	10,000,000	10,000,000	10,000,000	10,000,000
Loans to related parties	12	5,000,000	6,000,000	32,473,890	38,934,780
Property, plant and equipment	13	1,673,941,300	1,579,709,775	1,388,329,545	1,269,851,526
Leasehold rights	14	87,562,587	79,442,310	59,245,140	42,716,424
Intangible asset	15	40,295,139	15,339,422	39,944,293	15,120,106
Deferred tax assets	16	40,904,045	34,481,289	34,203,617	27,807,087
Long-term deposits		267,982,790	254,328,094	208,441,574	183,139,920
Other non-current assets		14,750,998	19,069,720	7,986,568	9,384,774
Total Non-current Assets		2,266,310,275	2,171,323,951	2,067,086,126	1,892,414,116
TOTAL ASSETS		3,713,710,768	3,806,704,010	3,379,730,673	3,373,356,770

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2016

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from a financial institution	17	7,904,943	-	-	-
Trade and other payables	18 and 26	900,485,275	907,875,143	777,983,330	794,538,147
Current portion of long-term borrowings from financial institutions	20	14,034,421	16,302,487	6,000,000	-
Corporate income tax payable		47,924,253	112,186,818	46,150,703	93,516,946
Provision for customer loyalty programmes		-	5,096,474	-	5,096,474
Other current liabilities	19	73,605,189	62,166,222	34,847,065	36,106,478
Total Current Liabilities		1,043,954,081	1,103,627,144	864,981,098	929,258,045
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	20	30,083,026	18,066,036	21,500,000	-
Deferred tax liabilities	16	1,900,512	2,167,317	-	-
Employee benefit obligation	21	150,615,517	129,049,920	147,070,308	123,414,203
Other non-current liabilities	22	66,546,094	54,667,041	43,814,664	35,152,809
Total Non-current Liabilities		249,145,149	203,950,314	212,384,972	158,567,012
TOTAL LIABILITIES		1,293,099,230	1,307,577,458	1,077,366,070	1,087,825,057

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2016

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
490,408,365 ordinary shares of Baht 1 each		490,408,365	490,408,365	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	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	23	52,343,137	52,343,137	52,343,137	52,343,137
Unappropriated		1,146,842,070	1,200,583,335	1,069,632,552	1,052,799,662
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(48,231,519)	(23,681,899)	-	-
TOTAL ATTRIBUTIONS TO OWNERS OF THE PARENT		2,331,342,602	2,409,633,487	2,302,364,603	2,285,531,713
NON-CONTROLLING INTERESTS		89,268,936	89,493,065	-	-
TOTAL SHAREHOLDERS' EQUITY		2,420,611,538	2,499,126,552	2,302,364,603	2,285,531,713
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,713,710,768	3,806,704,010	3,379,730,673	3,373,356,770

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2016

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
Revenues from sales		7,774,932,567	7,551,991,844	6,657,239,978	6,378,768,346
Cost of sales		(4,299,017,119)	(3,997,737,764)	(4,006,244,784)	(3,690,738,084)
Gross profit		3,475,915,448	3,554,254,080	2,650,995,194	2,688,030,262
Other income	25	157,094,533	78,525,384	199,536,275	90,544,395
Selling expenses		(2,181,817,421)	(2,057,000,527)	(1,513,210,697)	(1,383,435,143)
Administrative expenses		(818,858,747)	(766,583,572)	(656,526,808)	(597,404,216)
Management benefit expenses	26	(53,337,471)	(53,069,246)	(51,110,628)	(45,155,309)
Net gain (loss) on exchange rate		(8,807,619)	4,502,127	(4,123,518)	4,205,754
Finance costs		(1,757,912)	(2,268,755)	(438,789)	(278,094)
Share of profit (loss) from investment in associates and joint ventures	26	(13,224,741)	4,215,229	-	-
Profit before income tax expense		555,206,070	762,574,720	625,121,029	756,507,649
Income tax expense	16	(117,048,243)	(154,507,100)	(114,468,932)	(147,847,869)
PROFIT FOR THE YEAR		438,157,827	608,067,620	510,652,097	608,659,780
OTHER COMPREHENSIVE INCOME (LOSS)					
Item that will not be reclassified subsequently to profit or loss					
Actuarial loss on defined employee benefit plan - net of tax		(840,441)	-	(3,410,842)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of financial statements		(25,263,786)	13,824,938	-	-
Unrealized gain on revaluation of available-for-sales securities (reversal)		(220,255)	(106,706)	-	-
Income tax relating to components of other comprehensive income		60,006	21,341	-	-
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR - NET OF TAX		(26,264,476)	13,739,573	(3,410,842)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		411,893,351	621,807,193	507,241,255	608,659,780

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
PROFIT ATTRIBUTABLE TO:					
Owners of the Parent		437,507,541	606,132,418	510,652,097	608,659,780
Non-controlling interests		650,286	1,935,202	-	-
		438,157,827	608,067,620	510,652,097	608,659,780
TOTAL COMPREHENSIVE INCOME (LOSS)					
ATTRIBUTABLE TO:					
Owners of the Parent		412,117,480	616,282,900	507,241,255	608,659,780
Non-controlling interests		(224,129)	5,524,293	-	-
		411,893,351	621,807,193	507,241,255	608,659,780
BASIC EARNINGS PER SHARE	BAHT	0.89	1.23	1.04	1.24
WEIGHTED AVERAGE NUMBER					
OF ORDINARY SHARES	SHARES	490,408,365	490,408,365	490,408,365	490,408,365

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

S&P Syndicate Public Company Limited And Subsidiaries
Statement of Changes In Shareholders' Equity
For The Year Ended December 31, 2016
Consolidated Financial Statement

UNIT : BAHT

	Notes	Equity attributable to owners of the parent							Non-controlling interests	Total shareholders' equity	
		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	Other comprehensive income		Income tax relating to components of other comprehensive income (loss)			
						Legal reserve	Exchange differences on translation of financial statements				
BEGINNING BALANCE AS AT JANUARY 1, 2015		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
Total comprehensive income for year		-	-	-	606,132,418	10,235,847	(106,706)	21,341	616,282,900	5,524,293	621,807,193
Dividends paid	24	-	-	-	(441,367,529)	-	-	-	(441,367,529)	-	(441,367,529)
ENDING BALANCE AS AT DECEMBER 31, 2015		490,408,365	689,980,549	52,343,137	1,200,583,335	(23,985,729)	379,791	(75,961)	2,409,633,487	89,493,065	2,499,126,552
BEGINNING BALANCE AS AT JANUARY 1, 2016		490,408,365	689,980,549	52,343,137	1,200,583,335	(23,985,729)	379,791	(75,961)	2,409,633,487	89,493,065	2,499,126,552
Total comprehensive income for year		-	-	-	436,667,100	(24,389,401)	(220,225)	60,006	412,117,480	(224,129)	411,893,351
Dividends paid	24	-	-	-	(490,408,365)	-	-	-	(490,408,365)	-	(490,408,365)
ENDING BALANCE AS AT DECEMBER 31, 2016		490,408,365	689,980,549	52,343,137	1,146,842,070	(48,375,130)	159,566	(15,955)	2,331,342,602	89,268,936	2,420,611,538

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

S&P Syndicate Public Company Limited And Subsidiaries

Statement of Changes In Shareholders' Equity

For The Year Ended December 31, 2016

Separate Financial Statements

UNIT : BAHT

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total Shareholders' equity
				Appropriated	Unappropriated	
				Legal reserve		
BEGINNING BALANCE AS AT JANUARY 1, 2015		490,408,365	689,980,549	52,343,137	885,507,411	2,118,239,462
Total comprehensive income for year		-	-	-	608,659,780	608,659,780
Dividends paid	24	-	-	-	(441,367,529)	(441,367,529)
ENDING BALANCE AS AT DECEMBER 31, 2015		490,408,365	689,980,549	52,343,137	1,052,799,662	2,285,531,713
BEGINNING BALANCE AS AT JANUARY 1, 2016		490,408,365	689,980,549	52,343,137	1,052,799,662	2,285,531,713
Total comprehensive income for year		-	-	-	507,241,255	507,241,255
Dividends paid	24	-	-	-	(490,408,365)	(490,408,365)
ENDING BALANCE AS AT DECEMBER 31, 2016		490,408,365	689,980,549	52,343,137	1,069,632,552	2,302,364,603

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

S&P Syndicate Public Company Limited And Subsidiaries

Statements of Cash Flows

For The Year Ended December 31, 2016

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax expense		555,206,070	762,574,720	625,121,029	756,507,649
Adjustments :					
Depreciation and amortization		392,253,740	367,855,261	323,051,474	294,720,495
Unrealized (gain) loss on exchange rate		781,990	116,263	1,846,522	(1,408,928)
Unrealized gain on revaluation of trading securities		(4,792,103)	(3,238,421)	(4,746,314)	(3,238,224)
Doubtful debts		2,109,570	-	-	-
Share of (profits) loss from investment in associates and joint ventures		13,224,741	(4,215,229)	-	-
Loss on impairment of fixed assets (reversal)		2,396,083	(7,674,332)	996,083	1,077,937
Loss on write-off of fixed and intangible asset		6,621,498	10,968,841	4,437,769	8,242,569
Gain on sales of temporary investments		(2,228,727)	(2,774,627)	(1,983,421)	(2,596,865)
Gain from sale of investment in an associate		(84,500,196)	-	(107,728,531)	-
Gain on sales of fixed assets		(3,100,584)	(1,623,952)	(3,100,584)	(1,639,844)
Employee benefit obligation expense		22,316,375	19,522,466	21,836,482	18,761,127
Customer loyalty programmes expense (reversal)		(5,096,474)	(4,249,205)	(5,096,474)	(4,249,205)
Dividend income		-	-	-	(1,499,940)
Interest income		(2,375,400)	(2,650,297)	(4,508,982)	(4,638,584)
Interest expense		1,757,912	2,268,755	438,789	278,094
Profit from operations before changes in operating assets and liabilities		894,574,495	1,136,880,243	850,563,842	1,060,316,281

S&P Syndicate Public Company Limited And Subsidiaries

Statements of Cash Flows (CONTINUED)

For The Year Ended December 31, 2016

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Operating assets (increase) decrease					
Trade and other receivables		12,942,859	(20,547,495)	(11,541,257)	(42,642,483)
Inventories		12,293,627	4,794,432	13,909,688	2,810,098
Other current assets		(32,366,036)	1,891,218	(28,884,900)	4,082,330
Deposits used as collateral		-	3,265,185	-	-
Long-term deposits		(13,654,696)	(28,806,109)	(25,301,654)	(15,761,632)
Other non-current assets		4,318,723	4,724,977	1,398,206	1,251,418
Operating liabilities increase (decrease)					
Trade and other payables		6,351,934	(18,131,676)	(917,064)	11,066,654
Other current liabilities		9,882,480	387,121	(2,815,899)	6,815,636
Cash paid for employee benefit obligations		(2,443,930)	(995,490)	(2,443,930)	(995,490)
Other non-current liabilities		(174,100)	(981,708)	1,998,442	-
Cash received from operations		891,725,356	1,082,480,698	795,965,474	1,026,942,812
Cash received from interest		2,366,120	2,680,195	4,844,509	3,700,850
Cash paid for interest		(1,376,163)	(2,255,176)	(210,887)	(59,310)
Cash paid for income tax		(187,087,651)	(139,377,873)	(167,378,994)	(143,888,764)
Net cash provided by operating activities		705,627,662	943,527,844	633,220,102	886,695,588
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash payments for loans to related parties		-	-	(14,000,000)	(10,094,000)
Cash received from loans to related parties		1,000,000	1,500,000	16,193,445	6,969,340
Cash payments for purchases of temporary investments		(514,226,531)	(540,000,000)	(496,726,531)	(540,000,000)
Proceeds from sales of temporary investments		614,000,000	549,656,692	611,000,000	547,156,692
Cash payment for purchase of investment in joint ventures		(38,371,150)	(83,190,144)	-	-

S&P Syndicate Public Company Limited And Subsidiaries

Statements of Cash Flows (CONTINUED)

For The Year Ended December 31, 2016

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2016	2015	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES (CONTINUED)					
Cash payment for purchase of investments in subsidiaries		-	-	(40,000,000)	(99,999,724)
Proceeds from sale of investment in an associate		156,726,531	-	156,726,531	-
Cash payments for purchases of fixed assets, intangible asset and leasehold right	4.2.1	(564,820,768)	(340,862,194)	(495,861,935)	(287,565,982)
Proceeds from sales of fixed assets		3,963,998	2,429,726	3,963,998	2,400,734
Dividends received		-	-	-	1,499,940
Net cash used in investing activities		(341,727,920)	(410,465,920)	(258,704,492)	(379,633,000)
CASH FLOW FROM FINANCING ACTIVITIES					
Decrease in bank overdrafts		-	(905,810)	-	-
Cash received from short-term borrowings from a financial institution		7,904,943	-	-	-
Cash repayments for long-term borrowings from financial institutions		(20,251,076)	(20,795,889)	(2,500,000)	-
Proceeds from long-term borrowings from financial institutions		30,000,000	-	30,000,000	-
Cash repayments for long-term finance lease liabilities	4.2.1	(989,986)	(891,684)	(989,986)	(891,684)
Dividends paid	4.2.2	(490,381,862)	(441,351,177)	(490,381,862)	(441,351,176)
Net cash used in financing activities		(473,717,981)	(463,944,560)	(463,871,848)	(442,242,860)
Unrealized loss on exchange of cash and cash equivalents		169,859	(116,263)	169,859	(116,263)
Exchange rate differences on translation of financial statements		10,564,296	11,569,541	-	-
Increase in cash and cash equivalents		(99,084,084)	80,570,642	(89,186,379)	64,703,465
Cash and cash equivalents as at January 1,		650,969,643	570,399,001	498,011,934	433,308,469
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	4.1	551,885,559	650,969,643	408,825,555	498,011,934

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

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 Bangkapi, 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 2015) “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”.

The accounting standards being adopted by the Company may not be in conformity with generally accepted accounting principles in other countries because the financial statements is not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Thailand. Accordingly, the financial statements have not been designed for those who are not familiar with accounting principles and accounting practices generally accepted in Thailand.

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, 2016 onwards, as follows:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 2 (Revised 2015)	Inventories
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events after the Reporting Period
TAS 11 (Revised 2015)	Construction Contracts
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 20 (Revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance

TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2015)	Borrowing Costs
TAS 24 (Revised 2015)	Related Party Disclosures
TAS 26 (Revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2015)	Separate Financial Statements
TAS 28 (Revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets
TAS 40 (Revised 2015)	Investment Property
TAS 41	Agriculture

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2015)	Share-based Payment
TFRS 3 (Revised 2015)	Business Combinations
TFRS 4 (Revised 2015)	Insurance Contracts
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

Thai Accounting Standards Interpretations (“TSIC”)

TSIC 10 (Revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2015)	Operating Leases - Incentives
TSIC 25 (Revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (Revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of Lease
TSIC 29 (Revised 2015)	Service Concession Arrangements : Disclosures
TSIC 31 (Revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2015)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2015)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2015)	Service Concession Arrangements
TFRIC 13 (Revised 2015)	Customer Loyalty Programmes
TFRIC 14 (Revised 2015)	TAS 19 (Revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2015)	Transfers of Assets from Customers
TFRIC 20 (Revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

Guideline on Accounting

Guideline on Accounting regarding Recognition and Measurement of Bearer Plants

Guideline on Accounting for Insurance Business regarding Designation of Financial Instruments at Fair Value through Profit or Loss

The Company's and its subsidiaries' management has assessed such Thai Financial Reporting Standards. Such TFRSs have no impact on the Company and its subsidiaries' interim financial information.

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 the revised Thai Accounting Standards ("TAS"), Thai Financial Reporting Standards ("TFRS"), Thai Accounting Standard Interpretations ("TSIC") and Thai Financial Reporting Interpretations ("TFRIC") applicable to the Company and its subsidiaries which are effective for the financial statements for the accounting periods beginning on or after January 1, 2017 onwards as follows:

Thai Accounting Standards ("TAS")

TAS 1 (Revised 2016)	Presentation of Financial Statements
TAS 2 (Revised 2016)	Inventories
TAS 7 (Revised 2016)	Statement of Cash Flows
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events after the Reporting Period
TAS 11 (Revised 2016)	Construction Contracts
TAS 12 (Revised 2016)	Income taxes
TAS 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits
TAS 20 (Revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2016)	Borrowing Costs
TAS 24 (Revised 2016)	Related Party Disclosures
TAS 26 (Revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2016)	Earnings Per Share
TAS 34 (Revised 2016)	Interim Financial Reporting
TAS 36 (Revised 2016)	Impairment of Assets
TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2016)	Intangible Assets
TAS 40 (Revised 2016)	Investment Property
TAS 41 (Revised 2016)	Agriculture
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation

Thai Financial Reporting Standards ("TFRS")

TFRS 2 (Revised 2016)	Share-based Payment
TFRS 3 (Revised 2016)	Business Combinations
TFRS 4 (Revised 2016)	Insurance Contracts
TFRS 5 (Revised 2016)	Non-current Assets Held for Sale and Discontinued Operations

TFRS 6 (Revised 2016)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2016)	Operating Segments
TFRS 10 (Revised 2016)	Consolidated Financial Statements
TFRS 11 (Revised 2016)	Joint Arrangements
TFRS 12 (Revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2016)	Fair Value Measurement

Thai Accounting Standards Interpretations (“TSIC”)

TSIC 10 (Revised 2016)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2016)	Operating Leases - Incentives
TSIC 25 (Revised 2016)	Income Taxes - Changes in the Tax Status of and Enterprise or its Shareholders
TSIC 27 (Revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2016)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 1 (Revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2016)	Applying the Restatement Approach under TAS 29 (revised 2016) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2016)	Service Concession Arrangements
TFRIC 13 (Revised 2016)	Customer Loyalty Programmes
TFRIC 14 (Revised 2016)	TAS 19 (revised 2016) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2016)	Distributions of Non - cash Assets to Owners
TFRIC 18 (Revised 2016)	Transfers of Assets from Customers
TFRIC 20 (Revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2016)	Levies

Guideline on Accounting

Guideline on Accounting regarding Recognition and Measurement of Bearer Plants

The Company's and its subsidiaries' management will adopt the above TFRSs that are 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, 2016 and 2015. These subsidiaries of the Company are detailed as follows:

	Business type	Country of registration	Percentage of shareholdings (%) As at December 31,	
			2016	2015
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 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.	Restaurant	Cambodia	99.96	99.96
S&P Development Holding Pte. Ltd.	Investment in other companies	Singapore	100.00	100.00
S&P Development Holding Co., Ltd.	Investment in other companies	Thailand	99.99	99.99

Additionally, the consolidated financial statements include the results from the financial statements of overseas subsidiaries invested by S&P Global Co., Ltd., which has been given authority to provide technical assistance to, and management of overseas Thai food restaurants. Those subsidiaries as follows:

	Business type	Country of registration	Percentage of shareholdings (%) As at December 31,	
			2016	2015
Directly invested 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 International Restaurant Management (Beijing) Co., Ltd. ⁽²⁾	Restaurant	The People's Republic of China	94.17	91.86
Patara Restaurant, Vienna GmbH	Restaurant	Austria	52.25	52.25

	Business type	Country of registration	Percentage of shareholdings (%) As at December 31,	
			2016	2015
Indirectly invested through S&P Restaurant Limited				
SUDA Limited	Restaurant (Hasn't commenced operation)	United Kingdom	96.00	96.00
Patara Restaurant, Vienna GmbH	Restaurant	Austria	40.80	40.80
Indirectly invested through SK Catering Pte. Ltd.				
Bangkok Jam Co., Ltd. ⁽¹⁾	Restaurant (Ceased operation)	Taiwan	50.00	50.00
Bangkok Jam Sdn. Bhd. ⁽¹⁾	Restaurant (Ceased operation)	Malaysia	50.00	50.00
Indirectly invested through Patara International Restaurant Management (Beijing) Co., Ltd.				
Shanghai Yueshi Restaurant Management Limited. ⁽²⁾	Restaurant	The People's Republic of China	51.00	-

⁽¹⁾ During the year ended December 31, 2015, Bangkok Jam Co., Ltd. and Bangkok Jam Sdn. Bhd. ceased their operation. Subsequently, these subsidiaries are in the process of liquidation.

