



ANNUAL REPORT 2018



VIRTUE IS THE HEART OF
SUSTAINABILITY

S&P Syndicate Public Company Limited



Simply Delicious
Since 1973





Virtue is the Heart of Sustainability

S&P's commitment lies on the Virtue is the Heart of Sustainability principle and it strives to produce food and bakery products that not only taste good, but also healthy due to the selection of quality ingredients from premium producers. Through sustainable collaborations with farmers, the organization and community can both grow in the same direction. The company is also committed to developing knowledgeable and ethical human resources at all workplaces.

Virtue is the Heart of Sustainability is an important strategic pillar and foundation of S&P, resulting in wellbeing and good health of customers and employees as well as supporting the society and environment in a sustainable way.

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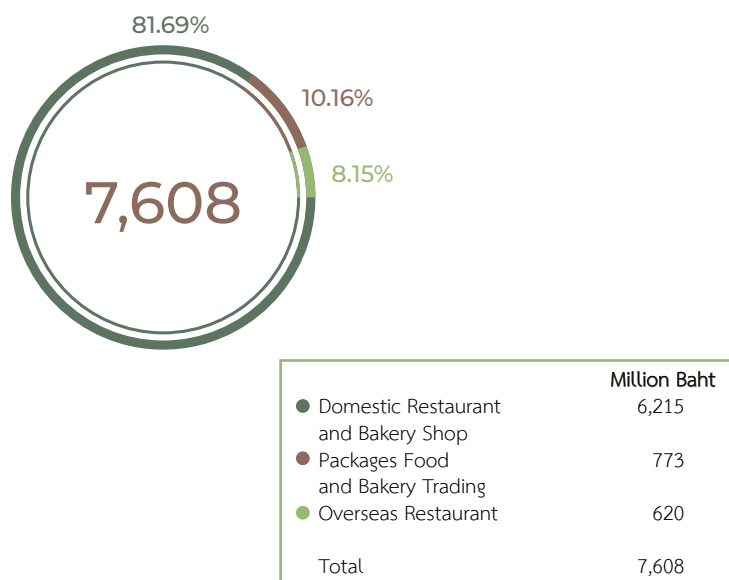
General Corporate Information and Other References

FINANCIAL HIGHLIGHTS

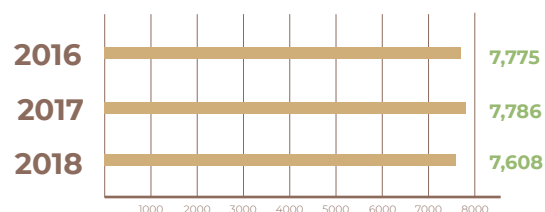
	2018	2017	2016
Statements of Profit or Loss (Million Baht)			
Total Revenue	7,706	7,987	7,932
Revenues from Sales and Services	7,608	7,786	7,775
Gross Profit	3,334	3,527	3,476
Profit before Finance Costs and Income Tax Expenses (EBIT)	445	578	557
Net Profit (Attributable to Owners of the Parent)	400	484	438
Statement of Financial Position (million Baht)			
Total Assets	4,040	3,970	3,714
Total Liabilities	1,450	1,346	1,293
Total Parent Shareholders' Equity and Total Minority Shareholders' Equity	2,589	2,625	2,421
Paid-up Registered Capital	490	490	490
Financial Ratio			
Gross Profit Margin (%)	43.82	45.30	44.71
Net Profit Margin (%)	5.19	6.06	5.52
Return on Major Holders' Equity (%)	15.89	19.96	18.46
Return on Assets (%)	9.99	12.59	11.64
Liquidity Ratio (Times)	1.59	1.57	1.39
Debt to Equity Ratio (Times)	0.58	0.53	0.55
Per Share Data (Baht per Share)			
Closing Price as of December 31	19.50	21.90	25.50
Par Value	1.00	1.00	1.00
Book Value per Share	5.14	5.13	4.75
Earning per Share	0.81	0.99	0.89
Dividend per Share	0.73	0.87	0.80
Dividend Payout Ratio (%)	89.45	88.19	89.67

Revenue 2018

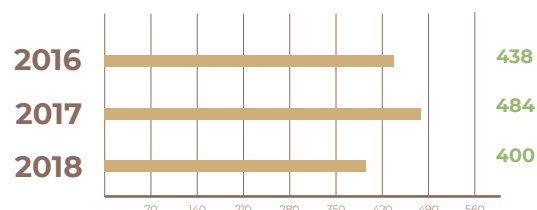
Proportion of Total Revenues by Channel of Distribution 2018



Revenue from sales and service (million baht)

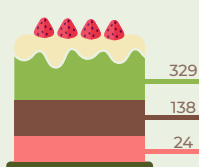
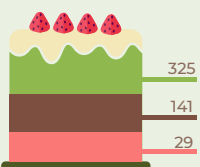


Net profit (million baht)



Number of Domestic Branches

- S&P Bakery Shop
- S&P Restaurant
- Other Brand Restaurant

2016
491

2017
495

2018
509


Number of Overseas Restaurant

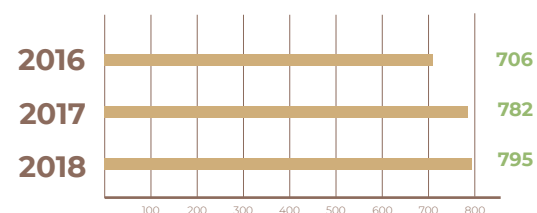
- Asia
- Europe

2016
25

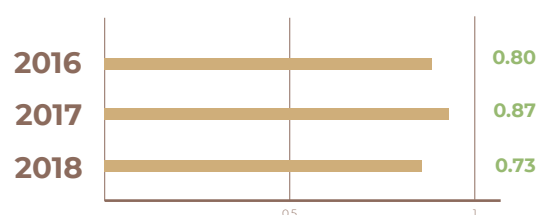
2017
25

2018
17


Operating cash flow (million baht)



Dividend (baht/share)





Board of Directors

1. MRS. PATARA SILA-ON

Chairperson of the Board of Director

2. MRS. KESSUDA RAIVA

Chief Executive Officer / Executive Committee /
Risk Management Committee / Nomination and
Remuneration Committee

3. MS. CATTLEYA SAENGSASTRA

Independent Director / Chairperson of the Audit Committee

4. MS. SOPHADEE UTTAMOBOL

Independent Director / Audit Committee

5. MRS. PATAMAVALAI RATANAPOL

Executive Committee /
Nomination and Remuneration Committee



Board of Directors

6. MR. PRAVESVUDHI RAIVA

Vice Chairperson / Chairman of the Executive Committee

7. MR. KACHORNDEJ RAIVA

Executive Committee

8. MR. VITOON SILA-ON

President – Operation and Human Resource /
Executive Committee and Company Secretary /
Chairman of the Risk Management Committee

9. MR. KAMTORN SILA-ON

President – Production and Finance /
Executive Committee / Risk Management Committee

10. MR. AVIRUTH WONGBUDDHAPITAK

Independent Director / Chairman of the Nomination and
Remuneration Committee

11. MR. PIYA SOSOTHIKUL

Independent Director / Audit Committee / Nomination and
Remuneration Committee / Risk Management Committee

12. MR. JOHN SCOTT HEINECKE

Executive Committee / Risk Management Committee

Message from the Chairperson

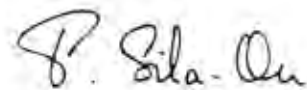
Greetings Shareholders,

Over the last 45 years, the transformation of S&P from an ice cream corner to the most renowned restaurant and bakery chain in Thailand is testament of our consistent and steady growth. Even though the economy has stagnated over the last 2-3 years, the company maintains the ability to take care of staff, customers and shareholders. We operate under a culture of happiness, where employees have fun in their jobs and hence the feeling of happiness is passed on to all our customers through our superb service and premium products. Our executives have also strengthened their teamwork through bonding activities and have become more attuned to the needs of different customer groups, as branches and outlets are managed under appropriate customer groups.