⁽²⁾ On December 20, 2016, the Board of Directors' Meeting of S&P Global Co., Ltd. passed a resolution to approve Patara International Restaurant Management (Beijing) Co., Ltd., a subsidiary of S&P Global Co., Ltd., to jointly invest in Shanghai Yueshi Restaurant Management Co., Ltd. which is newly incorporated in the People's Republic of China to operate the restaurant business in People's Republic of China. Patara International Restaurant Management (Beijing) Co., Ltd. increased the authorized share capital in the amount of RMB 1.7 million (equivalent Baht 9.27 million) from RMB 4.3 million to RMB 6 million. S&P Global Co., Ltd. purchased all additional shares. As a result, shares held directly by S&P Global Co., Ltd. increased from 91.86% to 94.17% of shares of such subsidiary.

Subsequently, Patara International Restaurant Management (Beijing) Co., Ltd. invested in Shanghai Yueshi Restaurant Management Co., Ltd. amounting to RMB 1.53 million or by 51% of authorized share capital.

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, 2016 and 2015, 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 Details of non-wholly owned subsidiaries

Details of non-wholly owned subsidiaries of the Group are as follows:

Unit : Thousand Baht

Company's name	Proportion of ownership interests and voting rights held by non-controlling interests (%)		Profit (loss) allocated to non-controlling interests For the years ended December 31,		Accumulated non-controlling interests As at December 31,	
	2016	2015	2016	2015	2016	2015
SK Catering Pte., Ltd.	50	50	(4,253)	3,070	38,270	42,523
Individually immaterial subsidiaries with non-controlling interests			4,029	2,454	50,999	46,970
			(224)	5,524	89,269	89,493

The summarized financial information before intragroup eliminations of each subsidiaries that has material non-controlling interests were as follows:

Unit : Thousand Baht

SK Catering Pte., Ltd.	As at December 31,	
	2016	2015
Current assets	82,627	71,155
Non-current assets	64,523	90,160
Current liabilities	65,115	76,269
Non-current Liabilities	5,496	-
Total attributions to owners	38,270	42,523
Non-controlling interests	38,270	42,523

Unit : Thousand Baht

SK Catering Pte., Ltd.	For the years ended December 31,	
	2016	2015
Revenue	342,528	387,945
Expenses	(349,107)	(383,645)
Profit for the year	(6,579)	4,300
(Loss) Profit attributable to :		
Owners of the Parent	(3,290)	2,150
Non-controlling interests	(3,290)	2,150
	(6,580)	4,300
Total comprehensive (loss) income attributable to :		
Owners of the Parent	(4,253)	3,070
Non-controlling interests	(4,253)	3,070
	(8,506)	6,140

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 statement of profit or loss and other 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 five subsidiaries are calculated by using the weighted average cost method and of the other eight subsidiaries are calculated by using the first-in, first-out method.

3.5 Investments in associates, subsidiaries and joint ventures

Investments in associates, subsidiaries and joint ventures 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.

Investments in joint ventures are accounted for using 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 profit or loss and other 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 - 40	years
Machinery and equipment	5 - 15	years
Furniture and equipment	3 - 5	years
Vehicles	5	years

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

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

3.8 Intangible asset

Intangible asset consists of computer software development cost which 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 5 years.

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 or 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 recognizes an impairment loss as expense in the statement of profit or loss and other 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, 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 Company and its subsidiaries recognize the expense for defined employee benefit as personnel expenses in the statement of profit or loss and other comprehensive income.

The actuarial gains (losses) are recognized in other comprehensive income and transferred in full amount 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 profit or loss and other 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 the statements of financial position of lessee 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 statement of profit or loss and other 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 profit or loss and other 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 profit or loss and other 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 year.

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 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 profit or loss and other comprehensible 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 profit or loss and other 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 Fair value measurement for disclosure purpose

The Company and its subsidiaries regularly review significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company and its subsidiaries assess the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS 13, including the level in the fair value hierarchy.

When measuring the fair value of an asset or a liability, the Company and its subsidiaries use market observable data as the first priority. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques for fair value measurement as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

3.20 Accounting estimated and source of estimation uncertainty

(1) Use of management's judgements

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Group's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Impairment of investments

The carrying amounts of the investments in subsidiaries are reviewed at the end of each reporting period. The Group 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 or its value in use. The Group determines the value in use 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. Details of the impairment loss calculation are set out in Note 3.10.

Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of such obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group's considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related obligations. Additional information is disclosed in Note 3.12.

(2) Key sources of estimation uncertainty

The Group has accounting estimates with the assumptions concerning the future. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value measurements and valuation processes

Details of the fair value measurements and valuation processes are set out in Note 3.19.

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	
	2016	2015	2016	2015
Cash on hand	10,673	9,089	7,707	7,638
Bank deposits in savings and current accounts	518,787	625,645	387,590	481,957
Time deposits with maturity not more than 3 months (interest rates 0.62% - 1.25% per annum)	22,426	16,236	13,528	8,417
	551,886	650,970	408,825	498,012

4.2 Non-cash transactions are as follows:

4.2.1 Liabilities incurred from acquisition of fixed assets, intangible asset and leasehold rights as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Liabilities incurred from acquisition of fixed assets, intangible asset and leasehold rights as at January 1,	65,219	72,138	63,107	67,707
<u>Add</u> Purchases of fixed assets, intangible asset and leasehold rights during the years	565,271	352,896	489,180	283,808
<u>Less</u> Provision for costs of dismantling, removing and restoring the site	(8,939)	(18,953)	(3,549)	(842)
Liabilities under finance lease agreements	(5,433)	-	(5,433)	-
Cash payments	(564,821)	(340,862)	(495,862)	(287,566)
Liabilities incurred from acquisition of fixed assets, intangible asset and leasehold rights as at December 31,	51,297	65,219	47,443	63,107
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,	255	1,146	255	1,146
<u>Add</u> Liabilities under finance lease agreements	5,433	-	5,433	-
<u>Less</u> Cash payments	(990)	(891)	(990)	(891)
Balance as at December 31,	4,698	255	4,698	255
Future lease payments under finance lease agreements as at December 31, 2016 and 2015				
Not later than 1 year	1,811	255	1,811	255
Later than 1 year but not later than 5 years	2,887	-	2,887	-
	4,698	255	4,698	255

4.2.2 Accrued dividends as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Accrued dividends as at January 1,	306	290	306	290
Add Dividends declaration during the year	490,408	441,367	490,408	441,367
Less Dividends paid	(490,381)	(441,351)	(490,381)	(441,351)
Accrued dividends as at December 31,	333	306	333	306

5. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
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	100,962	194,976	83,417	194,976
- Private funds	121,829	117,813	121,829	117,813
Available-for-sales securities				
- Fixed income open-ended funds	1,868	4,843	-	-
Total temporary investments	224,672	317,645	205,246	312,789

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

Unit : Thousand Baht

As at December 31, 2016	Cost value As at December 31, 2016	Unrealized gain (loss) on revaluation of temporary investments	Fair value As at December 31, 2016
Trading securities			
- Fixed income open-ended funds	100,186	776	100,962
- Private funds	117,813	4,016	121,829
Available-for-sales securities			
- Fixed income open-ended funds	2,104	(236)	1,868

Unit : Thousand Baht

As at December 31, 2015	Cost value As at December 31, 2015	Unrealized gain (loss) on revaluation of temporary investments	Fair value As at December 31, 2015
Trading securities			
- Fixed income open-ended funds	194,121	855	194,976
- Private funds	115,430	2,383	117,813
Available-for-sales securities			
- Fixed income open-ended funds	4,463	380	4,843

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

Unit : Thousand Baht

As at December 31, 2016	Cost value As at December 31, 2016	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2016
Trading securities			
- Fixed income open-ended funds	82,686	731	83,417
- Private funds	117,813	4,016	121,829

Unit : Thousand Baht

As at December 31, 2015	Cost value As at December 31, 2015	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2015
Trading securities			
- Fixed income open-ended funds	194,121	855	194,976
- Private funds	115,430	2,383	117,813

6. TRADE AND OTHER RECEIVABLES

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Trade receivables - other companies	261,160	277,279	237,877	256,136
Trade receivables - related parties	5,590	6,447	65,222	33,534
	266,750	283,726	303,099	289,670
<u>Less</u> Allowance for doubtful accounts	(2,406)	(2,575)	(2,152)	(2,152)
Total trade receivables	264,344	281,151	300,947	287,518
Advance payments to related parties	45	177	4,145	13,144
Other receivables - other companies	13,092	10,469	7,093	6,539
Accrued income - related parties	1,987	416	14,636	7,481
Prepaid expenses	38,040	41,290	20,933	21,100
Total trade and other receivables	317,508	333,503	347,754	335,782

Trade receivables as at December 31, 2016 and 2015 are classified by aging as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Trade receivables				
Third parties				
Current	144,963	131,399	121,934	110,679
Overdue				
3 months or less	111,303	142,372	111,303	142,372
Over 3 months up to 6 months	1,729	631	1,729	631
Over 6 months up to 12 months	107	193	107	193
Over 12 months	3,058	2,684	2,804	2,261
Total	261,160	277,279	237,877	256,136
Related parties				
Current	5,474	6,327	8,572	5,200
Overdue				
3 months or less	116	75	12,434	9,590
Over 3 months up to 6 months	-	1	12,680	4,985
Over 6 months up to 12 months	-	40	14,591	9,131
Over 12 months	-	4	16,945	4,628
Total	5,590	6,447	65,222	33,534
	266,750	283,726	303,099	289,670
Less Allowance for doubtful accounts	(2,406)	(2,575)	(2,152)	(2,152)
Trade receivables	264,344	281,151	300,947	287,518

7. SHORT-TERM LOAN TO A RELATED PARTY

As at December 31, 2016, the Company granted a loan to S&P Global Co., Ltd. in form of promissory note in the amount of Baht 9 million, carried fixed interest at the rate of 3 percent per annum. Such loan is unsecured and is callable on demand. (As at December 31, 2015: nil)

8. INVENTORIES

Inventories as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Finished goods	129,702	107,888	129,515	107,772
Work in process	86	72	86	72
Raw materials	111,557	149,949	98,349	137,584
Packaging materials	58,721	54,895	58,019	54,415
Spare parts and supplies	11,647	11,234	9,333	9,400
Goods in transit	31	-	31	-
Total inventories	311,744	324,038	295,333	309,243

For the years ended December 31, 2016 and 2015, the costs of inventories recognized as an expense during the year in the consolidated financial statements are Baht 4,299 million and Baht 3,998 million, respectively, and in the separate financial statements are Baht 4,006 million and Baht 3,691 million, respectively.

9. DEPOSITS USED AS COLLATERAL

9.1 As at December 31, 2016 and 2015, 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, 2015, cash at bank of S&P Asset Co., Ltd. of Baht 0.47 million was used as collateral against the letters of guarantee from a bank for electricity usage (see Note 32.3).

10. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES

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

Unit : Thousand Baht

	Type of business	Paid-up share capital		Percentage of shareholding (%)		Balance (at cost method)		Balance (at equity method)	
		2016	2015	2016	2015	2016	2015	2016	2015
Associates :									
Shares held by S&P Syndicate Public Company Limited									
HD Distributors (Thailand) Co., Ltd.	Agency for food distribution	-	100,000	-	48.99	-	48,998	-	69,438
Foodhouse Catering Services Co., Ltd.	Catering	10,000	10,000	49.97	49.97	4,997	4,997	27,722	15,503
Total investments in associates								27,722	84,941
Joint ventures :									
Shares held by S&P Syndicate Public Company Limited									
MSC Thai Cuisine Co., Ltd.	Culinary School	50,000	50,000	40.00	40.00	20,000	20,000	13,537	14,369
Shares held by S&P Development Holding Co., Ltd.									
Patara Fine Thai Cuisine Limited ⁽¹⁾	Restaurant	GBP 4.5 million	GBP 3 million	50.00	50.00	121,561	83,190	83,562	72,591
Total investments in joint ventures								97,099	86,960

⁽¹⁾ On May 6, 2016, the Board of Directors' Meeting of the Patara Fine Thai Cuisine Limited passed the resolution to increase its authorized share capital from Pound Sterling 3 million to Pound Sterling 4.5 million by issuing additional 1,500,000 ordinary shares of Pound Sterling 1 each, totalling Pound Sterling 1.5 million (equivalent to Baht 76.74 million). Such joint venture called up and fully received such share subscriptions. S&P Development Holding Co., Ltd. had additionally invested in such company with the same percentage of shareholding at the rate of 50%.

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

Unit : Thousand Baht

	Type of business	Paid-up capital As at December 31,		Percentage of shareholding (%) As at December 31,		Balance (at cost) As at December 31,		Dividend income For the years ended December 31,	
		2016	2015	2016	2015	2016	2015	2016	2015
Shares held by S&P Syndicate Public Co., Ltd.Associates :									
HD Distributors (Thailand) Co., Ltd	Agency for food distribution	-	100,000	-	48.99	-	48,998	-	1,500
Foodhouse Catering Services Co., Ltd.	Catering	10,000	10,000	49.97	49.97	4,997	4,997	-	-
Total investments in associates						4,997	53,995		
Shares held by S&P Syndicate Public Co., Ltd.Subsidiaries :									
S&P Global Co., Ltd.	Invest in other companies	50,000	50,000	80.00	80.00	40,000	40,000	-	-
S&P Asset Co., Ltd.	Office rental	1,000	1,000	99.93	99.93	999	999	-	-
S&P International Foods Co., Ltd.	Restaurant	50,000	50,000	99.99	99.99	49,997	49,997	-	-
Umenohana S&P Co., Ltd.	Restaurant	25,000	25,000	59.99	59.99	15,000	15,000	-	-
S&P International Foods (Cambodia) Co., Ltd.	Restaurant	USD 457,500	USD 457,500	99.96	99.96	14,885	14,885	-	-
S&P Development Holding Pte. Ltd.	Invest in other companies	SGD 1	SGD 1	100.00	100.00	-	-	-	-
S&P Development Holding Co., Ltd. ⁽¹⁾	Invest in other companies	140,000	100,000	99.99	99.99	140,000	100,000	-	-
Total investments in subsidiaries						260,881	220,881		
Shares held by S&P Syndicate Public Co.,Ltd. Joint venture :									
MSC Thai Cuisine Co., Ltd.	Culinary School	50,000	50,000	40.00	40.00	20,000	20,000	-	-
Total investments in joint venture						20,000	20,000		
Total dividend income								-	1,500

⁽¹⁾ In June 2015, S&P Development Holding Co., Ltd. registered corporation with authorized share capital of Baht 5 million and fully called and paid-up share capital. Subsequently, the subsidiary increased its authorized share capital from Baht 5 million to Baht 200 million by issuing additional 1,950,000 ordinary shares of Baht 100 each, totalling Baht 195 million. Such subsidiary called up and received such share subscriptions at Baht 48.72 per share, totalling Baht 95 million and registered the increase in share capital with the Ministry of Commerce on August 21, 2015. In June 2016, such subsidiary called and received the additional share subscriptions at Baht 20.51share, totalling Baht 40 million. As a result, the Company had investments in such subsidiary increasing from Baht 100 million to Baht 140 million.

S&P International Foods Co., Ltd., a subsidiary of the Company has loss from operation and as at December 31, 2016, retained deficit is amounting to Baht 43.61 million (carrying amount of investment in the separate financial statements amounting to Baht 50 million and fixed assets and leasehold rights of such subsidiary in the consolidated financial statement amounting to Baht 49.90 million). The loss of subsidiary is an indication of asset impairment, which the Company estimated the recoverable amounts by estimating value in use and noted that the value in use of investment and fixed assets are higher than carrying amounts.

Details of material associate companies

The summarised financial information of the material associate companies represents amounts shown in the associate's financial statements prepared in accordance with TFRSs and adjusted by the Group for equity accounting method, are as follows:

Unit: Thousand Baht

HD Distributors (Thailand) Co., Ltd.	As at December 31, 2016	As at December 31, 2015
Current assets	-	171,210
Non-current assets	-	70,475
Current liabilities	-	(98,654)
Non-current liabilities	-	(1,292)

Unit: Thousand Baht

	For the period from January 1, to April 5, 2016 (Selling date)	For the years ended December 31, 2015
Revenue	110,950	383,143
Profit from continuing operations	7,527	19,758
Profit for the year	5,853	15,232

Reconciliation of the above summarised financial information to the carrying amount of the interest in HD Distributors (Thailand) Co., Ltd. recognised in the consolidated financial statements is as follows:

Unit: Thousand Baht

	As at December 31, 2016	As at December 31, 2015
Net assets of the associate	-	141,739
Proportion of the Group's ownership interest in HD Distributors (Thailand) Co., Ltd. (%)	-	48.99
Carrying amount of the Group's interest in HD Distributors (Thailand) Co., Ltd.	-	69,438

Aggregate information of associate companies that are not individually material

Unit: Thousand Baht

	2016	2015
The Group's share of profit from continuing operations for the years ended December 31,	12,219	10,603
Aggregate carrying amount of the Group's interests in these associates as at December 31,	27,722	15,503

On April 5, 2016, the Company entered into the agreement to sell all shares of HD Distributors (Thailand) Co., Ltd., of 95,996 shares at the sale price of Baht 1,632.65 per share, totalling of Baht 156.73 million. The Company recognized gain on sale of investment in an associate amounting to Baht 84.50 million and Baht 107.73 million in the consolidated and separate financial statements, respectively.

The summarized financial information of the material associate company represents amounts shown in the associate's financial statements prepared in accordance with TFRSs and adjusted by the Group for equity accounting purposes for the year ended December 31, 2016 were as follows:

Patara Fine Thai Cuisine Limited

Summarised statement of financial position as at December 31,

Unit: Thousand Baht

	2016	2015
Current assets		
Cash and cash equivalents	61,992	77,838
Other current assets (excluding cash)	14,039	10,085
Total current assets	76,031	87,923
Non-current assets	111,008	70,013
Total assets	187,039	157,936
Current liabilities		
Financial liabilities (excluding trade payables)	-	(204)
Other current liabilities (including trade payables)	(34,739)	(12,550)
Total current liabilities	(34,739)	(12,754)
Total liabilities	(34,739)	(12,754)
Net assets	152,300	145,182

Summarised statements of profit or loss and other comprehensive income for the years ended December 31,

Unit: Thousand Baht

	2016	2015
Revenue	66,495	1,755
Cost of sale	(18,063)	(706)
Staff cost	(41,787)	(2,528)
Administration expense	(58,229)	(19,719)
Loss from continuing operations	(51,584)	(21,198)
Income tax expense	-	-
Post-tax loss from continuing operations	(51,584)	(21,198)
Total comprehensive loss	(51,584)	(21,198)

Reconciliation of the above summarized financial information to the carrying amount of the interest in joint venture recognized in the consolidated financial statements as at December 31, is as follows:

Unit: Thousand Baht

	2016	2015
Net assets of the joint venture	152,300	145,182
Adjust exchange differences on translation of financial statements	14,824	-
	167,124	145,182
Proportion of the Group's ownership interest in the joint venture (%)	50.00	50.00
Carrying amount of the Group's interest in the joint venture	83,562	72,591

Aggregate information of joint ventures that are not individually material

Unit: Thousand Baht

	2016	2015
The Group's share of loss for the years ended December 31,	(832)	(3,252)
Aggregate carrying amount of the Group's interests in these joint ventures as at December 31,	13,537	14,369

11. OTHER LONG-TERM INVESTMENT

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

Unit: Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Security Held-to-Maturity				
Subordinated debenture 10 years (interest rate at 4.375% per annum)	10,000	10,000	10,000	10,000

12. LOANS TO RELATED PARTIES

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

Unit: Thousand Baht

	Principal	Interest rate % per annum	Consolidated Financial StateMents		Separate Financial Statements	
			2016	2015	2016	2015
Loans to related parties						
Subsidiaries						
Patara Restaurant, Vienna GmbH	Baht 49.97 million	3.0	-	-	49,974	49,974
Less Allowance for doubtful accounts			-	-	(25,000)	(25,000)
			-	-	24,974	24,974
S&P International Foods Co., Ltd.	Baht 10.09 million	3.0	-	-	6,500	10,094
S&P Restaurant Limited	GBP 0.4 million	3.0	-	-	6,539	15,922
An associate						
Foodhouse Catering Services Co., Ltd.	Baht 7.5 million	5.0	-	6,000	-	6,000
Joint ventures						
MSC Thai Cuisine Co., Ltd.	Baht 5.0 million	4.5	5,000	-	5,000	-
Total loans to related parties			5,000	6,000	43,013	56,990
Current portion of loans to related parties - presented in current assets			-	-	10,539	18,055
Loans to related parties - presented in non-current assets			5,000	6,000	32,474	38,935
			5,000	6,000	43,013	56,990

- In 2013, the Company granted a loan to S&P Restaurant Limited in the amount of GBP 0.4 million. The loan is payable totalling 3 installments. The first principal repayment will be repaid in November 2015 of GBP 0.10 million, the second repayment in November 2016 in the amount of GBP 0.15 million and the final repayment in November 2017 in the amount of GBP 0.15 million. During 2016 and 2015, the Company received the installment in the amount of GBP 0.15 million (equivalent to Baht 6.60 million) and GBP 0.10 million (equivalent to Baht 5.47 million), respectively.

- In 2013, the Company granted a loan to Patara Restaurant, Vienna GmbH in the amount of Baht 49.97 million. Such subsidiary issued a promissory note to the Company and the note is callable on demand.

As such subsidiary has retained deficit, the Company thus considered to provide an allowance for doubtful accounts for loan to such subsidiary of Baht 25 million.

- In 2013, the Company granted a loan to Foodhouse Catering Services Co., Ltd. in the amount of Baht 6 million in term of promissory note. Such promissory note is unsecured and is called on demand. During year 2016, the Company fully received the remaining payment.

- On June 3, 2015, the Company granted a loan in the amount of Baht 10.09 million to S&P International Foods Co., Ltd. Such loan is unsecured and due within 10 months. Subsequently, in April 2016, the Company entered into a contract addendum with such subsidiary to extend the loan period. The loan is payable on the quarterly basis, totalling 10 installments and during year 2016 the Company received the partial payment in the amount of Baht 3.59 million.

- On May 31, 2016, the Company has entered into the loan agreement with MSC Thai Cuisine Co., Ltd. of Baht 5 million, carried fixed interest at the rate of 4.5 percent per annum. Such loan is unsecured and is callable on demand.

As at December 31, 2016, loans to Patara Restaurant, Vienna GmbH, S&P Restaurant Limited and MSC Thai Cuisine Co., Ltd., the Company anticipated to be collectible from those to related parties after 12 months from the date of reporting period, therefore, those loans were presented as the non-current assets.

13. PROPERTY, PLANT AND EQUIPMENT

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

Unit : Thousand Baht

As at December 31, 2016	Consolidated Financial Statements					
	Balance as at January 1, 2016	Additions	Disposals	Transfer in (Transfer out)	Differences on Translation of Financial Statements	Balance as at December 31, 2016
Cost						
Land	279,483	-	-	-	-	279,483
Buildings and building improvements	238,038	-	(2,339)	-	(28,520)	207,179
Factory buildings	200,131	-	-	-	-	200,131
Machinery and equipment	1,259,654	94,173	(36,618)	35,375	(8,405)	1,344,179
Furniture and equipment						
- Offices and factories	740,708	82,206	(26,958)	54,527	-	850,483
- Restaurants and bakery shops	1,599,567	88,461	(105,484)	141,375	(18,065)	1,705,854
Vehicles	63,758	5,844	(6,082)	1,260	(293)	64,487
Total cost	4,381,339	270,684	(177,481)	232,537	(55,283)	4,651,796

Unit : Thousand Baht

As at December 31, 2016	Consolidated Financial Statements					
	Balance as at January 1, 2016	Additions	Disposals	Transfer in (Transfer out)	Differences on Translation of Financial Statements	Balance as at December 31, 2016
Accumulated depreciation						
Buildings and building improvements	(97,292)	(6,143)	2,339	-	5,092	(96,004)
Factory buildings	(134,545)	(5,539)	-	-	-	(140,084)
Machinery and equipment	(922,839)	(115,522)	35,854	-	6,069	(996,438)
Furniture and equipment						
- Offices and factories	(507,573)	(56,824)	26,277	-	-	(538,120)
- Restaurants and bakery shops	(1,110,136)	(179,547)	99,482	-	12,256	(1,177,945)
Vehicles	(50,785)	(5,723)	6,052	-	294	(50,162)
Total accumulated depreciation	(2,823,170)	(369,298)	170,004	-	23,711	(2,998,753)
Building improvements and equipment under construction and installation	23,866	234,684	(7)	(232,537)	(387)	25,619
Less Allowance for impairment - building improvements and equipment	(2,325)	(3,663)	1,267	-	-	(4,721)
Property, plant and equipment	1,579,710					1,673,941

Unit : Thousand Baht

As at December 31, 2015	Consolidated Financial Statements					
	Balance as at January 1, 2015	Additions	Disposals	Transfer in (Transfer out)	Differences on Translation of Financial Statements	Balance as at December 31, 2015
Cost						
Land	279,483	-	-	-	-	279,483
Buildings and building improvements	229,718	1,523	-	-	6,797	238,038
Factory buildings	200,260	-	(129)	-	-	200,131
Machinery and equipment	1,218,759	54,227	(70,379)	53,129	3,918	1,259,654

Unit : Thousand Baht

As at December 31, 2015	Consolidated Financial Statements					
	Balance as at January 1, 2015	Additions	Disposals	Transfer in (Transfer out)	Differences on Translation of Financial Statements	Balance as at December 31, 2015
Furniture and equipment						
- Offices and factories	625,368	35,799	(12,161)	91,702	-	740,708
- Restaurants and bakery shops	1,484,258	85,984	(58,331)	86,113	1,543	1,599,567
Vehicles	61,387	3,327	(1,029)	-	73	63,758
Total cost	4,099,233	180,860	(142,029)	230,944	12,331	4,381,339
Accumulated depreciation						
Buildings and building improvements	(86,419)	(8,049)	-	-	(2,824)	(97,292)
Factory buildings	(126,870)	(7,803)	128	-	-	(134,545)
Machinery and equipment	(870,808)	(113,765)	64,686	-	(2,952)	(922,839)
Furniture and equipment						
- Offices and factories	(473,659)	(45,592)	11,678	-	-	(507,573)
- Restaurants and bakery shops	(992,001)	(167,495)	52,910	-	(3,550)	(1,110,136)
Vehicles	(46,181)	(5,508)	976	-	(72)	(50,785)
Total accumulated depreciation	(2,595,938)	(348,212)	130,378	-	(9,398)	(2,823,170)
Building improvements and equipment under construction and installation	112,486	142,371	-	(230,944)	(47)	23,866
<u>Less</u> Allowance for impairment	(9,999)	(1,380)	9,054	-	-	(2,325)
- building improvements and equipment						
Property, plant and equipment	1,605,782					1,579,710
Depreciation for the years ended December 31,						
2016						369,298
2015						348,212
Gross carrying amount of fully depreciated fixed assets that is still in use as at December 31,						
2016						1,855,868
2015						1,725,925

Unit : Thousand Baht

As at December 31, 2016	Separate Financial Statements				
	Balance as at January 1, 2016	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2016
Cost					
Land	279,483	-	-	-	279,483
Buildings and building improvements	40,460	-	(2,339)	-	38,121
Factory buildings	200,131	-	-	-	200,131
Machinery and equipment	1,145,657	81,765	(33,723)	34,899	1,228,598
Furniture and equipment					
- Offices and factories	740,375	82,157	(26,764)	54,527	850,295
- Restaurants and bakery shops	1,268,625	36,308	(101,254)	137,746	1,341,425
Vehicles	62,316	5,844	(6,082)	1,260	63,338
Total cost	3,737,047	206,074	(170,162)	228,432	4,001,391
Accumulated depreciation					
Buildings and building improvements	(36,564)	(936)	2,339	-	(35,161)
Factory buildings	(134,545)	(5,540)	-	-	(140,085)
Machinery and equipment	(849,944)	(100,783)	33,070	-	(917,657)
Furniture and equipment					
- Offices and factories	(507,306)	(56,789)	26,089	-	(538,006)
- Restaurants and bakery shops	(911,946)	(134,988)	97,311	-	(949,623)
Vehicles	(49,340)	(5,723)	6,052	-	(49,011)
Total accumulated depreciation	(2,489,645)	(304,759)	164,861	-	(2,629,543)
Building improvements and equipment under construction and installation	23,830	223,460	-	(228,432)	18,858
Less Allowance for impairment - building improvements and equipment	(1,380)	(2,263)	1,267	-	(2,376)
Property, plant and equipment	1,269,852				1,388,330

Unit : Thousand Baht

As at December 31, 2015	Separate Financial Statements				
	Balance as at January 1, 2015	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2015
Cost					
Land	279,483	-	-	-	279,483
Buildings and building improvements	40,460	-	-	-	40,460
Factory buildings	200,260	-	(129)	-	200,131
Machinery and equipment	1,095,755	44,237	(47,080)	52,745	1,145,657
Furniture and equipment					
- Offices and factories	625,048	35,737	(12,112)	91,702	740,375
- Restaurants and bakery shops	1,169,977	57,136	(39,630)	81,142	1,268,625
Vehicles	59,541	3,330	(555)	-	62,316
Total cost	3,470,524	140,440	(99,506)	225,589	3,737,047
Accumulated depreciation					
Buildings and building improvements	(35,304)	(1,260)	-	-	(36,564)
Factory buildings	(126,870)	(7,803)	128	-	(134,545)
Machinery and equipment	(800,842)	(95,152)	46,050	-	(849,944)
Furniture and equipment					
- Offices and factories	(473,386)	(45,571)	11,651	-	(507,306)
- Restaurants and bakery shops	(821,742)	(122,497)	32,293	-	(911,946)
Vehicles	(44,387)	(5,456)	503	-	(49,340)
Total accumulated depreciation	(2,302,531)	(277,739)	90,625	-	(2,489,645)
Building improvements and equipment under construction and installation	112,402	137,017	-	(225,589)	23,830
<u>Less</u> Allowance for impairment - building improvements and equipment	(302)	(1,380)	302	-	(1,380)
Property, plant and equipment	1,280,093				1,269,852

Unit : Thousand Baht

As at December 31, 2015	Separate Financial Statements				
	Balance as at January 1, 2015	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2015
Depreciation for the years ended December 31,					
2016					304,759
2015					277,739
Gross carrying amount of fully depreciated fixed assets that is still in use as at December 31,					
2016					1,825,446
2015					1,725,583

S&P Restaurant Limited

As at December 31, 2016 and 2015, buildings of S&P Restaurant Limited with the cost value of GBP 2.01 million (equivalent to Baht 88.51 million) and GBP 2.01 million (equivalent to Baht 107.54 million), respectively, have been used as collateral for long-term loans with a commercial bank (see Note 20).

As at December 31, 2016 and 2015, the assets under financial leases are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Cost of assets - vehicles	6,971	2,761	6,971	2,761
Less Accumulated depreciation	(715)	(1,476)	(715)	(1,476)
Carrying amount	6,256	1,285	6,256	1,285

S&P International Foods Co., Ltd., a subsidiary of the Company has loss from operation and as at December 31, 2016, retained deficit is amounting to Baht 43.61 million (carrying amount of investments in the separate financial statements amounting to Baht 50 million and fixed assets and leasehold right of such subsidiary in the consolidated financial statement amounting to Baht 49.90 million). The loss of subsidiary is the indication of asset impairment, which the Company estimated the recoverable amount by estimating value in use and noted that the value in use of investment and fixed assets are higher than carrying amount.

Patara Restaurant, Vienna GmbH, a subsidiary of S&P Global Co., Ltd. has loss from operations and as at December 31, 2016, retained deficit is amounting to Baht 102.45 million (carrying amount of fixed assets of such subsidiary in the consolidated financial statement in the amount of Baht 21.65 million). The loss of subsidiary is the indication of asset impairment, which the Company estimated the recoverable amount by estimating value in use and noted that the value in use of fixed assets is higher than carrying amount.

14. LEASEHOLD RIGHTS

Leasehold rights as at December 31, consists of:

Unit : Thousand Baht

As at December 31, 2016	Consolidated Financial Statements				
	Balance as at January 1, 2016	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2016
Cost					
Leasehold rights	245,352	29,184	-	(11,085)	263,451
Total cost	245,352	29,184	-	(11,085)	263,451
Accumulated amortization					
Leasehold rights	(165,910)	(17,193)	-	7,215	(175,888)
Total accumulated amortization	(165,910)	(17,193)	-	7,215	(175,888)
Leasehold rights	79,442				87,563

Unit : Thousand Baht

As at December 31, 2015	Consolidated Financial Statements				
	Balance as at January 1, 2015	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2015
Cost					
Leasehold rights	219,505	23,300	-	2,547	245,352
Total cost	219,505	23,300	-	2,547	245,352
Accumulated amortization					
Leasehold rights	(149,125)	(15,091)	-	(1,694)	(165,910)
Total accumulated amortization	(149,125)	(15,091)	-	(1,694)	(165,910)
Leasehold rights	70,380				79,442
Amortization for the years ended December 31,					
2016					17,193
2015					15,091

Unit : Thousand Baht

As at December 31, 2016	Separate Financial Statements			
	Balance as at January 1, 2016	Additions	Disposals	Balance as at December 31, 2016
Cost				
Leasehold rights	168,289	29,184	-	197,473
Total cost	168,289	29,184	-	197,473
Accumulated amortization				
Leasehold rights	(125,573)	(12,655)	-	(138,228)
Total accumulated amortization	(125,573)	(12,655)	-	(138,228)
Leasehold rights	42,716			59,245

Unit : Thousand Baht

As at December 31, 2015	Separate Financial Statements			
	Balance as at January 1, 2015	Additions	Disposals	Balance as at December 31, 2015
Cost				
Leasehold rights	168,289	-	-	168,289
Total cost	168,289	-	-	168,289
Accumulated amortization				
Leasehold rights	(113,031)	(12,542)	-	(125,573)
Total accumulated amortization	(113,031)	(12,542)	-	(125,573)
Leasehold rights	55,258			42,716
Amortization for the years ended December 31,				
2016				12,655
2015				12,542

S&P International Foods Co., Ltd., a subsidiary of the Company has loss from operation and as at December 31, 2016, retained deficit is amounting to Baht 43.61 million (carrying amount of investments in the separate financial statements amounting to Baht 50 million and fixed assets and leasehold rights of such subsidiary in the consolidated financial statement amounting to Baht 49.90 million). The loss of subsidiary is the indication of asset impairment, which the Company estimated the recoverable amount by estimating value in use and noted that the value in use of investment and fixed assets are higher than carrying amount.

15. INTANGIBLE ASSET

Intangible asset as at December 31, consists of:

Unit : Thousand Baht

As at December 31, 2016	Consolidated Financial Statements				
	Balance as at January 1, 2016	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2016
Cost					
Computer software development costs	32,995	30,719	-	(2)	63,712
Total cost	32,995	30,719	-	(2)	63,712
Accumulated amortization					
Computer software development costs	(17,656)	(5,762)	-	1	(23,417)
Total accumulated amortization	(17,656)	(5,762)	-	1	(23,417)
Intangible asset	15,339				40,295

Unit : Thousand Baht

As at December 31, 2015	Consolidated Financial Statements				
	Balance as at January 1, 2015	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2015
Cost					
Computer software development costs	26,839	6,365	(230)	21	32,995
Total cost	26,839	6,365	(230)	21	32,995
Accumulated amortization					
Computer software development costs	(13,206)	(4,552)	106	(4)	(17,656)
Total accumulated amortization	(13,206)	(4,552)	106	(4)	(17,656)
Intangible asset	13,633				15,339
Amortization for the years ended December 31,					
2016					5,762
2015					4,552

Unit : Thousand Baht

As at December 31, 2016	Separate Financial Statements			
	Balance as at January 1, 2016	Additions	Disposals	Balance as at December 31, 2016
Cost				
Computer software development costs	32,582	30,462	-	63,044
Total cost	32,582	30,462	-	63,044
Accumulated amortization				
Computer software development costs	(17,462)	(5,638)	-	(23,100)
Total accumulated amortization	(17,462)	(5,638)	-	(23,100)
Intangible asset	15,120			39,944

Unit : Thousand Baht

As at December 31, 2015	Separate Financial Statements			
	Balance as at January 1, 2015	Additions	Disposals	Balance as at December 31, 2015
Cost				
Computer software development costs	26,461	6,351	(230)	32,582
Total cost	26,461	6,351	(230)	32,582
Accumulated amortization				
Computer software development costs	(13,130)	(4,438)	106	(17,462)
Total accumulated amortization	(13,130)	(4,438)	106	(17,462)
Intangible asset	13,331			15,120
Amortization for the years ended December 31,				
2016				5,638
2015				4,438

16. 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	
	2016	2015	2016	2015
Deferred tax assets	40,904	34,481	34,204	27,807
Deferred tax liabilities	1,901	2,167	-	-

The movements of deferred tax assets and liabilities for the years ended December 31, 2016 and 2015 are as follows:

Consolidated Financial Statements

Unit : Thousand Baht

As at December 31, 2016	Balances as at January 1, 2016	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2016
Deferred tax assets resulted from				
Revaluation of trading securities	(1,548)	(765)	-	(2,313)
Revaluation of available-for-sales securities	(76)	-	60	(16)
Allowance for doubtful accounts	515	(34)	-	481
Buildings and equipment - difference of depreciation rate	(242)	133	-	(109)
Provision for customer loyalty programmes	1,019	(1,019)	-	-
Unearned revenues	360	2,448	-	2,808
Employee benefit obligation	25,692	3,879	-	29,571
Actuarial gain on defined employee benefit plan	(808)	-	853	45
Provision for costs of dismantling, removing and restoring the site	3,128	868	-	3,996
Unused tax losses	6,441	-	-	6,441
Deferred tax assets	34,481	5,510	913	40,904
Deferred tax liabilities resulted from				
Buildings and equipment - difference of depreciation rate ⁽¹⁾	(2,167)	266	-	(1,901)
Deferred tax liabilities	(2,167)	266	-	(1,901)

Unit : Thousand Baht

As at December 31, 2015	Balances as at January 1, 2015	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2015
Deferred tax assets resulted from				
Revaluation of trading securities	(1,229)	(319)	-	(1,548)
Revaluation of available-for-sales securities	(97)	-	21	(76)
Allowance for doubtful accounts	515	-	-	515
Buildings and equipment - difference of depreciation rate	(197)	(45)	-	(242)
Provision for customer loyalty programmes	1,869	(850)	-	1,019
Unearned revenues	2,371	(2,011)	-	360
Employee benefit obligation	22,139	3,553	-	25,692
Actuarial gain on defined employee benefit plan	(808)	-	-	(808)
Provision for costs of dismantling, removing and restoring the site	2,347	781	-	3,128
Unused tax losses	6,441	-	-	6,441
Deferred tax assets	33,351	1,109	21	34,481
Deferred tax liabilities resulted from				
Buildings and equipment - difference of depreciation rate ⁽¹⁾	(2,033)	(134)	-	(2,167)
Deferred tax liabilities	(2,033)	(134)	-	(2,167)

⁽¹⁾ Deferred tax liabilities of S&P Restaurant Limited and SK Catering Pte. Ltd.