Moreover, our company supports Corporate Social Responsibility in various projects, such as offering free tuition to under privileged children at S&P Training Center, teaching financial discipline to employees and reduction of garbage and pollution through careful waste separation and reduction of plastics.

We reaffirm our promise to all of you that we remain committed to develop and growing our business in a sustainable manner.

On behalf of the board of directors, I would like to thank our shareholders, partners, customers, including all our executives and staff who supported and trust our company. In this 46th year, we will continue to further develop our products and improve our service. All the S&P executives and staff are united in ensuring that S&P maintains our status at the top of the restaurant and bakery industry.



Patara Sila-on
Chairperson

We reaffirm our promise to all of you that we remain committed to develop and growing our business in a sustainable manner.





Message from Chief Executive Officer

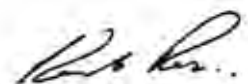
Dear Shareholders,

Today there are numerous restaurant and bakery businesses in the market, offering customers a wide variety of choice, yet S&P continues to set pace. Our extensive experience and knowledge combined with the integration of new technology and advanced management systems means we continue to develop and enhance our business, our staff, and service to our customers. This has resulted in our renowned products and services maintaining the trust of our loyal customers, and attracting new customer groups; leading to continued growth to more than 500 outlets. We are committed to sustaining this growth pattern.

The secret ingredient to S&P's success is our adherence to the principle of "Virtue". A key part of our DNA, the commitment to good business ethics, honesty, transparency and accountability in governance, as well as social and communal responsibility helps propel our business forward.

This principle also helps people develop their careers and grow in tandem with the sustainable growth of S&P; it is a consistent message communicated throughout the company to customers, staff and shareholders.

On behalf of the company, I would like to thank the shareholders, partners, customers, and all executives and staff for your trust and support. We intend to maintain the quality and constant development of S&P in our 46th year.



Kessuda Raiva
Chief Executive Officer



Vision

- “To be the most trusted brand of Thai restaurant & Bakery”



Mission Statements

- (1) Always bring happiness to customers
- (2) Accelerate profit growth in existing and related businesses
- (3) Introduce new innovative products and services
- (4) Attract and retain high work efficiency through human resource development and participation
- (5) Reduce complicated business procedures and increase productivity
- (6) Engagement in the community



Work with passion,
love and happiness



Nature of Business

Company History



A small ice-cream corner was established in Soi Prasanmitr. It has grown to become a restaurant and bakery chain with more than 509 outlets.

1973

patara
FINE THAI CUISINE



The first Patara Fine Thai Cuisine was opened in London, UK.

1990

PATIO
AT TWENTY-SIX



Home Style Cooking restaurant, Patio was opened

2001

VANILLA



Vanilla, concept restaurant opened with its unique menu

2005

1989



Listed on the Stock Exchange of Thailand

1997



S&P Delivery 1344 started delivering food, drinks and bakery

2003



BlueCup Coffee, fresh quality coffee and beverage was established

Bakery Factory



The Bakery factory was established at Sukhumvit 62

Food Factory



The Food factory was established at Ladkrabang Industrial Estate





Umenohana, Kaiseki - style Japanese restaurant, with its signature menu of crab and tofu was opened



Nai Harn,
A Thai-Chinese restaurant,
with retro-Chinatown décor
and Thai/Chinese menu was opened.