Separated Financial Statements

Unit : Thousand Baht

As at December 31, 2016	Balances as at January 1, 2016	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2016
Deferred tax assets resulted from				
Revaluation of trading securities	(1,548)	(765)	-	(2,313)
Allowance for doubtful accounts	431	-	-	431
Buildings and equipment - difference of depreciation rate	(242)	134	-	(108)
Provision for customer loyalty programmes	1,019	(1,019)	-	-
Unearned revenues	360	2,449	-	2,809
Employee benefit obligation	25,491	3,879	-	29,370
Actuarial gain on defined employee benefit plan	(808)	-	852	44
Provision for costs of dismantling, removing and restoring the site	3,104	867	-	3,971
Deferred tax assets	27,807	5,545	852	34,204

Unit : Thousand Baht

As at December 31, 2015	Balances as at January 1, 2015	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2015
Deferred tax assets resulted from				
Revaluation of trading securities	(1,229)	(319)	-	(1,548)
Allowance for doubtful accounts	431	-	-	431
Buildings and equipment - difference of depreciation rate	(197)	(45)	-	(242)
Provision for customer loyalty programmes	1,869	(850)	-	1,019
Unearned revenues	2,371	(2,011)	-	360
Employee benefit obligation	21,938	3,553	-	25,491
Actuarial gain on defined employee benefit plan	(808)	-	-	(808)
Provision for costs of dismantling, removing and restoring the site	2,323	781	-	3,104
Deferred tax assets	26,698	1,109	-	27,807

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Current tax	123,729	159,816	120,919	153,291
Adjustment prior year income tax	(905)	(4,334)	(905)	(4,334)
Deferred tax expenses relating to the origination and reversal of temporary differences	(5,776)	(975)	(5,545)	(1,109)
Income tax expense per the statements of profit loss and other comprehensive income	117,048	154,507	114,469	147,848

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	
	2016	2015	2016	2015
Accounting profit before income tax	555,206	762,575	625,121	756,508
Applicable corporate income tax rates	8.5 - 25 %	8.5 - 25 %	20 %	20 %
Current income tax	123,992	157,673	125,024	151,302
Adjustment prior year income tax	(905)	(4,334)	(905)	(4,334)
Tax effect of non-deductible expenses (benefits)	(6,039)	1,168	(9,650)	880
Income tax expense per the statements of profit or loss and other comprehensive income	117,048	154,507	114,469	147,848

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 rate of each country at the rates of 8.5% - 25%

17. SHORT-TERM BORROWINGS FROM A FINANCIAL INSTITUTION

In July, 2016, Patara International Restaurant Management (Beijing) Co., Ltd., the Company's subsidiary, entered into a short-term loan agreement with a financial institution to borrow of CNY 1.53 million (equivalent to Baht 7.90 million) in order to jointly invest with a local company in the People's Republic of China in order to incorporate Shanghai Yueshi Restaurant Management Limited to operate the restaurant business in the People's Republic of China. Such loan has carrying interest rate at 130% of the PBOC base rate p.a. (equivalent to 5.66% p.a.) and is payable within 6 months. Such loan is guaranteed by the S&P Syndicate Public Company Limited.

18. TRADE AND OTHER PAYABLES

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Trade payables - other companies	468,081	461,878	391,825	388,018
Trade payables - related parties	2,233	2,323	3,584	3,020
Advance received from related parties	-	-	4	4
Accounts payable - acquisition of assets	51,297	65,219	47,443	63,107
Unearned revenues	26,475	9,061	24,918	8,570
Other payables	89,004	81,677	86,101	79,396
Accrued expenses	263,395	287,717	224,108	252,423
	900,485	907,875	777,983	794,538

19. OTHER NON-CURRENT ASSETS

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Value-added-tax payable	53,564	53,009	26,543	28,045
Others	20,041	9,157	8,304	8,061
	73,605	62,166	34,847	36,106

20. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

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

Unit : Thousand Baht

Borrowers	Credit limit	Interest Rate (% p.a.)	Repayment terms	Repayment date and due date	Consolidated Financial Statements				Separate Financial Statements	
					2016		2015		2016	2015
					Currencies	Thousand Baht	Currencies	Thousand Baht	Thousand Baht	Thousand Baht
S&P Restaurant Limited ⁽¹⁾										
Loans from overseas commercial banks	GBP 450,000	Bank base rate + 0.5%	Repayable on a monthly basis of GBP 7,500 per installment	May 2011 to April 2016	-	-	30,000	1,605	-	-
	GBP 600,000	Bank base rate + 0.5%	Repayable on a quarterly basis of GBP 37,500 per installment	October 2012 to June 2016	-	-	112,500	6,019	-	-
	GBP 340,000	Bank base rate + 0.5%	Repayable on a quarterly basis of GBP 17,000 per installment	April 2014 to January 2019	153,000	6,737	221,000	11,824	-	-
S&P International Foods Co.,Ltd.⁽²⁾										
Loan from local commercial banks	Baht 25 million	MLR - 2%	Repayable on a quarterly basis of Baht 1,260,000 per installment	January 15, 2014 to January 15, 2019	-	9,880	-	14,920	-	-
S&P Syndicate Public Co.,Ltd.⁽³⁾										
Loan from local commercial banks	Baht 30 million	4.25%	Repayable on a monthly basis of Baht 500,000 per installment	July 22, 2016 to July 21 2021	-	27,500	-	-	27,500	-
Less Current portion of long-term borrowings from financial institutions					-	44,117		34,368	27,500	-
					-	(14,034)		(16,302)	(6,000)	-
						30,083		18,066	21,500	-

⁽¹⁾ S&P Restaurant Limited used its buildings with the cost value of GBP 2.01 million, as collateral for long-term loans with a commercial bank. The Company has to maintain debt to the property value ratio in accordance with the condition of the loan agreement (see Note 13).

⁽²⁾ S&P International Foods Co., Ltd., a subsidiary, received credit facilities from a local bank. S&P Syndicate Public Co., Ltd. has issued a "Letter of Awareness" to such bank and has to maintain percentage of shareholding in S&P International Foods Co., Ltd. to 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.

⁽³⁾ In July 2016, the Company entered into a long-term loan agreement for 5 years with a local commercial bank as credit limit of Baht 30 million. Such loan is unsecured. The Company already withdrew the principal installment in full amount and during the year 2016, the Company repaid the principal amounting to Baht 2.50 million. In addition, the Company has to maintain its debt to equity ratio as specified in the loan agreement.

21. EMPLOYEE BENEFIT OBLIGATION

The Company and its subsidiaries provided employee benefit obligations upon retirement which are considered as unfunded defined benefit plans.

Amounts recognized in the statements of profit or loss and other comprehensive income in respect of the defined benefit plans for the years ended December 31, 2016 and 2015 are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Current service cost	18,384	15,517	18,007	14,951
Interest cost	3,932	4,005	3,829	3,810
Expenses recorded in the statements of profit or loss and other comprehensive income	22,316	19,522	21,836	18,761

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	
	2016	2015	2016	2015
Balance of present value of defined benefit obligation as at January 1,	129,050	110,523	123,414	105,648
Current service cost	18,384	15,517	18,007	14,951
Interest cost	3,932	4,005	3,829	3,810
Actuarial loss on defined employee benefit plan	1,694	-	4,264	-
	153,060	130,045	149,514	124,409
Less Benefits paid during the year	(2,444)	(995)	(2,444)	(995)
Balance of present value of defined benefit obligation as at December 31,	150,616	129,050	147,070	123,414

For the year ended December 31, 2016, the Company recognized the actuarial loss in the consolidated and separate statements of profit or loss and other comprehensive income in the amount of Baht 1.69 million and Baht 4.26 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, 2016 and 2015 are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Discount rate (% p.a.)	3.03% - 3.46%	3.58% - 4.11%	3.03%	3.58%
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%	4%	4%	4%
Employee turnover rate	0% - 47%	0% - 41%	0% - 47%	0% - 41%

The sensitivity analysis of the above actuarial assumptions impacted on increase (decrease) in present value of the employee benefit obligations as at December 31, 2016 and 2015 are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
<u>Discount rate</u>				
Discount rate, decrease of 1 percent	16.92	15.21	16.57	14.18
Discount rate, increase of 1 percent	(14.57)	(13.04)	(14.27)	(12.18)
<u>Salary growth rates</u>				
Salary growth rates, increase of 1 percent	16.37	14.82	16.02	13.79
Salary growth rates, decrease of 1 percent	(14.39)	(12.96)	(14.09)	(12.09)
<u>Life expectancy</u>				
Life expectancy, increase of 1 year	1.12	1.00	1.10	0.94
Life expectancy, decrease of 1 year	(1.11)	(0.99)	(1.09)	(0.93)
<u>Employee turnover rate</u>				
Employee turnover rate, decrease of 1 percent	5.35	4.73	5.19	4.67
Employee turnover rate, increase of 1 percent	(15.55)	(13.98)	(15.24)	(13.09)

22. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities as at December 31, 2016 and 2015 consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Provision for costs of dismantling, removing and restoring the site	63,340	54,174	38,929	35,152
Others	3,206	493	2,887	-
	66,546	54,667	41,816	35,152

23. LEGAL RESERVE

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

24. APPROPRIATION OF EARNINGS AND DIVIDEND**S&P Syndicate Public Co., Ltd.**

On April 22, 2015, the Annual General Shareholders' Meeting of the Company passed a resolution to approved the dividends from the operations of the year 2014 for 490,408,365 shares (Par value of Baht 1 per share) at Baht 0.80 per share, totalling Baht 392.33 million and as the Company already distributed the interim dividends at Baht 0.10 per share, totalling Baht 49.04 million in September 2014. Therefore, the Company will pay remaining dividends of Baht 0.70 per share, totalling Baht 343.29 million which was paid on May 15, 2015.

On August 13, 2015, the Board of Directors' Meeting of the Company passed the resolution to distribute the interim dividends from the operations of the six-month period ended June 30, 2015 for 490,408,365 shares at Baht 0.20 per share, totalling approximately Baht 98.08 million which was paid on September 11, 2015.

On April 22, 2016, the Annual General Shareholders' Meeting of the Company passed a resolution to approved the dividends from the operations of the year 2015 for 490,408,365 shares at Baht 1.10 per share, totalling Baht 539.45 million and as the Company already distributed the interim dividends at Baht 0.20 per share, totalling Baht 98.08 million in September 2015. Therefore, the Company will pay remaining dividends of Baht 0.90 per share, totalling Baht 441.37 million which was paid on May 13, 2016.

On August 10, 2016, the Board of Directors' Meeting of the Company passed the resolution to distribute the interim dividends from the operations of the six-month period ended June 30, 2016 for 490,408,365 shares at Baht 0.10 per share, totalling approximately Baht 49.04 million which was paid on September 9, 2016.

25. OTHER INCOME

Significant other income for the years ended December 31, 2016 and 2015 are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Dividend income (see Note 10 and 26.3)	-	-	-	1,500
Unrealised gain on revaluation of trading securities	4,792	3,238	4,746	3,238
Interest income	2,375	2,650	4,508	4,638
Management fee income	4,919	770	13,932	6,947
Rental building and equipment income	3,372	3,361	5,078	4,957
Member card fee income	12,673	21,578	10,397	21,578
Revenue from sales scraps	8,264	8,187	8,264	8,187
Gain from sale of investment in an associate (see Note 10)	84,500	-	107,729	-
Other income	36,200	38,741	44,882	39,499
	157,095	78,525	199,536	90,544

26. TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with its subsidiaries, associates, joint ventures 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, joint ventures and other related parties. These parties are related through common shareholders and/or directorships. Those significant transactions with subsidiaries, associates, joint ventures and other related parties as included in the financial statements are determined at cost plus margin or the price as stipulated in the agreements.

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, 2016 and 2015 are as follows

Unit : Thousand Baht

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
Trade receivables					
S&P Global Co., Ltd.	Subsidiary	-	-	54	54
S&P International Foods Co., Ltd.	Subsidiary	-	-	44,212	27,394
Umenohana S&P Co., Ltd.	Subsidiary	-	-	86	90
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	17,802	4,023
HD Distributors (Thailand) Co., Ltd. ⁽¹⁾	Associate	-	32	-	32
Foodhouse Catering Services Co., Ltd.	Associate	371	613	371	613
MSC Thai Cuisine Co., Ltd.	Joint ventures	63	67	63	67
Patara Fine Thai Cuisine Limited	Joint ventures	2,522	4,474	-	-
The Minor Food Group Public Co., Ltd.	Related party	2,634	543	2,634	543
Other related parties	Related party	-	718	-	718
		5,590	6,447	65,222	33,534
Advance payments to related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	84	197
S&P International Foods Co., Ltd.	Subsidiary	-	-	3	12,625
Umenohana S&P Co., Ltd.	Subsidiary	-	-	29	60
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	3,984	85
HD Distributors (Thailand) Co., Ltd. ⁽¹⁾	Associate	-	132	-	132
Foodhouse Catering Services Co., Ltd.	Associate	45	45	45	45
		45	177	4,145	13,144

Unit : Thousand Baht

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
Accrued income - related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	237	107
S&P International Foods Co., Ltd.	Subsidiary	-	-	922	839
Umenohana S&P Co., Ltd.	Subsidiary	-	-	32	64
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	7,674	2,044
S&P Restaurant Limited	Subsidiary	-	-	500	154
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	3,284	3,857
Foodhouse Catering Services Co., Ltd.	Associate	185	416	185	416
Patara Fine Thai Cuisine Limited	Joint venture	1,802	-	1,802	-
		1,987	416	14,636	7,481
Short-term loan to a related party					
S&P Global Co., Ltd. (3.0%)	Subsidiary	-	-	9,000	-
Investments in associates					
HD Distributors (Thailand) Co., Ltd. ⁽¹⁾	Associate	-	69,438	-	48,998
Foodhouse Catering Services Co., Ltd.	Associate	27,722	15,503	4,997	4,997
		27,722	84,941	4,997	53,995
Investments in subsidiaries					
S&P Global Co., Ltd.	Subsidiary	-	-	40,000	40,000
S&P Asset Co., Ltd.	Subsidiary	-	-	999	999
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	14,885
S&P Development Holding Pte. Ltd. (As at December 31, 2016 : SGD 1)	Subsidiary	-	-	-	-
S&P Development Holding Co., Ltd.	Subsidiary	-	-	140,000	100,000
		-	-	260,881	220,881

Unit : Thousand Baht

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
Investments in joint ventures					
MSC Thai Cuisine Co., Ltd.	Joint venture	13,537	14,369	20,000	20,000
Patara Fine Thai Cuisine Limited	Joint venture	83,562	72,591	-	-
		97,099	86,960	20,000	20,000
Loans to related parties (Interest rate per annum)					
Patara Restaurant, Vienna GmbH (3.0%)	Subsidiary	-	-	49,974	49,974
<u>Less</u> Allowance for doubtful account		-	-	(25,000)	(25,000)
		-	-	24,974	24,974
S&P International Foods Co., Ltd. (3.0%)	Subsidiary	-	-	6,500	10,094
S&P Restaurant Limited (3.0%)	Subsidiary	-	-	6,539	15,922
Foodhouse Catering Services Co., Ltd. (5.0%)	Associate	-	6,000	-	6,000
MSC Thai Cuisine Co., Ltd. (4.5%)	Joint venture	5,000	-	5,000	-
		5,000	6,000	43,013	56,990
Trade payables					
S&P Asset Co., Ltd.	Subsidiary	-	-	262	281
S&P International Foods Co., Ltd.	Subsidiary	-	-	845	416
Umenohana S&P Co., Ltd.	Subsidiary	-	-	245	-
HD Distributors (Thailand) Co., Ltd. ⁽¹⁾	Associate	-	515	-	515
Other related parties	Related party	2,233	1,808	2,232	1,808
		2,233	2,323	3,584	3,020
Advance received from related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	4	4

⁽¹⁾ On April 5, 2016, the Company entered into the agreement to sell all shares of HD Distributors (Thailand) Co., Ltd. (see Note 10)

26.2 Movements of loans to related parties

Movements of loans to related parties for the years ended December 31, 2016 and 2015 are as follows:

Unit : Thousand Baht

Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
S&P Global Co., Ltd.	Subsidiary				
Beginning balances		-	-	-	-
Add Loan granted during the year		-	-	9,000	-
Ending balances		-	-	9,000	-
Patara Restaurant, Vienna GmbH	Subsidiary				
Beginning balances		-	-	49,974	49,974
Less Allowance for doubtful accounts		-	-	(25,000)	(25,000)
Ending balances		-	-	24,974	24,974
S&P International Foods Co., Ltd.	Subsidiary				
Beginning balances		-	-	10,094	-
Add Loan granted during the year		-	-	-	10,094
Less Repayment during the year		-	-	(3,594)	-
Ending balances		-	-	6,500	10,094
S&P Restaurant Limited	Subsidiary				
Beginning balances		-	-	15,922	20,318
Less Repayment during the year		-	-	(6,600)	(5,469)
Unrealized gain (loss) on revaluation		-	-	(2,783)	1,073
Ending balances		-	-	6,539	15,922
Foodhouse Catering Services Co., Ltd.	Associate				
Beginning balances		6,000	7,500	6,000	7,500
Less Repayment during the year		(6,000)	(1,500)	(6,000)	(1,500)
Ending balances		-	6,000	-	6,000
MSC Thai Cuisine Co., Ltd.	Joint venture				
Beginning balances		-	-	-	-
Add Loan granted during the year		5,000	-	5,000	-
Ending balances		5,000	-	5,000	-

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	
		2016	2015	2016	2015
Revenues from sales					
S&P International Foods Co., Ltd.	Subsidiary	-	-	24,907	24,927
Umenohana S&P Co., Ltd.	Subsidiary	-	-	787	437
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	10,674	6,724
HD Distributors (Thailand) Co., Ltd.	Associate	65	279	65	279
Foodhouse Catering Service Co., Ltd.	Associate	1,995	2,310	1,995	2,310
Patara Fine Thai Cuisine Limited	Joint venture	2,773	2,922	-	-
The Minor Food Group Public Co., Ltd.	Related party	27,558	30,396	27,558	30,396
Swensen's (Thai) Co., Ltd.	Related party	32,009	33,551	32,009	33,551
Other related parties	Related party	25,448	20,583	25,448	20,583
		89,848	90,041	123,443	119,207
Rental income from buildings and equipment					
S&P Global Co., Ltd.	Subsidiary	-	-	996	996
Umenohana S&P Co., Ltd.	Subsidiary	-	-	300	300
S&P International Foods Co., Ltd.	Subsidiary	-	-	410	300
HD Distributors (Thailand) Co., Ltd.	Associate	202	807	202	807
MSC Thai Cuisine Co., Ltd.	Joint venture	3,000	2,400	3,000	2,400
		3,202	3,207	4,908	4,803
Dividend income					
HD Distributors (Thailand) Co., Ltd.	Associate	-	-	-	1,500

Unit : Thousand Baht

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
Other income					
S&P Global Co., Ltd.	Subsidiary	-	-	2,577	1,230
S&P Asset Co., Ltd.	Subsidiary	-	-	96	96
S&P International Foods Co., Ltd.	Subsidiary	-	-	2,302	1,334
Umenohana S&P Co., Ltd.	Subsidiary	-	-	360	360
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	7,624	3,777
S&P Restaurant Limited	Subsidiary	-	-	398	619
S&P Development Holding Co., Ltd.	Subsidiary	-	-	24	-
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	1,499	1,499
HD Distributors (Thailand) Co., Ltd.	Associate	-	35	-	35
Foodhouse Catering Services Co., Ltd.	Associate	898	1,184	898	1,184
MSC Thai Cuisine Co., Ltd.	Joint venture	86	87	86	87
Patara Fine Thai Cuisine Limited	Joint venture	1,525	1,515	-	-
		2,509	2,821	15,864	10,221
Purchases of goods					
S&P International Foods Co., Ltd.	Subsidiary	-	-	2,173	-
Umenohana S&P Co., Ltd.	Subsidiary	-	-	403	-
HD Distributors (Thailand) Co., Ltd.	Associate	509	3,684	509	3,684
MSC Thai Cuisine Co., Ltd.	Joint venture	-	87	-	87
Other related parties	Related parties	11,893	11,053	11,893	11,053
		12,402	14,824	14,978	14,824
Rental and other expenses					
S&P Asset Co., Ltd.	Subsidiary	-	-	4,534	4,524
S&P International Foods Co., Ltd.	Subsidiary	-	-	2,173	970
Umenohana S&P Co., Ltd.	Subsidiary	-	-	403	28
S.R. Estate Ltd.	Common director	432	432	432	432
Seacon Development Public Co., Ltd	Common director	688	685	688	685
Directors	Directors	2,091	1,962	2,091	1,962
		3,211	3,079	10,321	8,601

Unit : Thousand Baht

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2016	2015	2016	2015
Service expenses					
S&P Asset Co., Ltd.	Subsidiary	-	-	1,277	1,277
The Minor Food Group Public Co., Ltd.	Related party	1,320	2,640	1,320	2,640
Seacon Development Public Co., Ltd	Common director	3,499	3,464	3,499	3,464
		4,819	6,104	6,096	7,381
Management benefit expenses					
Short-term benefits	Management	51,997	51,880	49,770	43,988
Long-term benefits	Management	1,341	1,189	1,341	1,167
		53,338	53,069	51,111	45,155
Share of profits (losses) of associates and joint ventures					
HD Distributors (Thailand) Co., Ltd.	Associate	2,789	7,463	-	-
Foodhouse Catering Services Co., Ltd.	Associate	12,219	10,603	-	-
MSC Thai Cuisine Co., Ltd.	Joint venture	(832)	(3,252)	-	-
Patara Fine Thai Cuisine Limited	Joint venture	(27,400)	(10,599)	-	-
		(13,224)	4,215	-	-

27. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2016 and 2015 are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2016	2015	2016	2015
Changes in inventories of finished goods and work in process – increase	(21,758)	(6,218)	(21,758)	(6,182)
Raw materials and consumables used	2,496,211	2,379,178	2,286,398	2,078,876
Cost of finished goods purchased	70,297	71,937	70,297	71,937
Depreciation and amortization	392,254	367,855	323,052	294,720
Employee expenses	1,994,641	1,860,835	1,623,665	1,476,822
Transportation expenses	205,530	194,070	201,753	191,093
Selling expenses	288,730	263,141	252,718	233,655
Management benefit expenses	53,338	53,069	51,111	45,155
Rental building and office expenses	399,229	314,020	320,767	299,642
Services charge expenses	415,348	378,932	396,048	360,991
Loss on impairment of fixed assets (reversal)	2,396	(7,674)	996	1,078
Loss on write-off of fixed assets	6,621	10,969	4,438	8,243
Doubtful debt	2,110	-	-	-

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, 2016 and 2015, the Company's contributions and subsidiaries' contributions to provident funds which were recorded as expenses in the consolidated statements of profit or loss and other comprehensive income were Baht 17.08 million and Baht 16.29 million, respectively.

For the years ended December 31, 2016 and 2015, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of profit or loss and other comprehensive income were Baht 16.53 million and Baht 15.71 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 and 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 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.

Financial assets and liabilities measured at fair value

Certain financial assets of the Company and subsidiaries are measured at fair value in the statements of financial position at the end of reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		Fair value hierarchy	Valuation technique and key input
	Fair value (Baht : '000)		Fair value (Baht : '000)			
	As at December 31, 2016	As at December 31, 2015	As at December 31, 2016	As at December 31, 2015		
Trading securities	- Fixed income open-ended funds = 100,962 - Private funds = 121,829	- Fixed income open-ended funds = 194,976 - Private funds = 117,813	- Fixed income open-ended funds = 83,147 - Private funds = 121,829	- Fixed income open-ended funds = 194,976 - Private funds = 117,813	Level 1	The fair value of unit trust is determined from the trusts' net asset value.
Available-for-sales securities	- Fixed income open-ended funds = 1,868	- Fixed income open-ended funds = 4,843	-	-	Level 1	The fair value of unit trust is determined from the trusts' net asset value.

Financial assets and liabilities not measured at fair value

Cash and cash equivalents, fixed deposit, trade and other receivables, short-term loans to related parties, bank overdraft, trade and other payables, current income tax payable, other current liabilities, the carrying values approximate their fair values due to the relatively short period to maturity.

Other long-term investments had not significantly different from the carrying values stated in the statements of financial position.

Long-term borrowings from financial institutions bearing floating interest rate, the carrying value is approximate its fair value.

The transactions disclosed in the following table, are considered that the carrying amounts recognized in the consolidated and separate financial statements are different from their fair values.

Unit : Thousand Baht

	Carrying amount	Fair value	Fair value hierarchy
As at December 31, 2016			
Consolidated financial statements			
Financial assets			
Loans to related parties	5,000	5,131	level 3
Separate financial statements			
Financial assets			
Loans to related parties	77,013	79,845	level 3
Less Allowance for doubtful account	(25,000)	(25,000)	
	52,013	54,845	
As at December 31, 2015			
Consolidated financial statements			
Financial assets			
Loans to related parties	6,000	6,006	level 3
Separate financial statements			
Financial assets			
Loans to related parties	81,990	85,214	level 3
Less Allowance for doubtful account	(25,000)	(25,000)	
	56,990	60,214	

Fair value of long-term loans to related parties bearing fixed interest rate are determined by discounted cash flows method. Future cash flows are estimated based on relevant market price discounting the weighted average cost of capital of S&P group.

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 from external customers and reconciliation of total segment profit to profit before income tax expense and comprehensive income for the years ended December 31, 2016 and 2015 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 statement of profit or loss and other comprehensive income For the year ended December 31, 2016							
Segment revenues	5,968,693	845,176	944,533	45,045	7,803,447	(28,514)	7,774,933
Segment profit (loss) from external customers	930,800	89,205	5,313	(7,879)	1,017,439	-	1,017,439
Unallocated income (expenses):							
Other income							157,095
Central selling and administrative expenses							(542,692)
Management benefits							(52,845)
Net loss on exchange rate							(8,808)
Finance costs							(1,758)
Share of loss from investment in associates and joint ventures							(13,225)
Profit before income tax expense							555,206
Income tax expense							(117,048)
Profit for the year							438,158
Total other comprehensive loss for the year - net of tax							(26,265)
Total comprehensive income and other comprehensive income for the year							411,893

Unit: Thousand Baht

	Domestic restaurants and bakery shops	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter-segment	Total
Consolidated statement of profit or loss and other comprehensive income (continue) For the year ended December 31, 2015							
Segment revenues	5,716,268	791,208	1,022,163	46,583	7,576,222	(24,230)	7,551,992
Segment profit (loss) from external customers	1,054,150	100,475	21,503	(5,988)	1,170,140	-	1,170,140
Unallocated income (expenses):							
Other income							78,525
Central selling and administrative expenses							(439,470)
Management benefits							(53,069)
Net loss on exchange rate							4,502
Finance costs							(2,269)
Share of profit of associates							4,215
Profit before income tax expense							762,574
Income tax expense							(154,507)
Profit for the year							608,067
Total other comprehensive income for the year - net of tax							13,740
Total comprehensive income for the year							621,807

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, 2016							
Trade and other receivables	69,918	233,554	40,380	7,113	350,965	(80,264)	270,701
Inventories	151,726	9,182	10,101	2,045	173,054	-	173,054
Property, plant and equipment	608,832	1,442	239,930	4,273	854,477	(43)	854,434
Leasehold rights	66,301	-	16,310	52	82,663	-	82,663
Assets under common use							
- Trade and other receivables							46,807
- Inventories							138,690
- Property, plant and equipment							819,507
- Leasehold rights							4,900
- Others							1,322,955
Total assets							3,713,711

Unit : Thousand Baht

	Domestic restaurants and bakery shops	Packaged food and bak- ery trading business	Overseas restaurants	Others	Total	Elimination of inter-segment	Total
Statements of financial position As at December 31, 2015							
Trade and other receivables	65,201	194,799	42,649	1,351	304,000	(45,230)	258,770
Inventories	169,893	1,296	10,324	1,468	182,981	-	182,981
Property, plant and equipment	536,505	1,654	253,545	3,054	794,758	(43)	794,715
Leasehold rights	49,824	-	23,276	-	73,100	-	73,100
Assets under common use							
- Trade and other receivables							74,733
- Inventories							141,057
- Property, plant and equipment							784,995
- Leasehold rights							6,342
- Others							1,490,011
Total assets							3,806,704

Geographic Area Information

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

Unit : Thousand Baht

	Domestic	Overseas	Consolidated Financial statements
Revenues			
For the year ended December 31, 2016			
Revenue from external customers	6,740,552	944,533	7,685,085
Segment assets			
As at December 31, 2016			
Non-current assets	1,963,845	302,465	2,266,310
Revenues			
For the year ended December 31, 2015			
Revenue from external customers	6,442,710	1,022,163	7,464,873
Segment assets			
As at December 31, 2015			
Non-current assets	1,834,401	336,923	2,171,324

32. COMMITMENTS AND LETTERS OF GUARANTEE

As at December 31, 2016 and 2015, 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 as at December 31, are as follows:

Domestic offices rental and services expenses

Unit : Thousand Baht

Payment period	2016	2015
Not later than 1 year	499,410	463,306
Later than 1 year but not later than 5 years	1,035,119	936,867
Later than 5 years	91,664	108,093

Overseas subsidiaries rental and services expenses

Unit : Thousand Baht

Payment period	2016	2015
Not later than 1 year	150,286	151,069
Later than 1 year but not later than 5 years	226,182	246,469
Later than 5 years	97,952	99,041

32.2 As at December 31, 2016 and 2015, the Company and its subsidiaries have outstanding capital commitments relating to construction of new branches, shops and information technology system of Baht 25.75 million and Baht 157.43 million, respectively.

32.3 As at December 31, 2016 and 2015, 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 61.97 million and Baht 52.83 million, respectively. Such amount included the letters of guarantee of Baht 1.05 million which deposit at bank was used as collateral (see Note 9.1 and 9.2).

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 production 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. EVENTS AFTER THE REPORTING PERIOD

On February 23, 2017, the Board of Directors' Meeting of the Company has resolutions as follows:

33.1 To distribute an annual dividends from the operations of the year 2016 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 9, 2016 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 11, 2016. The Board of Directors will propose to the shareholders at the annual general shareholders' meeting to obtain an approval for the dividend payment.

33.2 To increase the share capital of MSC Thai Cuisine Co., Ltd., an associate, from Baht 50 million to Baht 80 million by issuing 300,000 new ordinary shares of Baht 100 each, totalling Baht 30 million, which S&P Syndicate Public Company Limited will purchase 150,000 shares, in the amount of Baht 15.00 million. Shareholding structure of the Company will change from 40% to 43.75%.

34. RECLASSIFICATIONS

Certain reclassifications are made to the consolidated and separate financial statements for the year ended December 31, 2015 to conform to the classifications used in the consolidated and separate financial statements for the year ended December 31, 2016 as follows:

Account	Amount (Thousand Baht)		Previous classification	Current classification
	Consolidated Financial Statements	Separate Financial Statements		
Expenses of restaurants and bakery shops (Rental expenses, salary sale staff, depreciation expenses and others)	1,893,088	1,260,493	Administrative expenses	Selling expenses

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issue by the authorized directors of the Company on February 23, 2017.

Management Discussion and Analysis

Summary of 2016 Operating Performances

Revenue from Sales and Services

The Company and Subsidiaries reported Revenue from Sales and Services at 7,774.9 Million Baht, 222.9 Million Baht increased from prior year, or an increase of 2.9 percent. The increase was mainly from the increase of revenues of domestic restaurants, increase in number of domestic bakery shops and increase in food and bakery Trading. The increase was also supplemented from continuous marketing activities, launching of new products, various promotional programs and adjustments of food menus to increase the revenue of the existing branches. Although Thailand economic growth was only at 3.0 percent, the Company and subsidiaries was able to achieve 2.9 percent revenue increase.

Revenues breakdown by Channels of Distribution

(Unit: Million Baht)

Channels of Distribution	2106		2015		Increase / (Decrease) %
	Amount	%	Amount	%	
Domestic Restaurants and bakery shops	6,009	77.29	5,753	76.18	4.45
Packaged food and Bakery Trading Busines	820	10.55	776	10.28	5.67
Overseas Restaurant	945	12.15	1,022	13.53	-7.53
Other*	1	0.01	1	0.01	0.00
TOTAL REVENUES	7,775	100.00	7,552	100.00	2.95

*Rental Revenue (to outsiders)

If we breakdown by Channels of Distribution, Domestic Restaurants and Bakery Shops posted a Revenue increase at 4.4 percent Y-O-Y. Sales of food and bakery Traded through retailers, convenience stores and supermarkets grew 5.7 percent form prior year. Those increases were from expansion of customer bases, new product launches and promotional programs introduced to boost revenues. The overseas restaurant business was down 7.5 percent Y-O-Y due to downsize growth of the economies, political uncertainties- both from re-election of many countries, including the volatile situation of BREXIT, in U.K. and other countries where the Company's subsidiary businesses were located in. Those situations, together with higher competition in the restaurant business, had caused the lower Y-O-Y revenues of the Company. Although there were some revenues increases from our new expansion in China and AEC but the increase was still low and couldn't help the overall revenue pictures, due to smaller amounts and the businesses were still at the early stage.

Revenues breakdown by Products

(Unit: Million Baht)

Product	2106		2015		Increase / (Decrease) %
	Amount	%	Amount	%	
Bakery	3,267	42.02	3,201	42.39	2.06
Domestic Food and Beverage	2,529	32.53	2,328	30.83	8.63
Overseas Restaurant	945	12.15	1,022	13.53	(7.53)
Food Products **	792	10.19	606	8.02	30.69
Other Products ***	242	3.11	395	5.23	(38.73)
TOTAL	7,775	100.00	7,552	100.00	2.95

** Food products produced by the Company, Consisting of Frozen food, sausages, Jelly and Dry Mix.

*** comprising of: products OEM under S&P Brand, goods purchased for sales, other miscellaneous products and rent income

In 2016, revenue from sales of Bakery was 3,267 Million Baht and still held the lead in revenue portion of S&P Group at 42.0 percent, but the growth was just 2.1 percent Y-O-Y. Revenue from domestic food and beverage increased by 8.6 percent and drove this revenue portion to 2,529 Million Baht and it will still be on the growing path in 2017 from expansion of new branches in better selected growing locations and topped up with more marketing activities, better promotional programs and continuous launches of new products. The revenues from overseas restaurant business in 2016 was 7.5 percent lower than last year due to higher competition, low economic growth and political uncertainties in many countries where our subsidiaries were located in. However, The Company has been proactively working on improvements of all variables related to food and services, including expansion in growing areas of ACE, to make sure that the overseas revenue and performances will be better in 2017.

For trading of food products, i.e. frozen food, sausage, jelly and OEM products, the growth was at 30.7 percent Y-O-Y, from launching of new products and improvement of packaging in retail channels – hypermarkets, convenience stores and supermarkets, together with other effective promotional programs, which help increasing the revenues. In 2107 the Company will still be looking for more improvement to increase the revenues in the aspects of product quality, new product offers, consistency in delivery and satisfying of our business partners' demand.

Gross profit

The Company and its subsidiaries reported a gross profit margin of 3,475.9 million Baht in 2016, a 2.2 lower than prior year, from the increase in raw material costs and costs of labor. The raw material supplies were affected from draught, flood and competition of raw material purchase of foreign buyers, which caused drastic increase in raw material prices and affected to higher costs and lower gross margin.

Selling and Administrative Expenses

The Company and its subsidiaries reported the selling and administrative expenses at 3,011.1 million baht in 2016, a 6.3 percent increase y-o-y. The increase was due to more marketing activities executed to boost sales, increase in rent and service fees of branches, additional depreciation of newly expanded branches, employee salary increase and increase in staffs for newly expanded branches.

Net Profit for the Year 2015

Due to all matters above mentioned, the 2016 Annual Profit of the Company and its subsidiaries was presented at 437.5 million Baht, 168.6 million Baht lower than prior year.

Financial Position of the Company.

The Company and its subsidiaries reported a Total Assets as of December 31st, 2016 at 3,713.7 million Baht million Baht, a net decrease of 93.0 million Baht from last year, or 2.4 percent.

Total Liabilities was at 1,293.1 million Baht and the Shareholders' Equity was at 2,420.6 million Baht, about the same level of Last year figures. Debt/Equity ratio of the Company and its subsidiaries was at 0.53 time, compared to 0.52 Debt/Equity Ratio in 2015, which still fairly represents a strong financial position of the Company and its subsidiaries, low debts and the readiness for any future expansion.

Operation in 2017 and Factors that may affect Future Performances

It is expected the 2017 Country Economy will present slightly better growth than the year before through various government investment projects, e.g. road construction, improvement of railway system, suburb electric trains, while the oil prices will still stay low. The slightly increase agricultural products are also foreseen.

In restaurant business, high competition is still visible and going on from branch expansion of existing competitors and entrance of new comers. S&P, therefore, has to prepare ourselves ready for the competition. We are well prepared for our strategic plans of all working units to integrate all units to support our vision...“To be the most Trusted Thai Restaurant and Bakery Chain”. S&P group will still continuously expand our new branches in our Strategic Areas, maintain quality, taste and freshness of our products. We will consistently improve our services for our customer satisfaction and impression. New product launches to add more choices for our customers, to procure raw materials in advance to reduce fluctuation in volume and prices, control and reduction of production costs, production system improvements through introduction of new proven technology machine to take care of environment and reduction of energy consumption, utilization of alternative sources of energy, reliable and consistent delivery of products to our branches at reasonable costs, and implementation of suitable promotional programs to increase revenues; those are all strategic improvements that the Company will conduct to make sure that products and services of S&P will always be able to satisfy our customers, both existing and our new customers.

Dividend Policy

The Company will pay dividend every year at the rate approximately 60 percent of the Net Profit after Tax of the Consolidated Financial Statements, provided that such dividend declaration will not be over the Retained Earning of the Company's Financial Statements. In case the Company's Retained Earning was at loss, no dividend will be declared. The Company will take all actions as prescribed by the Public Limited Company Act and consider liquidity of the Company that will enable the Company to pay dividend without significant effect to its business. The Dividend Policy of the Company's subsidiaries will also take into consideration of their economic situation and their operating performances.

The Board of Directors, in their 2/2017 Board of Directors Meeting on February 23rd, 2017 had resolved to propose to the 2017 Annual General Meeting of Shareholders, to be held on April 21st, 2017, to consider to adopt the 0.10 Baht per share interim dividend paid on September 9th, 2016 and to consider to approve the dividend for the 2016 performance at the rate of 0.80 Baht per share, or the remaining 0.70 Baht per share dividend to be paid. If approved by the Annual General Meeting of Shareholders, as proposed, the dividend payout ratio of the company will be 89.7 percent.

Details of the dividend payment for 2016, compared to that of previous years will be as follows:

Dividend Details	2016*	2015	2014
1. Net Profit (Million Baht)	437.51	606.13	497.74
2. Number of Share (Shares)	490,408,365	490,408,365	490,408,365
3. Dividend Paid per share			
3.1 Interim Dividend (Baht/Share)	0.10	0.20	0.10
3.2 Additional Dividend (Baht/Share)	0.70	0.90	0.70
4. Total Dividend Paid (Million Baht)	392.33	539.45	392.33
4.1 Interim Dividend (Million Baht)	49.04	98.08	49.04
4.2 Additional Dividend (Million Baht)	343.29	441.37	343.29
5. Dividend Payout Ratio (%)	89.67	89.00	78.82

*will propose to the 2017 Annual General Meeting of Shareholders on April 21st, 2017

S&P's Subsidiaries and Affiliates

Name / Location	Main Business	Number of common shares		% Holding
		Total shares	No. shares held by S&P Group	
S&P Syndicate Public Company Limited Italthai Tower, 23 rd - 24 th Floor, 2034/100-107 New Petchburi Rd., Bangkapi Sub-District, Huay Kwang, Bangkok. Tel: +66 2 785-4000 Fax:+66 2 785-4040	Operate restaurant branches and bakery outlets, produce cake, Thai desserts, food products and bakery, frozen food, serve home delivery, provide outside catering services, manage and invest in overseas Thai Food Restaurants.			
S&P International Foods Co.,Ltd. Italthai tower 23 rd Floor, 2034/100-107, New Petchburi Rd., Bangkapi Sub-District, Huay Kwang, Bangkok. Tel: +66 2 785-4000 Fax:+66 2 785-4040	Operate Japanese Restaurants under "MAISEN" brand.	500,000	499,970	99.99%
S&P International Foods (Cambodia) Co.,Ltd. Level 6 th , Phnom Penh Tower, No. 445, Preah Monivong Boulevard, Sangkat Beoung Prolit, Khan7 Makara, Phnom Penh, Cambodia Tel: +855 23 901 415	Operate restaurant business under the brands "S&P Restaurant" and "BlueCup" in Cambodia	45,750	45,730	99.96%
S&P Asset Co.,Ltd. 1/2 Soi Attakravi 1, Soi Sukhunvit 26, Klongtan Sub-District, Klongtoei District, Bangkok. Tel : +66 2 185-1313 Fax : +66 2 185-1290	Conduct Real Estate Development Business to rent to restaurants.	10,000	9,993	99.93%
S&P Global Co.,Ltd. 2034/100/107, 23 rd Floor Italthai Tower, New Petchburi Rd., Bangkapi Sub-District, Huay Kwang, Bangkok. Tel: +66 2 785-4000 Fax:+66 2 785-4507	Operate Thai Restaurants abroad with 6 subsidiary companies.	500,000	400,000	80.00%