Umeno Cafe, a Japanese-Western
restaurant with modern Zen design
was opened



Towards our 46th year
on a solid and
sustainable foundation

2013

2017

2019

2012



Maisen, the famous "Tonkatsu"
breaded pork restaurant from
Tokyo was opened in Thailand

2016



SNP/HQ, a new concept restaurant
with industrial style,
modern decor was opened

2018



Launched new digital platforms – both website
and mobile application – offering online
delivery service

Business Overview

The Company and its Subsidiaries

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

1. Domestic Business Group

As of December 31, 2018, the Company operates domestic 509 branches and 1 franchise. This group has been a major channel of distribution and main source of the revenues of the Company. The Company positions each store-type differently, per their unique identities, to better serve different groups of customers. S&P restaurants and bakery focus family customer and Mass Customization, while other specialty restaurant brands target more unique customers. Details of domestic restaurant and bakery business of the Company are as table below:

Domestic Restaurants and Bakery Shops	Number of branch		
	Bangkok	Upcountry	Total
S&P Bakery Shop	115	227	342
S&P Restaurant & Bakery	72	68	140
BlueCup (standalone)	2	1	3
Grand Seaside	-	1	1
Vanilla	2	1	3
Patio	1	-	1
Patara	1	-	1
Maisen	9	2	11
Umenohana	2	1	3
SNP	2	-	2
S&P Franchise	1	-	1
Nai Harn	1	-	1
Total	208	301	509



1.1 Business Group operated under S&P Syndicate PLC



1. S&P Restaurant & Bakery

S&P restaurant offers a wide variety of both Thai and international food, beverages and desserts, such as, BlueCup beverages, bakery products and ice cream, as well as various ready-meal products. The Company pays scrupulous attention to detail, quality, freshness, hygiene, and safety. Only the very best raw ingredients are selected, while creative menus are devised by professional chefs and cooked from fresh at the restaurants. 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 the 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 building, educational institutes, hospital and gas stations. This is a quick and convenient access to buy BlueCup coffee, bakery, cakes, cookies, sandwiches and daily freshly baked products. Last year, the company has introduced a new style of restaurants where food is the highlight under the “S&P Food and Bakery” concept. The restaurants target customers in hospitals, gas stations, office buildings and universities who want fresh, delicious and quality read-to-eat food with affordable prices. Shops are located in Bangkok, Metropolitan areas and other provinces.



3. BlueCup Coffee

BlueCup Coffee is a good spot to buy good quality coffee and other beverages. It was started up for the first time on January 21, 2002 in Siriraj Hospital, which at that time the fresh coffee market has just been developed in Thailand. Considering the potential, readiness and the available resources of the Company, S&P, then, started the BlueCup Coffee. 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 Shops, there are also standalone BlueCup Coffee branches, currently 3 branches: in Siam Paragon, The Offices at CentralWorld and Suvarnabhumi Airport.

4. Delivery service: S&P Delivery 1334

To respond to the need of living in a fast-paced life and convenient and fast lifestyle of new-generation consumers, S&P provides delivery service to deliver food, beverages, cakes, various baked goods and ready meals to customers' home and workplaces in order to save commuting time while keeping taste just as good as eat in. Customers can order through the following channels;

- Call : Just press "1334"
- Website : www.snpfood.com
- Mobile application : S&P Delivery



5. S&P Catering (Outside Catering)

S&P Catering provide Catering Services and prepare premium snack box for any need of the customers on any special occasion, regardless of size of events, with various selections from menu. The services will be taken care for all details to provide integrated catering services for various Thai, Chinese and International food.

6. Trading Business – Food and Bakery and OEM (domestic and international)



• Trading Business – Food and Bakery

Having noticed the way to sell products through trading business to distribute products to wider range of customers, S&P has produced food products and ready-to-eat snacks under S&P brand or Exclusive or Only @ products under exclusive partnerships which have been distributed via domestic modern trade, including hypermarkets, department stores, and convenient stores. The products include sausage under “S&P Premo” brand, cookies and snack under “S&P Delio”, frozen food under “S&P Quick Meal”, carrageenan jelly under “S&P Jelio” and also moon cake under “Golden Dragon” brand. In 2018, the company has produced new food products and ready-to-eat snacks such as Quick Meal frozen food with the choice of Veggie preference, durian-flavored frozen cake slide.