Name / Location	Main Business	Number of common shares		% Holding
		Total shares	No. shares held by S&P Group	
S&P Restaurants 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 Restaurant Business, currently, 4 branches under "PATARA" brand and 1 Branch under "SUDA" brand.	1,000,000	960,000	96.00%
Patara (Genva) SA* No.94, Rue des Eaux-Vives CH-1207, Geneva Switzerland Tel : (4122) 735-0517 Fax : (4122) 735-0538	Operate Thai Restaurant Business under "PATARA" in Geneva, currently 1 branch.	200	124	62.00%
Patara Fine Thai Cuisine Pte.,Ltd. * (changed from "Theme Foods Pte.,Ltd." 211 Henderson Road #05-03 Singapore 159552 Tel : (65) 6411-4990 Fax : (65) 6411-4991	Operate Thai Restaurant Business under "PATARA" in Singapore, currently 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 Restaurant Business in Singapore, under "Siam Kitchen", currently 3 branches and under "Bangkok Jam", currently 8 branches.	300,000	150,000	50.00%
Patara International Restaurant Management (Beijing) Co.,Ltd. 6 th Floor, Jinbao Place, 88 Jinbao Street, Dongcheng District, Beijing, China	Operate Thai Restaurant Business under "PATARA", currently 1 branch.	9,000,000	8,650,000	96.11%
Shanghai Yaushui Restaurant Management Co.,Ltd.** 6 th Floor, Jinbao Place, 88 Jinbao Street, Dongcheng District, Beijing, China Tel : (8610) 852-21678 Fax : (8610) 852-21369	Operate Thai Restaurant Business under "VANILLA", currently 1 branch.	3,000,000	1,530,000	51.00%
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 restaurant business under "PATARA", currently 1 branch.	1,200,000	1,116,600	93.05%

Name / Location	Main Business	Number of common shares		% Holding
		Total shares	No. shares held by S&P Group	
Bangkok Jam SDN BHD **** No.79A Jalan SS 21/37 Damansara Utama 47400 petaling Jaya Selangor Darul Ehsan Malaysia Tel : - Fax : +66 (0) 2696-1001	Operate restaurant business under "Bangkok Beat Bisto", ceased the operation in 2015.	470,000	234,953	49.99%
Omenohana S&P Co.,Ltd. 2034/100 , Floor 23 th New Petchaburi Rd., Bangkapi Sub-District, Huay Kwang District, Bangkok Tel : +66 (0) 2785-4000 Fax : +66 (0) 2785-4506	Operate Japanese Restaurant business and food products under "UMENOHANA" brand, currently 1 branch.	250,000	149,997	59.99%
MSC Thai Cuisine Co.,Ltd. (Formerly: The Thai Cuisine Co.,Ltd.) 457-457/1-6 Sukhunvit Soi 55, Klongton Nua, Wattana District, Bangkok. Tel : +66 (0) 2636-6901 Fax : +66 (0) 2636-7660	Operate "MSC Thai Culinary School"	500,000	200,000	40.00%
Foodhouse Catering and Services Co.,Ltd. 234 Soi Sukhunvit 101 (Punnavithi), Sukhumbvit Rd., Bangckak, Prakaning District, Bangkok. Tel : +66 (0) 2741-8800 Fax : +66 (0) 2741-8260	Operate business canteens and provides various sets of dishes to meet diverse need of many institutes, e.g. hospital, industrial factory and educational institutes.	10,000	4,997	49.97%
S&P Development Holding Co.,Ltd. 2034/100 , 23 th Floor, New Petchaburi Rd., Bangkapi Sub-District, Huay Kwang District, Bangkok. Tel : +66 (0) 2785-4000 Fax: -	Operate Thai restaurant abroad and provide services to affiliated companies in the group or branches, both domestic and abroad	2,000,000	1,999,997	99.99%
S&P Development Holding Co.,Ltd. 2034/100 , 23 th Floor, New Petchaburi Rd., Bangkapi Sub-District, Huay Kwang District, Bangkok. Tel : +66 (0) 2785-4000 Fax: -	Operate Thai restaurant abroad and provide services to affiliated companies in the group or branches, both domestic and abroad	2,000,000	1,999,997	99.99%

Name / Location	Main Business	Number of common shares		% Holding
		Total shares	No. shares held by S&P Group	
Patara Fine Thai Cuisine Limited ***** Sutherland House , 1795 London Road, Leigh on Sea , Essex SS9 2RZ , UK Tel : +44(0) 20 8874 6503 Fax : -	Operate Thai Restaurant under "Patara" brand, currently 2 branches.	4,500,000	2,250,000	50.00%
S&P Development Hoilding (Pte), Ltd. 80 Robinson Road # 02-00 Singapore(068898) Tel : - Fax : -	Operate Thai Restaurant, both domestic and abroad / hold shares in other companies.	1	1	100.00%
Suda Limited ***** Sutherland House , 1795 London Road, Leigh on Sea , Essex SS9 2RZ , UK Tel : +44(0) 20 8874 6503 Fax: -	Operate Thai Restaurants	1	1	96.00%
MSP Property Limited ***** Sutherland House , 1795 London Road, Leigh on Sea , Essex SS9 2RZ , UK Tel : +44(0) 20 8874 6503 Fax: -	Operate Property Business	1	1	50.00%

Notes

- * shares are held by S&P Global Co.,Ltd.
- ** S&P Global holds 1,530,000 shares through Patatra International Restaurant Management (Beijing) Co.,Ltd.-China.
- *** S&P Global holds 1,11,600 shares through S&P Restaurant Limited-U.K.
- **** S&P Global holds 234,953 shares through SK Catering Pte.,Ltd.-Singapore
- ***** Shares are held by S&P Development Holding Co.,Ltd.
- ***** Share at 1 share is held by S&P Global through S&P Restaurant Limited-U.K.
- ***** Share at 1 share is held by S&P Development Holding Co.,Ltd. through Patara Fine Thai Cuisine Limited – U.K.

Connected Transactions

1. Revenues and Expenses between the Company, Subsidiaries and Related Parties

(1) REVENUES

Company/Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2016	2015
S&P Global Co.,Ltd.	Subsidiary	Rental income - Building and Equipement	1.00	1.00
		Revenue from services	2.40	1.20
		Revenue from sales	0.20	0.03
		Interest Income	0.15	-
S&P Restaurant Co.,Ltd.	Subsidiary of S&P Global Co.,Ltd.	Interest Income	0.40	0.62
Patara Reataurant, Vienna GmbH		Interest Income	1.50	1.50
S&P International Foods Co.,Ltd.	Subsidiary	Revenue from services	0.74	0.74
		Rental income - Building and Equipement	0.41	0.30
		Revenues form sales	31.20	25.34
		Interest Income	0.26	0.18
S&P Asset Co.,Ltd.	Subsidiary	Revenue from services	0.10	0.10
S&P International Foods (Cambodia) Co.,Ltd.	Subsidiary	Revenue from services	5.39	3.78
		Revenue form sales	12.91	6.72
Umenohana S&P Co.,Ltd.	Subsidiary	Revenue form services	0.36	0.36
		Rental income - Building and Equipement	0.30	0.30
		Revenue form sales	0.79	0.44
S&P Development Holding Co.,Ltd.	Subsidiary	Revenue from services	0.02	-
HD Distributors (thailand) Co.,Ltd. (Shares sold in 2016)	Associate	Rental income - Building and Equipement	0.02	0.81
		Revenue form sales	0.07	0.31
		Dividend Income	-	1.50
Foodhouse Catering Services Co.,Ltd.	Associate	Revenue form sales	2.00	2.35
		Revenue form services	0.82	0.77
		Interest Income	0.08	0.38
MSC Thai Cuisine Co.,Ltd.	Associate	Rental income - Building and Equipement	3.00	2.40
		Revenue form sales	0.09	0.09
		Interest Income	0.15	-

Company/Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2016	2015
The Minor Food Group Limited	Subsidiary of Minor International Plc.	Revenue form sales	27.56	30.40
Minor DQ Limited	Subsidiary of Minor Food Group Plc.	Revenue form sales	12.73	15.22
Minor Dairy Limited		Revenue form sales	0.40	1.70
Swensen's (Thai) Limited		Revenue form sales	32.00	33.55
SLRT Limited		Revenue form sales	3.92	3.05
The Coffee Club (Thailand) Limited		Revenue form sales	0.29	0.20
Select Service Partner Co.,Ltd.		Revenue form sales	0.57	0.48

(2) PURCHASES OF GOODS AND SERVICES

Company/Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2016	2015
S&P Asset Co.,Ltd.	Subsidiary	Rental payment for building and services	5.80	5.80
HD Distributrs (thailand) Co.,Ltd.	Associate	Purchase of goods and services	0.51	3.68
S.R.Estate Co.,Ltd.	Related Company	rental payment for brnach office	0.43	0.43
The Company Director	The Company Director	Rental payment for office and warehouse Service Payment	1.32 0.77	1.32 0.64
Seacon Development Co.,Ltd.	The Company Director	Rental payment for building and service	3.81	4.15
The Minor Food Group Plc.	Subsidiary of Minor International Plc.	Payment for services	1.32	2.64
Minor Cheese Limited*	Subsidiary of Minor Food Group Plc.	Purchase of goods.	10.85	7.54
Minor Dairy Limited		Purchase of goods.	1.05	3.51

2. Assets and Liabilities between the Company, Subsidiaries and Related Parties**(1) Accounts Receivables**

Company/Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2016	2015
S&P Global Co.,Ltd.	Subsidiary	Sales of goods and services	0.05	0.05
S&P international Foods Co.,Ltd.	Subsidiary	Sales of goods and services	44.21	27.39
Umenohana S&P Co.,Ltd.	Subsidiary	Sales of goods and services	0.09	0.09
S&P international Foods (Cambodia) Co.,Ltd.	Subsidiary	Sales of goods	17.80	4.02
HD Distributors (Thailand) Co.,Ltd.	Associate	Salsed of goods and Rental	-	0.03
Foodhouse Catering and Services Co.,Ltd.	Associate	Sales of goods	0.37	0.61
MSC Thai Cuisine Co.,Ltd.	Associate	Service Fee	0.07	0.07
The Minor Food Goup Plc.	Subsidiary of Minor Internaional Plc.	Sales of goods	2.15	0.57
Minor DQ Limited	Subsidiary of Minor Food Group Plc.	Sales of goods	0.13	0.27
Minor Dairy Limited		Sales of goods	-	0.11
SLRT Limited		Sales of goods	0.23	0.25
The Coffe Club (Thailand) Limited		Sales of goods	-	0.02
Select Service Partner Co.,Ltd.		Sales of goods	0.12	0.08

(2) Accounts Payable

Company/Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2016	2015
S&P Asset Co.,Ltd.	Subsidiary	Rent - Building and Service	0.26	0.28
S&P International Foods Co.,Ltd.	Subsidiary	Purchase of goods	0.85	0.42
Umenohana S&P Co.,Ltd.	Subsidiary	Purchase of goods	0.25	-
HD Distributirs (Thaoiland) Co.,Ltd.	Associate	Purchase of goods	-	0.51
Minor Cheese Limited	Subsidiary of The Minor Food Group Plc.	Purchase of goods	2.18	1.28
Minor Dairy Limited	Subsidiary of The Minor Food Group Plc.	Purchase of goods	0.05	0.53

(3) Loans to Related Parties

Company/Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2016	2015
S&P Global Co.,Ltd.	Subsidiary	Short-Term Loan	9.00	-
S&P Restaurants Co.,Ltd. (3%)	S&P Global's subsidiary	Short-Term Loan	6.54	7.96
S&P Restaurants Co.,Ltd. (3%)		Long-Term Loan	6.54	7.96
Patara Restaurant, Vienna GmbH(3%)	S&P Global's subsidiary	Long-Term Loan	49.97	49.97
Less: Reserve for Bad Debt			(25.00)	(25.00)
			24.97	24.97
Foodhouse Catering and Services Co.,Ltd.(5%)	Associate	Long-Term Loan	-	6.00
S&P Internatioanl Food Co.,Ltd. (3%)	Subsidiary	Short-Term Loan	4.00	10.94
S&P Internatioanl Food Co.,Ltd. (3%)		Long-Term Loan	2.50	-
MSC Thai Cuisine Co.,Ltd. (4.5%)	Associate	Long-Term Loan	5.00	-

Risk Factors

According to industrial environments, competition, consumer behavior and information technology that have been rapidly changed, together with the new rules and standards being put into places to the Operations, they have caused the higher increase in risk factors over the time, both inside and outside the Company. However, the Company has always been focusing on risk management and has assigned Executive Committee and Risk Management Committee to be in charges for evaluating, overseeing, controlling and managing all operation related risk as per their responsibilities, authorities and duties as assigned by the Board of Directors.

The Risk Management Committee has set up policies and considered the risk management of all departments in the organization in accordance to the responsibility assigned by the Board of Directors, including assessing risk in material projects related to high investment costs. The assessments are in collaboration with the Executive Committee, especially investments in new business which the Company has never been involved before and/or the investments and commitments that may materially affect the financial position of the Company. The steps have been set that the Investment Projects must be submitted through the Executive Committee before submitting to Risk Management Committee for risk reviews. Then, the risk Management Committee will assess risk, effects and returns. If agreed, then the projects will be proposed to the Board of Directors for further approval.

The Executive Committee and Risk Management Committee have considered and agreed about main risk exposures of the Operations of the Company and how to manage them as follows:

3.1 Strategic risk

Strategic Planning is an important tool in determining the company's direction towards achieving its stated objectives and goals. 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 be responsible for the company's strategy work and presenting the investment projects to management and the Executive Committee. The Risk Management Committee will consider and advise about the potential effects to the Company for the projects that need approval authorizer(s) above the amount that could be approved by the Executive Committee, before submitting to the Board of Directors for further consideration.

3.2. Operational risk

In the real operations, how each work units proceed their work assignments are crucial factors to drive the Company to reach its targets and achieve its objectives. The Company has been expanding branches, adding more service points, including new product launches, capturing other businesses, e.g. Japanese Restaurants, expanding our investments abroad and recruiting more employee work force. If the staffs were not capable to achieve their assignments, there will be negative effects to the pace and performances of the Company and the Group, i.e. slow movement and ineffectiveness. The Board of Directors and Management have well realized of such effects and, therefore, have arranged for various trainings to implant understandings to staffs at all levels, set up work manuals/ procedures for major important activities, segregating assignments for more control and reviews and

set up systematic reporting and follow up procedures. In addition, guidelines for work improvements are given for more effectiveness, timeliness, accuracy and better controls of costs, management and services. Furthermore, the Company has put in place an Internal Audit Office to be responsible for audits and reviews. In addition, all main work unit Managers must evaluate their own units risk through their Control Self-Assessment to improve the internal control and reduce the operational risk. The Audit Committee, together with the Risk Management Committee, jointly perform their reviews and consideration of the operational risk, including the effects to the Company, possibility to occur and how to prevent and manage the risk.

3.3 Financial risk

The company's financial management is taking into account the liquidity risk, credit risk and market risk such as the foreign exchange fluctuation or the movements of interest rates. So the Company has properly prepared financial projection, management guideline, monitoring procedures and standards to follow, such as the appropriate debt to equity ratio, short-term assets or reserved funds, for the financial risk management. As for the risk in foreign exchange rate, since the investment in overseas branches is a long term investment, the revenue and expense are also handled mainly in the same currency. Moreover the dividend payments are not frequently incurred, therefore, the Company has no need to opt for forward contract for the time being.

3.4 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 between various sub-systems, data security, information accessibility, and data transmission to support various types of reports for unit heads and management, would all help towards efficient information management. The company has put in place an ICT work unit to be responsible for overseeing systems and ensuring the organization's readiness to support new technological innovations. An ICT master plan has been prepared to correspond to the company's business plans, which includes an ICT security plan, continuous business plans and contingency plans to support the ICT work. There are regular reports being submitted and follow-up of such operation plans by Management. To reduce risk in this area and to build higher competitiveness, the Company has considered to invest in the best practices and up-to-date technology computer system

3.5 Natural Catastrophe and Political Risk

The company is aware of natural catastrophe which may cause negative effect to the normal business, such as flood, epidemic disease and political instability. The company thus has prepared plans to cope up with them, including training our staffs to encounter them, not only natural disasters but also man-made incidents such as fire, demonstrations, and others. Such plans have been identified for emergency incidents while the Company need to continue its business operations through its Business Continuity Plan (BCP) in short term period, and also plans for medium and long-term periods to restrain or relieve the effects to business and to the staffs who are on duties in such incidents to their minimum impacts. The BCP must be regularly reviewed by the Risk Management Committee and if the emergency cases occurred, the Risk Management Committee will evaluate the results related to such risk management and find ways to improve the plans to be more effectively managed in the future.

Shareholder and Management Structure

Shareholder Structure

Share capital

The Company's shares comprise only ordinary shares. As of December 31st, 2016, the Company's registered capital was 490,408,365 Baht, divided into 490,408,365 ordinary shares of par value of 1 baht each. The paid-up capital amounted 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 21st, 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 7th, 2014)

Shareholders

The first 10 majority shareholders whose names appeared in the register of shareholders as of January 16th, 2017 are as follows:

	Group of Shareholders	Number of Shares	Percent
1	The Sila-On and Raiva Groups	212,646,000	43.36
2	Minor International Public Company Limited	175,086,620	35.70
3	Mrs. Supapan Pichaironarongsongkram	17,345,000	3.54
4	NORTRUST NOMINEES LTE-CL AC	11,356,000	2.32
5	Mr.Aryuth Charnsethikul	7,397,000	1.51
6	Mr.Chalee Valaisathien	5,937,800	1.21
7	Mrs.Parinya Khancharoensuk	5,212,310	1.06
8	Mr.Niti Osathanukrua	4,800,500	0.98
9	Mr.Phithak Phisethsith	4,150,000	0.85
10	Prospect International Co.Ltd.	4,093,500	0.83
	Total	448,024,730	91.36

Management Structure

The Company's Committee Structure

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

(1) Board of Directors

As of March 1st, 2017, the Board of Directors comprised of 12 members. Details of meeting and individual remuneration in 2016 are as follows:

Name / Position	Board of Directors		Audit Committee		Nomination and Remuneration Committee		Risk Management Committee		Executive Committee		Total
	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 Attendances / Total number of the meeting	Executive Committee Allowance	
1. Mrs. Patara Sila-On Chairperson of the Board of Directors	6/6	780,000	-	-	-	-	-	-	-	-	780,000
2. Lt. Varakorn Raiva* Vice Chairperson of the Board of Directors	0/1	240,000	-	-	-	-	-	-	-	-	240,000
3. Mr. Pravesvudhi Raiva Chairman of Executive Committee	6/6	520,000	-	-	-	-	-	-	7/7	-	520,000
4. Ms. Cattleya Saengsastra Independent Director, Chairperson of the Audit Committee	5/6	635,000	6/6	450,000	-	-	-	-	-	-	1,085,000
5. Ms. Sophavadee Uttamobol Independent Director, Audit Committee	5/6	635,000	5/6	275,000	-	-	-	-	-	-	910,000
6. Mr. Aviruth Wongbuddhapitak Independent Director, Chairperson of Nomination and Remuneration's Committee	5/6	635,000	-	-	2/2	37,500	-	-	-	-	672,500
7. Ms. Patamavalai Ratanapol Director, Executive Committee, Nomination and Remuneration's Committee	6/6	660,000	-	-	2/2	25,000	-	-	6/7	135,000	820,000
8. Mr. Piya Sosothikul Independent Director, Audit Committee, Nomination and Remuneration's Committee, Risk Management Committee	4/6	615,000	4/6	255,000	2/2	25,000	4/4	55,000	-	-	920,000
9. Mr. John ScottHeinecke Director, Executive Committee, Risk Management Committee	5/6	635,000	-	-	-	-	3/4	40,000	6/7	135,000	810,000
10. Mr. Kachorndej Raiva Director, Executive Committee	5/6	520,000	-	-	-	-	-	-	6/7	-	520,000

Name / Position	Board of Directors		Audit Committee		Nomination and Remuneration Committee		Risk Management Committee		Executive Committee		Total
	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 Attendances / Total number of the meeting	Executive Committee Allowance	
11. Mrs. Kessuda Raiva Chief Executive Officer , Director, Nomination and Remuneration Committee, Executive Committee	6/6	520,000	-	-	2/2	-	-	-	6/7	-	520,000
12. Mr.Kamtorn Sila-On President - Production and Finance, Director, Executive Committee, Risk Management Committee	5/5	280,000	-	-	-	-	4/4	-	6/7	-	280,000
13. Mr. Vitoon Sila-On President - Operation and Human Resource Director and Company Secretary, Chairperson of Risk Management Committee, Executive Committee	5/6	520,000	-	-	-	-	4/4	-	7/7	-	520,000
Total		7,195,000		980,000		87,500		95,000		270,000	8,627,500

***Note 1 Directors resigned from post as follows:**

1. Director #2 (Lt.Varakorn Raiva) resigned from post on February 23rd, 2016
2. Director#12 (Mr.Kamtorn Sila-On) was appointed to be Director to replace Director#2 who resigned, on February 23rd, 2016.

****Note 2 Change of positions for 4 Directors as follows:**

1. Mr.Pravesvudhi Raiva, formerly "Chief Executive Officer", to the position of "Vice Chairperson of the Board of Directors" and "Chairman of the Executive Committee"
2. Mrs.Kessuda Raiva, formerly "President" to the position of "Chief Executive Officer"
3. Mr.Vitoon Sila-On, formerly "Senior Vice President – Domestic Food Operations" to the position of "President – Operations and Human Resource".
4. Mr.Kamtorn Sila-On, formerly "Senior Vice President – Production and Supply Chain" to the position of "President – Production and Finance"

Note 3 The remunerations received from holding the position of director are as follows;

- Gratuity was fixed at 360,000 baht for the chairperson of the board and 240,000 baht for each director.
- The regular remuneration for the chairperson was at 37,500 baht per month and 25,000 baht per month for each director, the chairperson of the audit committee at 22,500 baht per month and the members of audit committee at 15,000 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 37,500 baht per time, and the non-executive members of audit committee at 25,000 baht per time each.
- The meeting allowance for the non-executive chairperson of the Nomination and Remuneration Committee was 22,500 Baht/time, and non-executive members of nomination and remuneration at 15,000 Baht/time.
- The meeting allowance for the non-executive chairperson of the Risk Management Committee was 22,500 Baht/time, and non-executive members of risk management committee at 15,000 Baht/time.
- The meeting allowance for the non-executive chairperson of the Executive Committee was 37,500 Baht/time, and non-executive members of executive committee at 20,000 Baht/time.
- With effective from the date of Annual General Meeting of Shareholders 2016 held on April 22nd, 2016 onward.

Scope of Authorities 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 directions for operations, financial management and action plans of the Company; and to monitor compliance with the determined policies.
- (3) To determine courses for managing business risks, financial reporting and audit, and to oversee the setup of internal control system and internal audit that are efficient and effective.
- (4) To control and supervise Management to operate business as per pre-determined policies effectively and efficiently and to assign and appoint a certain group of Directors to be in charge as “Executive Committee” to conduct specific assignment or various assignments.
- (5) To designate 2 directors, who are not independent directors nor Audit Committee members, as directors authorized to sign their names to bind on behalf of the Company;
- (6) To hold Board of Directors Meetings, not less than 6 times per annum.
- (7) Put into place the Company Vision, Strategies to operate the Company business and annual operating budget of the Company.

The Company has defined independency of “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:

- Percent share-holding not more than 1 percent of the paid-up capital of the Company, its affiliated, associated or related companies;
- Being a director who does not participate in management; not being employee, staff or advisor receiving regular monthly salary or a professional service provider who has received a service fee of more than two million Baht per year from the Company, an affiliated, associated or related company, or a legal entity that may have conflict of interest, over the past period of not less than 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 who are 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 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 agreed to redefine the Audit Committee’s scope of authority and duties during the Board of Directors Meeting, No. 1/2011, held on February 23rd, 2011, to be in accordance to the rules and regulations of the Office of the Securities and Exchange Commission. and 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 effective, 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 benefits of the Company.
- 5) To promote good governance.
- 6) To oversee assessment of Risk Management throughout the Company.
- 7) To approve the appointment, transfer, dismissal, performance evaluation of the Chief of Internal Audit unit, including overseeing the Chief’s evaluation and training.
- 8) To approve the manpower budget, investment budget, administrative expense budget, and the administration of auditing work.

- 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) With support from Management to identify the necessary case to proceed, The Audit Committee may hire consultant or specific matter specialist for advices and suggestions for such specific case by the Company's expense.
- 12) To perform any other actions as assigned by the Board of Directors Company and consent of the Audit Committee.

The Audit committee meets regularly at least 6 times per year and then reported to The Board of Directors. In 2016, there were 6 Audit Committee meetings. Details of participation are listed in topic "Board of Directors of the Company"

(3) Nomination and Remuneration Committee

The Board of Directors' meeting No. 1/2011 held on February 23rd, 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 3 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 authorities 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 for proposing to the Board of Directors. The Committee may invite Management to attend the meeting for discussion and opinions, 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 in some case to the General Shareholders' Meeting for approval
- 2) Consider the number, proportion, and experiences 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 committees and the executives from the president upward, and up to the case, 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, had passed the resolution to appoint the Risk Management Committee to look after the Company's risk management which might be affected by constant changes of business environment. The appointed Risk Management Committee was assigned to prepare the Risk Management Committee's charter to cover roles and responsibilities of the Committee and propose to the Board of Directors for approval.

Risk Management Committee's scope of authorities and duties

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

- 1) To determine risk policies, risk strategies, risk control, risk follow-up and assessment of Risk Management of the Company.
- 2) Oversee the operating results of the Company in various aspects.

(5) Executive Committee

The Executive Committee's scope of authorities and duties

- 1) The Executive Committee is designated with the authority to operate in accordance with the Board of Directors' policies, referring to rules and regulations of the Company, except those required by laws to get approval from the General Shareholders' Meeting.
- 2) The Executive Committee has the right to formulate, suggest, determine business directive policies and strategies and propose to the Board of Directors.
- 3) The Committee prepares business plans, specifies management authorities, authorizes budgets for the annual business activities, including annual expenditure budgets, and generally conduct activities in line with the business plans presented to the Board of Directors.
- 4) Approval of transactions which may result in obligations to the Company that requires the authorization of the Executive Committee, together with the signatures of authorized Director signatories as stated in the Company Articles of Association.
- 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 Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- 6) To perform other duties as assigned by the Board of Directors for a specific period.

The provision of the aforementioned authorities to the Executive Committee precludes any Executive Committee 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 Committee Meetings do not allow the President to conduct related transactions, except limit the scope to authority only for normal course of 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.

(6) 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 Directors 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 23rd, 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 and the Stock Exchange of Thailand.

1. Directors of the Company are elected by a meeting of shareholders and there will be not less than 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 criterias and procedures:
 - 2.1 shareholder has one vote per share;
 - 2.2 Each shareholder must exercise her/his whole votes to elect one candidate or more as director(s) but her/his votes may not be distributed howsoever to elect the candidate(s);
 - 2.3 The candidates receiving the highest votes in respective sequence equal to the number of directors which should be elected at such time will be elected directors. In the event the next elected candidates receive equal votes and their number exceeds the number of directors which should be elected at such time, the chairperson will have a casting vote.
3. At every Annual General Shareholders' 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 which the letter of resignation arrives at 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 resolution to retire any Directors out of his/her position, before due, could only be done by resolution of the Shareholder Meeting, 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 considers and selects individuals having qualifications, knowledge, ability and experience regarding relevant works that would be helpful to corporate governance and internal control systems in order that they would meet the standards and follow the correct courses. 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 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 Audit Committee 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 be Audit Committee member must have the following qualifications:
 - 5.1 Holding shares representing not more than 1 percent of the paid-up capital of the Company, its affiliated, associated or related companies, provided shares held by related parties are included;
 - 5.2 Being a Director who does not participate in the management of the Company, its affiliated, associated or related companies, or majority shareholders of the Company; and not being an employee, staff or advisor receiving a regular salary from the Company, an affiliated, associated or related company, or any majority shareholder of the Company;
 - 5.3 Being a Director without either direct or indirect benefits or interests in terms of both finance and management in the Company, its affiliated or associated companies, or majority shareholders of the Company; and not having benefit 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, after careful consideration, resolves that those previous benefits or interests will not affect the performance of the duty and the giving of free opinions as an Audit Committee member;
 - 5.4 Being a Director who is not related to or is not a close relative of an executive or majority shareholder of the Company;
 - 5.5 Being a Director who is not appointed as agent to protect interests of Directors of the Company, majority shareholders, or shareholders related to the majority shareholder of the Company;
 - 5.6 Being a Director who is able to perform her/his duty and comment or report independently on the result of the performance of her/his duty as entrusted by the Board of Directors, without being under the control of any majority shareholder of the Company, including related parties or close relatives of that person;
 - 5.7 Being a Director with appropriate knowledge, ability and skills

Company Secretary

The Board of Directors appointed a Company Secretary at the Board of Directors Meeting No. 2/2010, by assigning such position to Mr. Vitoon Sila-On, who has knowledge and ability to perform his duty and comment or report on results to the Board of Directors for the purpose of compliance with principles of good corporate governance, the Public Limited Companies Act, the law governing securities and the Stock Exchange and other pertinent law. The assignment to proceed as the Company Secretary is for the duties as follows:

- 1) To prepare and file documentation, that is, registers of directors, invitation notices for Board meetings, minutes of the Board of Directors Meetings and Annual Reports of the Company, including quarterly and yearly financial statements;
- 2) To keep a record of share interests reported by Directors and executives;
- 3) To make advice on laws and rules of which the Board of Directors must be aware for performing their duties and responsibilities;
- 4) To oversee activities for the Board of Directors

Remuneration for Executives

The Company has formulated a policy on fair and reasonable remuneration for the Directors, taking into consideration the Directors' responsibilities, the Company's financial situations and in 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 higher responsibilities. The Company seeks for approval for the Directors' remuneration from the meeting of shareholders every year.

1) Remuneration for Board Members

The 2016 General Shareholders Meeting, held on April 22nd, 2016, resolved to approve the Directors' remuneration as follows:

Meeting Allowance (Baht/person/time)	2016		
	Chairperson (Non-Executive)	Executive Director	Non-Executive Director
Board of Directors	37,500	-	25,000
Audit Committee	37,500	-	25,000
Nomination and Remuneration Committee	22,500	-	15,000
Risk Management Committee	22,500	-	15,000
Executive Committee	37,500	-	25,000

Fixed Allowance (Baht/person/month)	2016		
	Chairperson	Executive Director	Non-Executive Director
Board of Directors	37,500	25,000	25,000
Audit Committee	22,500	-	15,000

The regular remuneration and the meeting allowance mentioned above will be effective as from May 2016 until the Nomination and Remuneration Committee considers that the remuneration is not suitable to nor 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 2016 was fixed at 360,000 baht for the Chairperson of the board and 240,000 baht each for the 11 directors of the Company. The gratuity amounts in total to 3,000,000 baht, and shall be paid in accordance to the period of holding their position(s).

The comparison of Director's remuneration in 2016;

Remuneration	2016		2015	
	Person	Baht	Person	Baht
Regular Remuneration	13	4,060,000	12	3,420,000
Meeting Allowance for Non-Executive Director	6	1,567,500	6	1,570,000
Gratuity	13	3,000,000	12	2,250,000
Total		8,627,500		7,240,000

Please refer to the topic “Board of Directors” for the remuneration received by individual Directors (for fixed allowances, gratuity and meeting allowance) in their capacity as Director(s) of the Company and members of other committees.

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, the Company’s operating results and net profit are taken into consideration. To this, the President and other executives will jointly fix indicators and conduct annual evaluation of performances to fix remuneration that reflects the actual performances and builds an incentive for more continuous efficient and effective performances.

For the year 2016, the remunerations for the Executive Committee and Executives, compared to 2015, are as follows:

Remuneration	2016		2015	
	Person	Baht	Person	Baht
Salaries	11	42,021,600	12	37,372,000
Bonuses, special rewards and travel expenses	11	7,321,586	12	3,981,250
Total		48,343,186		41,353,250

The above remuneration was not included the allowance paid to the Executive Committee and some executive Directors who are also “Director” as shown under the topic “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 in comparison with other organizations. Other remuneration and welfare are such as company cars, provident fund, life insurance, accident insurance, annual health check, medical expenses and allowance for departed employee or family members, 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 2016 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 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 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 determines 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 rights, receipt of dividends, buy/sale/transfer 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 Director, especially during the meeting agenda to consider election of Director, where the information regarding the Director candidates including names, professional work experiences, are presented to the shareholders. The case is also applied to the "Appointment of Auditor" case.
- (3) The right to be entitled to a dividend allotment;
- (4) The right to be aware of the Board's resolutions concerning details of meeting and the meeting agendas which have to be informed to the 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 do 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 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 Board of Directors realizes and pay attention to the fair and equal treatments towards its shareholders. To this, it has formulated policies to oversee and protect the shareholders' rights and to support all the shareholders to obtain their fair treatments and their 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, 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 policies formulated for fairness and equality of shareholders 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 equally protect the rights of all shareholders 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 continuously enclosed details of the independent directors with the proxy forms every year.
- (3) Equality during Meeting of Shareholders
 - (3.1) Before the commencement of a meeting, the chairperson will clearly inform the shareholders of the rules to be applied at the meeting and of voting steps 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) In the meeting of shareholders, the agenda as notified in the invitation to the meeting must be proceeded. 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 all respects.
 - (3.5) For transparency and accountability, in 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, the number of votes agreeing/disagreeing/abstaining from voting, including significant details required for consideration, to completion within 14 days counting from the date of the meeting, and will publish them for acknowledgement by the shareholders via the Stock Exchange of Thailand and the Company's website for the shareholders to review.
- (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 benefits of all 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. For this case, 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 their legal age. All changes in the holding of securities must, at all time, be notified, reports must be submitted via the Company Secretary's office before forwarding to the Office of the Securities and Exchange Commission.

In the 2016 General Meeting of Shareholders, the Company granted all such rights and equalities as above mentioned in 1 and 2 to its shareholders and also prepared an invitation letters in both Thai and English for foreign shareholders. For the 2016 General Meeting, the Company will take all steps to ensure granting 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 prompt actions for the customers as soon as possible and keep the customers' confidentiality.
- 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 realizes that employees are our valuable resources and they must be fairly treated with opportunity, benefits, potential development and must be assured of her/his life quality and safety workplace, as well as suitable welfare and Provident Fund.

- **Society and Environment:** The Company determines to conduct economically and socially beneficial business and attaches importance to environmental care and preservation. For this, the Company has set up a unit performing the duties to take care and be in charge of social responsibility, to promote organizational cultures and evoke awareness to all individuals in the organization so that they will take care of, develop and promote the environment and stakeholders in line with the sustainable growth policy of the Company, as details presented in the topic of “Social and Environment Policies”.

The stakeholder can ask for details, notify complaints or inform any clue of an offense committed regarding financial reports, internal control systems or business ethics of the Company by means of the email address secretary@snpfood.com or audit@snpfood.com or by telephone at no. 0-2785-4000, to the Company Secretary Department or the Internal Audit Office, which will consider the matters before forwarding them to the Audit Committee and the concerned working units 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 well aware that disclosures of both financial and non-financial information of the Company will all affect the decision making 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 timely information. To disclose this information, the Board of Directors has assigned the Finance and Accounting support unit to communicate with institute investors, shareholders, analysts and the concerned public sector. Investors can contact for the Company information at telephone no. 0-2785-4000 or on the website www.snpfood.com or via the email address presidentoffice@snpfood.com.

(2) Principles of Corporate Governance

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

(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 2016, six 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 early 2016, hold in aggregate 43.36 percent of the shares.
- The Board Chairperson is not the same person as the Chief Executive Officer, 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 conducts 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 duties 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 topic "Directorial Structure".

(4.3) Policy on Conflicts of Interests

To prevent a conflict of interests, the Company has clearly formulated policies for the supervision of transactions that may lead to conflicts of interests. For this, steps of approval for connected transactions between companies or persons that may have conflicts are specified in writing. In the event any 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 concerning parties have been formulated in order that they do not use internal information of the Company for their own personal benefits. In 2009, The Executive Committee has also formulated guidelines for the process to submit Director's information and his/her related party information. Such information must be annually reported, 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 System**

The Company believes that good internal control system is one mechanism that will help achieving objectives and successfulness of the Company. The Board of Directors has assigned all employees to take their joint duties and responsibilities to set up proper internal control system and strictly conform to the system in real operations. In addition, authorities of executives and all operational level employee are clearly identified, covering from financial control, operations, management and supervising operations to be in accordance of law, procedures, rules – both internal and outside. Control Self-Assessment (CSA) is also implemented to all unit supervisors for regular evaluation and to protect or reduce un-intentional wrong doing or fraud.

Internal Audit

Internal Audit Office opts for internal audit practices as per international standards and Charters of the Audit Committee, in order to make sure that quality of the audit is up to the standard and is able to support the good internal control, risk evaluation and good governance systems, which will then create values to all stakeholders and sustainable developments of the Company. The Company has been using

internal audit as tools to evaluate efficiency and effectiveness of the internal control system, to review risk assessment and corporate governance and to assist working units to achieve their objectives and targets. Internal audit plans, employee model and budgets are annually approved by the Audit Committee. Internal Audit Office will deploy the audits to working units as per results of risk evaluation, points of control and will emphasize on preventive control and scrutinize fraud potential, including fraud evidence from whistleblower under our witness protection plan.

(4.5) Risk Management System

The Company intends to develop for more efficient and effective risk valuation procedures. Therefore, in addition to the Risk Management Committee, as a sub-committee of the Board of Directors to oversee risk management of the Company, the Risk Management Committee has set up a Work Unit Risk Management Committee to support the duties of the Risk Management Committee. The Risk Working Unit is a team, comprising of executives from main working units. The team will help the Risk Management Committee by identifying and classifying various types of risk in all main units of the Company. Then the Risk will be ranked and procedures and control measures will be prepared to be executed to manage risk to be in acceptable levels to help achieving targets and pre-determined strategies from the main policies of the Risk Management Committee. Reports will also be submitted to the Risk Management Committee.

During last year, Risk Management Committee has evaluated risk associated to many important investment projects, reviewed and proposed from the Executive Committee through Risk Management Committee before submitting to the Board of Directors for approval. The reviews are executed to plan how to appropriately manage risk associated to the project in advance and to evaluate potential effects of investments in new businesses and risk associated to changes in economic situations and societies. Then, comments and measurements are submitted to the Board of Directors for close monitoring of risk to a certain acceptable level and to ensure that the Company will still be able to achieve its pre-determined targets.

(4.6) Board of Directors Meetings

The Board of Directors holds a regular meeting at least every quarter. And to enable the Directors to be present in the Board of Director Meetings, the Secretarial Department will determine schedules for Board of Directors Meeting, Sub-Committee Meetings and the General Shareholders Meeting in advance, every year, and informs all Directors of this schedule at all times before the Board meetings. The Secretarial Department will send an invitation together with supporting documents in advance of the meeting so that the Board of Directors can consider it and have sufficient time to study information, make comment or discuss together, clearly and openly, before attending the meeting. In 2016, the Board of Directors held 5 meetings in total. The Chairperson of the board attended all the Board of Directors Meetings, and during the meetings the Chairperson gave the opportunity and allocated time for Directors to ask Management and for careful, appropriate and sufficient consideration of information. Records of the meetings were kept in writing and Minutes of the meetings, approved by the Board of Directors, were filed and made available for examination by the Directors and concerning parties.

(4.7) Reports of the 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 consistently applied accounting policies are selected for use. Careful discretion is exercised and optimum estimations are applied for the preparation thereof. Moreover, significant information is sufficiently disclosed in the notes to financial statements. For details, please refer to the topic: "Report on the Board's Responsibility for the Preparation of Financial Reports".

The Board of Directors has caused to maintain 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 fraud or significant irregular transactions.

(4.8) The Performance Evaluation of the Board of Directors

The Company has set up a policy for the evaluation of the performance of the Board of Directors and its Sub-Committees at least once a year, categorizing into the performance evaluation of individual Directors and the performance evaluation of a whole group of Directors. The evaluation forms are reviewed annually by the Nomination and Remuneration Committee. The current forms have been reviewed in the 1/2017 Nomination and Remuneration Committee, comprising of the evaluation of Structure and qualifications of Directors; Duties and responsibilities of the Directors; Board of Directors Meeting; Performances of Directors; Relationship with the Management; and Self Developments of Directors and executive developments. 2016 evaluation presented better than 2015 and 2014 average total scores, representing better performances for all categories.

The nomination and Remuneration Committee submitted the evaluation results to the 2/2017 Board of Directors Meeting, held on February 23rd 2017, for consideration and to utilize the results for further improvement of the performances of the Board of Directors.

(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 prepared an orientation program for new Directors whenever a new Director is appointed. To this, overall pictures will be presented for the Company's business and relevant information; the names of the Company's Directors and Management Structure; Legal Handbooks; Rules and Regulations of concerned working units; the Directors' roles, authorities, duties and responsibilities; Corporate Governance guidelines; Company Certificates, Memorandum and Articles of Association; the Company's Rules and Regulations, Vision, Targets, and information on the Company operations and activities. Directors are also organized for business visits and join meetings related to the setting of visions and business plans 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 potentials of executives who would succeed to the positions.