The company also expanded the distribution channels to other countries around the world e.g. China, India, the United States of America, Europe, Australia etc. The company has also aimed to open new markets in Korea and Hong Kong last year so that foreign customers can taste Thai food and desserts.



• OEM

The company also offer manufacturing service to chain restaurants and leading companies in the country by offering an OEM service such as sticky rice product, sausages, cookies, moon cakes as well as various selections of food and bakery products catered to specific demand of its business partners.



7. VANILLA

The VANILLA Group of restaurants is designed to reach modern teenagers and young professionals who are self-confident and have good taste. Restaurants in VANILLA Group offer high-quality food in unique ambiances where the customers can feel their classy good taste food. In 2018, a new branch called Vanilla Everyday is open at MEGA Bangna to serve increasing needs of customers.

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 Cafeteria

Vanilla Cafeteria is located in Bangkok's modern shopping complex, The EmQuartier, which 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.

Vanilla Every day

The newest branch is decorated in a modern loft style featuring furniture in the Scandinavian and vintage design reflecting retro feelings with black and white color tone. The café is famous for its thin-crust homemade crepes in which savory crepes are also offered. Vanilla's signature pasta dish is carbonara pasta packed with cream and cheese or black spaghetti with river prawns cooked in a signature butter and garlic sauce. The café was open on 18 October 2018 at MEGA Bangna.



8. Patio Home Kitchen

This 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 Farm, Sriracha, Chonburi Province; it's the perfect choice for customers who are looking for authentic Thai food and seafood with a refreshing seaside ambience.



11. SNP/HQ

The Modern Stylish Restaurants is decorated in trendy mood and dark tone for fineness and relaxing ambience to maximize dining experience. SNP is divided into 3 zones which are Baking Lab for homemade bakery products, Cake Studio which cake making process is displayed and Espresso Bar, an open bar to show off drink mixing steps with various choice of food in the SNP unique style. "SNP/HQ" was opened at Ital Thai Tower, New Petchburi Road and "SNP CAFÉ" was opened at FYI – Rama 4 Road



12. Nai Harn

Nai Harn restaurant is located at Lhong 1919 near Chao Phraya River where old Chinese mansions and warehouses are restored and opened as a heritage attraction. The inspiration for this restaurant comes from Suriyon Raiva or "the father" of the Raiva family who everyone used to call "Nai Harn" which means the business owner. The ambience of the restaurant represents the old Yaowarat Chinatown in 1967. The restaurant offers a wide selection of Thai-Chinese dishes from street food to famous restaurant dishes using high quality and various ingredients with a unique style of Nai Harn added to harmonize with the decoration.

1.2 Business Groups under Subsidiary Companies

1. S&P International Foods Co., Ltd.

Established on July 27, 2012 with the paid up capital of 50 million baht which 99.99% of its shares are held by the Company. It currently operates franchise Japanese restaurants in Thailand, “Maisen”. As of 2018, 11 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. In 2011, Tonkatsu Maisen made 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.



2. Umenohana S&P Co., Ltd.

Umenohana S&P Co., Ltd. was established on June 26, 2013 with the paid up capital of 25 million baht where 60% of its shares are held by S&P Syndicate Public Company Limited; Umenohana Co., Ltd. holds another 40%. It currently operates a franchise Japanese restaurant and sells its products under “Umenohana” brand in Thailand. There are currently 3 branches.

UMENOHANA

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 every-day heartfelt services.



Umeno Café

The Japanese-western café opened its first branch in MEGA Bangna and second branch at Silom Complex on March 20, 2018. The café is decorated in Zen-modern style mainly featuring wood furniture depicting the identity of Japan and uses white furniture and green couches to convey relaxing and cozy ambience.

The café is inspired by food and service from Umenohana, a restaurant specializing in Kaiseki cuisine. The café serves the signature dish of Umenohana in a western style but still maintains the main ingredient imported from Japan in order to modernize the dish to attract Thai customers. The café pays attention in selecting main ingredients which are imported from Japan therefore every dish from Umeno Café is not only delicious but also healthy.



3. S&P Delivery Co., Ltd.

S&P Delivery Co., Ltd. was established on November 27, 2018 with the paid up capital of 1 million baht. The company has registered a change of name and purposes from S&P Asset Co., Ltd. to S&P Delivery Co., Ltd. with purposes of transporting and handling products and passengers whether on land, water or air, domestically and internationally as well as transporting all types of food to individuals, a group of people, juristic persons in public agencies.

1.3 Business Group under Associated Companies

1. Foodhouse Catering Services Co., Ltd.

Foodhouse Catering Services Co., Ltd. was established with a paid up capital of 10 million baht, of which S&P holds 49.97% and engages in various food businesses related to operation 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”.



2. MSC Thai Cuisine Co., Ltd.

MSC Thai Cuisine Co., Ltd. has registered capital of 80 million baht in which the Company held 40% of such company's authorized share capital with Minor Food Group Plc. and Wisdom Link Co., Ltd. to operate MSC 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 Businesses Group

S&P Group has been an example of successful food business operator in both the domestic market and overseas. 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, 2018, the Company has 17 restaurants abroad in 5 countries as follows:



Restaurant abroad	UK	Switzerland	Austria	China	Cambodia	Total
Patara	6	1	1	1	-	9
SUDA	1	-	-	-	-	1
Vanilla	-	-	-	2	-	2
S&P	-	-	-	-	5	5
Total	7	1	1	3	5	17

2.1 S&P Global Co., Ltd.

S&P Global Co., Ltd. was established with a 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 a modern, elegant environment with a western concept. Patara has 9 branches in total; 6 branches in England with the latest branch “Wimbledon” opened on June 16, 2017, 1 branch in Switzerland, Austria and China each. As of November 22, 4 Patara branches in England were transferred to be under the management of Patara Fine Thai Cuisine Limited (PFTC), which is the joint venture company with Minor International PCL or MINT.



SUDA: Thai Cafe Restaurant

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



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. There are currently 2 branches.

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

Established on April 30th, 2014 with paid-in capital of USD 1,457,500 (around 48 million baht) and 99.99% share owned by the Company, S&P Cambodia operates restaurant business in Cambodia with 5 branches in Phnom Penh; one in AION Mall and the other on Somdej Pan Avenue, Eden Garden, AION Mall Sansuk and The Park Community Mall. The company has plans to expand its business in 2019 to 3 more branches.





Your smile is
our happiness

Type of Products and Services

Under S&P Syndicate Public Company Limited

1. Bakery Products

Being the leader in cake and bakery products for more than 45 years, the company continues to develop and introduce new products and packaging designs to satisfy customers and response to their various needs for both teenage and working age groups as well as family

member in all ages for all times and opportunities in a competitive manner. In development and production of new bakery products, the Company gives importance to quality of products and raw materials, freshness, and taste to stay true to our slogan “S&P Simply Delicious”.

1.1 Cake

With our intention and long experience, our loyal customers’ continuous acceptance and support for taste, quality, consistency and preparedness in the products and services that S&P provides to them at all times, the Company continues to improve its expertise in the art of making cakes to produce quality cakes with the taste to satisfy our customers and the commitment to maintain quality in all processes from the selection of raw materials and ingredients, the arrangement of production process with deliciousness, loveliness, smooth texture and flavor of all parts of the cake. The popular cake with licensed characters includes Doraemon Cake and Disney Cake. The Company intends to offer S&P cake as happiness to special persons on special occasions especially during happiness festivals in every year. The product range includes pound cake, individual cake, cupcake and frozen cake. Furthermore, S&P also has “Naked cake” which has small amount of cream and butter sponge texture for health-conscious customers.