(5) Human Resources Policy

The Company realizes how important the human resources are for conducting business to succeed the targets and, therefore, aims to build and develop our staffs to sustain knowledge and abilities for coping up with competition in the Food and Service Business, both domestic and abroad at our most effectiveness. To achieve this, the Company emphasizes on building food cooking skills and the ability to operate the service business by extending the employees skills, capabilities and their managerial skills. The course "Food Leader Advantage" has been conducted for specific group of executives to train them to manage staffs and control expenses of their work units in a more effective ways.

Strategies to build human resources has been continuously implemented for more than 10 years through "S&P Learning Center", which had been authorized by the Ministry of Education to open vocational courses (Professional Certificate) on "Retail Business" and "Food and Nutrition" since 2007. And for this current situation, in order to serve manpower strategy and to train students that could really work in the business, as per government policy for developing human resource through private organizations, the Center, then, emphasizes on building work force through "Dual Vocational Training Program" and grant scholarship for Bachelor Degree according to expansion of new branches of the Company.

Personnel

The Company number of personnel, remuneration (exclusive of the directors and executives under the heading "remuneration for executives"), i.e. salary, bonus special rewards, overtime and other welfares are as follows:

Working Units	2016		2015	
	Number of employee	Remuneration (Million Baht)	Number of employee	Remuneration (Million Baht)
Local Offices	713	381.51	677	383.34
Branch Operation Dept.	4,949	856.29	4,542	773.63
Factories	1,756	384.98	1,731	363.65
Total	7,418	1,622.78	6,950	1,520.61

(6) Internal Control

The Company always realizes that "Internal Control" in one of the most important processes. Good internal control will lead the Company operations to accuracy, transparency, accountability and will enable the Company to reduce or prevent losses that may incur. The Company, therefore, has continuously been developing the "Internal Control System" to a more efficient and effective one to convince the shareholders to trust the Internal Control System of the Company.

The Company has a policy to develop the Internal Control System to be continually efficient and effective, by preparing a written manual on "Regulation of Internal Control System", covering all operating systems in accordance with the Board of Directors' policy. The manual is to build knowledge and understanding to code of conduct and audit principles, follow-up, evaluation and reporting processes. Therefore, employees can utilize the manual in their practices throughout the organization. The Manual could be regularly adjusted over the time or when there are substantial change(s) in business situation and environment.

Moreover, The Board of Directors has appointed an Audit Committee, comprising of 3 Audit Committee members, who are all independent Directors, to perform their duties in reviewing Financial Reports to present accurate and reliable results, to consider related party transactions or transactions that may cause conflict of interests and handle them in the ways that are reasonable and create maximum benefits to the business of the Company. The Audit Committee also review adequacy of Risk Management System, Internal Control, Internal Audit, Suitable and effective Corporate Governance System, practices in accordance with the Laws related to securities, the Stock Exchange, and Businesses of the Company. The Audit Committee assigns Internal Audit Office, which is independent from Management, to conduct the audits and to review operations of various units in the Company to ensure their real practices as per what have been set up for the Internal Control System. The basic principles are to evaluate adequacy and appropriateness of the internal control of the units, under the Company good Internal Control System, and report directly to the Audit Committee.

The internal control framework that the Board of Directors, the Audit Committee and the Internal Audit Office use and refer to is the "Internal Control Integrated Framework of The Committee of Sponsoring Organizations of the Tread way Commission (COSO)" as follows:

1. Organization and Environment

The Company has clearly and appropriately setup its policies and consistently improve its procedures for target setting and strategic planning. Communication about targets and plans has been conducted to employees at all levels to be acknowledged as their guideline for their operations. Organization structure has been properly set up with clear lines of command according to their work positions in the Company to lead the operations and supervisions to the effective and efficient ways of work.

2. Objective Setting

The Company has clearly defined the operational objectives and targets at all levels of the Company, including those related to strategies, operations, reporting, policies, regulations, and practices, which are in accordance with the main targets or Vision - in the broad perspective, including the identification of acceptable risk level. Those are identified in document and communicated to Management. Nevertheless, reviews and revision may have been conducted from time to time to adjust plans, strategies and objectives, depending on situations and factors that may change due to different environment and economic situation.

3. Event Identification

The Company has appropriately and systematically specified the event identification and various risk factors that may negatively affect the Company, at organizational level or at operational level. Some events could be supportive and positive for the Company objectives. The identifications should be consistently followed up, through consideration of both internal and external risk factors to ensure that the Company has sufficient measurements to cope up with those factors and the reports should be accurately and completely reported to the Executives.

4. Risk Assessment

The Company has placed emphasis on risk management and assigned all units to evaluate their risk factors, both internal and external risk factors that may affect directly or indirectly to the units, including ways to manage risk down to an acceptable level and how to quickly and effectively handle the risk if something happened. Reports are to be presented to Risk Management Committee for reporting to the Board of Directors. In addition, the Internal Auditors will prepare reviews to make sure that procedures are put in place to reduce risk down to an acceptable and manageable level. Identification and evaluation of risk factors have to be conducted once there are material changes over law, regulations, economic situations, environments and other factors that may affect the Internal Control System.

5. Risk Management Policy

The Company has continuously set up the risk management system by determining objectives, targets and strategies to respond to risk at different levels and on the overall context which involve; avoiding, reducing and transferring risk to others. Acceptable risk level has been imposed to operations to manage risk level to make sure that the Company has considered suitable choices, worthwhile and effective. High Risk level has been tackles first to reduce opportunity to incur and affect the Company. Nevertheless, medium risk level and low risk level are not ignored but to be handled properly. Procedures to manage risk through good internal control measures and regulation to handle risk are also set up.

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.

The Company has been conducting clear and appropriate internal control activities to evaluate internal control system of specific unit and overall, including the identification of important control points to refer to during the audits, as tools for planning and control. Manuals, work procedures and ethics are prepared for Directors and Employees to strictly perform their duties with honest and transparency, including the good corporate governance principles. All employees will get information about the practices from their first new employee orientation. The Company has identified duties and responsibilities of specific jobs and determine operating authority to approve various transactions at different authorized amounts for executives in written authority manual: “Business Operating Authority”. Procedures for related party transactions or transactions that may cause conflict of interest are determined for transparency and for the Company benefits. Internal Audit Office is assigned to regularly review adequacy and appropriateness of the Internal Control System, with the audit plans to cover important operation units.

7. Information and Communication

The Company places importance on Information and Communication, by which all employees will get information about Policies, Regulation, Announcements of the Company through various channels of the Company in complete, accurate, timeliness manners. Channels to communicate with outsiders is conducted through website: www.snpfood.com to enable shareholders to get information at any time, including disclosure of information through the Security Exchange of Thailand. Moreover, the Company has got clear policies for control of the information access and in-proper utilization of information of the Company. Intranet has been utilized as communication channel within the Company to disclose policies, rules and regulations, Operating Authority Manual, and System Procedures, including communicating organization movements and various important matters. Channel to accept employee complaints or petitions is also prepared through Whistleline@snpfood.com

In 2016 the Company has approved for installation of SAP Program, a globally accepted ERP software, to manage various resources of the Company to its efficiency and effectiveness. The system will be used to record all business transactions, evaluate important information and issue useful reports for managing the Company through accuracy, clearness, quick and drillable manners. The system will increase ability to utilize information to identify abnormality that may happen in the operations for better control system. The system implementation has been jointly conducted by staffs of the Company and Implementation Consultant. The System go live will be from early Q2/2017.

8. Monitoring

The Company continuously monitors performances from its key performance Indexes (KPI) whether they have met the targets or not and then analyze causes of such budget deviation to improve operations. Internal Audit Office, an independent unit, performs the audits and reviews to cover all major risk areas. Audit process cover both preset audit time frame and the audits without advance fixed schedule in order to encourage work units to always perform their functions as per rules, regulations and the authorized authorities. Various found cases will then be reported to the Audit Committee and the Audit Committee will report to the Board of Directors every quarter. Corrective actions of the audit case at the work units will be followed up by the Internal Audit Office later on.

9. Head of the Internal Audit

Mrs.Chirley Sawangkong, the Deputy Vice President of the Audit Office, whose qualifications and caliber meet the requirement is currently the Head of the Internal Audit.

10. Head of the Company’s Compliance

Mr.Supathep Sukanjanaporn is the head of the Company’s Compliance.

Details of All Directors and Executives

As of March 1st, 2017

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mrs. Patara Sila-On Chairperson of the Board of Directors	75	Honorary Doctorate Degree Business Administration in Management, Rajamangala University Of Technology Isan Doctor in Letters (Honorary) Pine Manor College, Massachusetts, USA BA BA Business Administration Boston University, USA	8.19	Eldest sister	Past 5 years / Chairperson of the Board of Directors	S&P Syndicate Public Co.,Ltd. Food and Beverage Business
Lt. Varakorn Raiva Vice Chairperson of the Board of Directors (Resigned on February 23, 2016)	69	MA Economics University of Indiana, USA BA Economics (2 nd 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. Food and Beverage Business
Mr. Pravesvudhi Raiva Chairperson of the Executive Committee Vice Chair person of the Board of Directors	66	BBA Political Science University of Indiana, USA Modern Managers Program (MMP) Modern Marketing Management (MMM) Chulalongkorn University Director Certification Program Certificate (DCP) Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association Poom Palung Pandin Program, Class No.2 Chulalongkorn University Top Executive Program in Commerce and Trade (TEPCoT), Class No.8 Commerce Academy, University of the Thai Chamber of Commerce	6.22	Third brother	2016 - Present / Vice Chairperson 2015 - Present / Chairman - Executive Committee 2015 - 2106 / Chief Executive Officer 2008 - 2015 / President 2017 - Present / Chairman of Remuneration Committee 2002 - Present / Director	S&P Syndicate Public Co.,Ltd. Food and Beverage Business Charn Issara Development Public Co.,Ltd. Real Estate Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. Kachorndej Raiva Executive Committee Director	67	BBA Accounting Chulalongkorn University Bangkok, Thailand Director Certification Program Certificate (DCP) Thai Institute of Directors Association	2.10	Second brother	Past 5 years / Executive Committee Director	S&P Syndicate Public Co.,Ltd. Food and Beverage Business
Mrs.Kessuda Raiva Chief Executive Officer / Executive Committee / Nomination and Remuneration Committee	63	MBA Economics, North Eastern University, Boston, USA BA Business Administration, Finance and Banking Assumption University (ABAC) Bangkok, Thailand Director Accreditation Program Certificate (DAP) Certificate - Role of the Chairman Program#36 Thai Institute of Directors Association Senior Executive Program – Class of 10/2010 Capital Market Academy (Nor-Tor-Tor) Poom Palung Pandin Program, Class of 1 st Chulalongkorn University Top Executive Program in Commerce and Trade, Class of 6th (TEPCoT 6) Commerce Academy, University of the Thai Chamber of Commerce Top Executive Program in Energy Technology, Class of 6 th Thailand Energy Academy Top Executive Program in Industrial Business Development and Investment, Class of 1 st Institute of Business and industrial Development	7.74	Spouse of Mr. Pravesvudhi Raiva	2017 - Present/ Chief Executive Officer 2015 - 2016 / President 2013 - Present / Nomination and Remuneration Committee 2008 - 2014 / Executive Vice President 1994 - Present / Executive Committee Director 1990 - Present/ President	S&P Syndicate Public Co.,Ltd. Food and Beverage Business S&P Global Co.,Ltd. Operate Restaurant Business abroad
Mr. Vitoon Sila-On Director and Company Secretary / Executive Committee Director/ Chairperson of Risk Management Committee / President - Operation and Human Resource /	49	MBA University of North Carolina Chapel Hill, NC, USA BA Hotel and Food Management, Boston University, U.S.A. Directors Certification Program Certificate (DCP) Directors Accreditation Program Certificate (DAP) Thai Institute of Directors Association	1.59	First Son of Mrs. Patara Sila-On	2017 - Present / President - Operation and Human Resource 2012 - Present / Chairperson of Risk Management Committee 2010 - Present / Director, Executive Committee Director 2008 - 2016 / Senior Vice President - Domestic Operations	S&P Syndicate Public Co.,Ltd. Food and Beverage Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. Kantorn Sila-on Director/ Executive Committee (Appointed on February 23, 2016) Vice President - Group Production & Supply Chain	47	MBA Financial Engineering, MIT Sloan School of Management, Massachusetts, USA MEng Chemical Engineering; Associate of the City and Guilds Institute 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	1.51	2 nd Son of Mrs. Patara Sila-On	2016 - Present / President - Production and Finance 2014 - 2016 / Senior Vice President - Production & Supply Chain 2016 - Present / Executive Committee Director	S&P Syndicate Public Co.,Ltd. Food and Beverage Business
					2011 - Present / Independence Director, Chairperson of Remuneration Committee, Nomination Committee 2011 - Present / Audit Committee	Precious Shipping Public Co.,Ltd.
Ms. Cattieya Saengsastra Independent Director, Chairperson of the Audit Committee	69	BA Accounting (Hons.) Chulalongkorn University Bangkok, Thailand Controllership Training Program Thammasat University Management Development Program - J.L. Kellogg School of Management, Northwestern University Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	0.01	- None -	2011 - 2014 / Deputy Managing Director - Private Client Investment Management 2004 - 2011 / Deputy Managing Director - Investment Banking	Bualuang Securities Plc., Bangkok, Thailand
					Past 5 years / Independent Director, Chairperson of the Audit committee Director, Executive Committee Director	S&P Syndicate Public Co.,Ltd. Food and Beverage Business Dynasty Ceramic Public Co.,Ltd. Ceramic Tile Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Ms. Sophavadee Uttamobol Independent Director, Audit Committee Director	57	MBA Business Administration Chulalongkorn University, BA 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	S&P Syndicate Public Co.,Ltd. Food and Beverage Business
					Independent Director, Audit Committee Chairperson	Bumrungrad Hospital Public Co.,Ltd. Hospital Business
Mr. Aviruth Wongbuddhapitak Independent Director, Chairperson of Nomination and Remuneration Committee	69	MBA Accounting Information System New York University, U.S.A. BA Accounting Chulalongkorn University Directors Certification Program Certificate (DCP) Thai Institute of Directors Association	-	- None -	2010 - Present / Independent Director, Chairperson of Nomination and Remuneration Committee	S&P Syndicate Public Co.,Ltd. Food and Beverage Business
					2006 - 2015 / Independent Director Chairperson of the Audit committee	Advanced Info Service Public Co., Ltd. Communication Business
					2003 - Present / Director	Thai Plastic and Chemicals Public Co., Ltd. Communication Business
					1995 - Present / Director, Chairman Executive Committee	Deves Insurance Public Co.,Ltd. Insurance business
Mrs. Patamawalai Ratanapol Director, Nomination and Remuneration Committee/ Executive Committee	61	MBA Business Administration Emporia State University, U.S.A. BA Chulalongkorn University Bangkok, Thailand Directors Certification Program Certificate (DCP) Thai Institute of Directors Association	0.01	- None -	2010 - Present / Director, Executive Committee, Nomination and Remuneration Committee	S&P Syndicate Public Co.,Ltd. Food and Beverage Business
					1999 - Present / Chief People Officer Chief Operating Officer	Minor Corporation Public Co.,Ltd. and Subsidiaries Fashion Product Business The Minor Food Group Plc. and Subsidiaries Express Food Service Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. Piya Sosothikul Independent Director, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee	46	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. BA Economics Massachusetts Institute of Technology (MIT) U.S.A. Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association	-	- None -	2012 - Present / Risk Management Committee	S&P Syndicate Public Co.,Ltd. Food and Beverage Business
					2011 - Present / Independent Director, Audit Committee, Nomination and Remuneration Committee	
Mr. John Scott Heinecke Director/ Executive Committee	46	BA International Business Washington State University, U.S.A. BA Marketing Washington State University, U.S.A. Directors Certification Program Certificate (DCP) Director Finance Program (DFF) Australian Institute of Company Directors Association	-	- None -	2001 - Present / Executive Committee	Bualuang Securities Plc. Financial Business
					- Present / Executive Committee	Seacon Co.,Ltd. Construction Business
					- Present / Executive Committee	Thaichuros Co.,Ltd. Food Flavor Enhancer Business
					- Present / Director	Nanyang Marketing Co.,Ltd. Shoes Business
					- Present / Director	Nanyang Industry Co.,Ltd. Shoes Business
					- Present / Director, Executive Committee	Seacon Development Plc. Space Rental Business
					- Present / Executive Committee	Erawana Co.,Ltd. Real Estate Business
					- Present / Executive Committee	Siam Housing Co.,Ltd. Real Estate Business
					- Present / Director	The One Enterprise Co.,Ltd. Entertainment Business
					2012 - Present / Director, Risk Management Committee	S&P Syndicate Public Co.,Ltd.
					2010 - Present / Executive Committee	S&P Syndicate Public Co.,Ltd.
					2009 - Present / Director	Minor Corporation Public Co.,Ltd. and Subsidiaries International Fashion Business
					2002 - Present / Chief Operating Officer - Hot Chain Minor Food	The Minor Food Group Plc's and Subsidiaries Express Food Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (%)	Family relations between Executives	Previous 5-year experience	
					Period / position	Company
Mr. Somjit Kitteerakul Vice President for Bakery	55	B.S. Biotechnology, Kasetsart University M.S. Art Ramkhamhaeng University	-	- None -	Past 5 years / Vice President - Bakery Production	S&P Syndicate Public Co.,Ltd Food and Beverage Business
Mr. Chongchana Chantamas Vice President for Food Operations	52	B.S. Food Science and Technology, Kasetsart University	-	- None -	- 2015 – Present/ Vice President - Food Production - 2013 – 2014/ Vice President – Trade - 2008 – 2014/ Vice President of Food Production	S&P Syndicate Public Co.,Ltd Food and Beverage Business
Mr. Dhawat Pansatiankul Vice President – Branch Operation	43	Ph.D. & M.S. Electrical Engineering University of Southern California, U.S.A. MBA (Executive) Sasin Graduate Institute of Business Administration, Chulalongkorn University B.E. Electrical Engineering Chulalongkorn University	-	- None -	- 2016 - Present Vice President - Food Production and R&D - 2012 - 2016 Chief Operating Officer-Operation Support	S&P Syndicate Public Co.,Ltd Food and Beverage Business Zen Corporation Group Co.,Ltd Japaness Food Business
Mr. Amphol Raungturakit Director of Finance and Accounting (Appointed on February 1, 2016)	59	MBA University of California at Berkeley, U.S.A. M.S. Accounting Thammasat University B.A. Accounting (1 st Class Honor) Chulalongkorn University	-	- None -	- Present/ Director – Finance and Accounting - 2012 – 2015/ Senior Executive Vice President - 2009 – 2012/ Executive Vice President	S&P Syndicate Public Co.,Ltd Food and Beverage Business Thai Hua Rubber Public Co.,Ltd. Rubber Business SCG Accounting Service Co.,Ltd. (SOG) Accounting Business

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, bread, baked products, Thai desserts, prepared frozen foods and baker 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 par value @ 1 Baht per share
Head Office	2034/100-107, Ital Thai Tower, 23 rd - 24 th Floor, New Petchburi Road, Bangkapi, Huaykwang, Bangkok 10310.
Registration Number	0107537001170 (formerly No. Bor.Mor.Jor. 364)
Telephone	(02) 785-4000
Facsimile	(02) 785-4040
Email Address	presidentoffice@snpfood.com
Home Page	www.snpfood.com
Registrar	Thailand Securities Depository Co.,Ltd. 93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng, Dindaeng, Bangkok 10400. Tel: (02) 009-9000 Fax: (02) 009-9991
Corporate Auditor	Deloitte Touche Tohmatsu Jaiyos Audit Co.,Ltd. Rajanakarn Building, 25 th Floor, 183 South Sathorn Road, Yannawa, Sathon, Bangkok 10120 Tel: (02) 676-5700 Fax: (02) 676-5757
Legal Counsel	International Legal Counsellors Thailand 175 Sathorn City Tower, 18 th Floor, Thung Mahamek, Sathorn, Bangkok 10120 Tel: (02) 2679-6005 Fax: (02) 679-6041

For the detail of subsidiaries and associated companies in which the Company invests in, in form of shareholding of 10% or more of the total shares issued, kindly see the details under topic **“S&P Group Structure”**.



S&P Syndicate Public Co., Ltd.

2034/100-107, 23rd - 24th Floor, Italhai Tower, New Petchburi Road
Bangkapi, Huaykwang Bangkok 10310