With 45 years of experience, S&P has strived to keep its quality in every step of making a cake for givers and receivers to celebrate on special occasions whether on birthdays, wedding anniversaries or other celebratory events. Every year, S&P will introduce different types of cake for every important occasion e.g. Children’s Day, Valentine’s Day, Songkran Festival, World Cup, Mother’s Day or Halloween for everyone. Especially on New Year, this year apart from a new cake collection made from a classic cake cooking method which is very popular from S&P, there are also flower cake, cake with licensed characters such as Mickey, Minnie, Winnie the Pooh and princesses from Frozen lined up to give happiness to children. S&P also introduced a Circus collection which includes carousel cake, popcorn cake, clown cake for everyone to enjoy





1.2 Pastries (Pie and Puffs)

Our pastries emphasize on “freshness”, “deliciousness”, 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 hot dog 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. This year, S&P has introduced a various selection of baked goods made from healthy ingredient which is purple sweet potatoes which are very popular in the market. The bake goods include purple sweet potato and chicken puff, purple sweet potato croissant which are healthy choices for customers to choose.



1.4 Cookies

The Company uses 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, Tiramisu, chocolate malt and caramel, premium cookies such as chocolate chip almonds. For the New Year collection, S&P has developed a new flavor for premium cookies for health-conscious customers which include white chocolate with green tea matcha with fragrant and sweet taste and cranberry cookies with crispiness on the outside and soft on the inside and fragrance with cranberry smell and short bread with more butter than other cookies. There is also 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.

During the New Year Festival in every year, S&P has offered a new cookie packaging design for customers to buy as a gift and this year is no difference. S&P has designed the cookie packages under the Circus concept and offered a new premium cookie packages in a carousel design for customers to give happiness and deliciousness to others.

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.

1.3 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. Moreover, S&P gives importance to healthy products such as GABA-rice bread, high-calcium milk bread. This year S&P has introduced a purple sweet potato hot dog bread using purple sweet potato for customers to enjoy.





1.5 Mooncake

The Company is dedicated to delivering delicious, new, fresh, clean and safe 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 in various filling with raw materials that are well selected in advance to meet the needs of consumers. This year is another special year. In addition to classic flavors like Mon Thong durian, 8 kernels, black sesame, lotus seed and 5 kernels, S&P still highlights extraordinary beauty innovation by redesigning the exterior and S&P logo imprint and offering mooncakes in various sizes whether 80 grams, 150 grams and 170 grams. Furthermore, the Company also introduced new fillings for health-conscious customers with healthy ingredients such as purple yam, strawberry rose, macadamia and Mon Thong durian, cranberry and earl gray, matcha red bean and vegetarian 5 kernels. Moreover, S&P offered 4 new fillings for mini 80-gram mooncakes which are custard, Mon Thong, mango and mandarin orange which is the collection S&P likes to impress the receivers with.

Packaging with beautiful design is also offered to add to your collection. This year, S&P gives importance to beautiful packages in the modern China design inspired by 4 stunning women of Chinese folklore with different characters but connected through 4 beautiful species of flowers. Those who receive will sure be impressed. Furthermore, S&P introduced a premium limited edition mooncake boxes made under the collaboration of S&P and SCG Packaging to produce green packages.



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).

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, 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. For this year's product development, S&P has signed an MOU with the Faculty of Public Health, Mahidol University to develop studies on public health, health literacy and creating healthy product innovations for interest of the public which emphasizes its mission of being "an organization that cares of health". In 2018, S&P has introduced a low-sodium food in response to needs to hospitals customers who give a positive feedback.



2.2 Frozen Finished Food: Quick Meals

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 with Premo brand for a group of customers in medium level or higher. 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 a standard raw material 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: Jellio 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, is added to production line to expand product variety.



2.5 International Food Products: PATIO

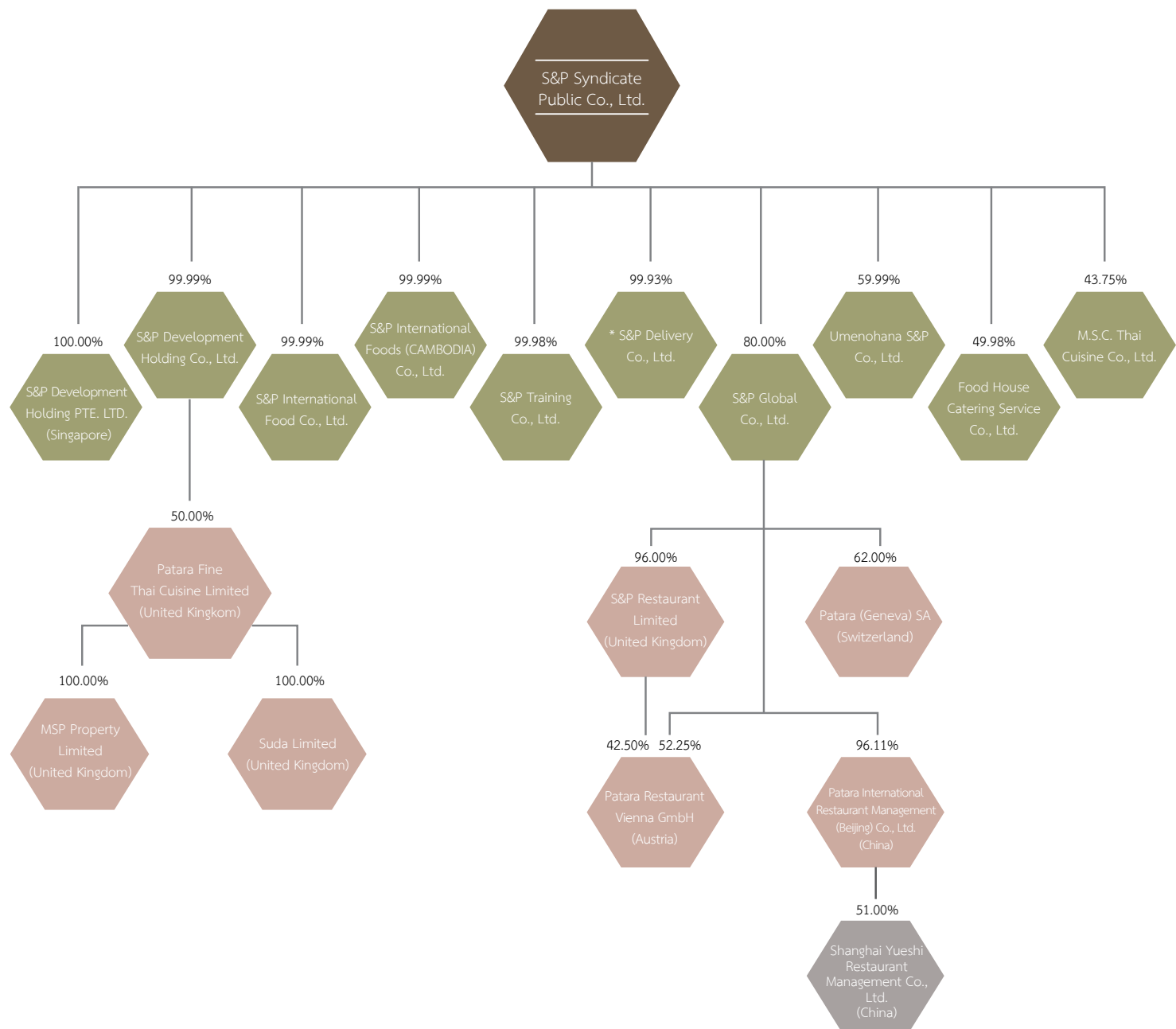
S&P is the leader in delicatessen products under Patio brand, e.g. salad dressing, frozen soup and other ready-made products which are delicious and healthy, available at S&P and leading retailers.



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. In late 2018, BlueCup has launched a new beverage which is a cold brew tea coming in 2 flavors which are cranberry apple tea and Oolong tea (organic)

S&P Group Structure (2018)

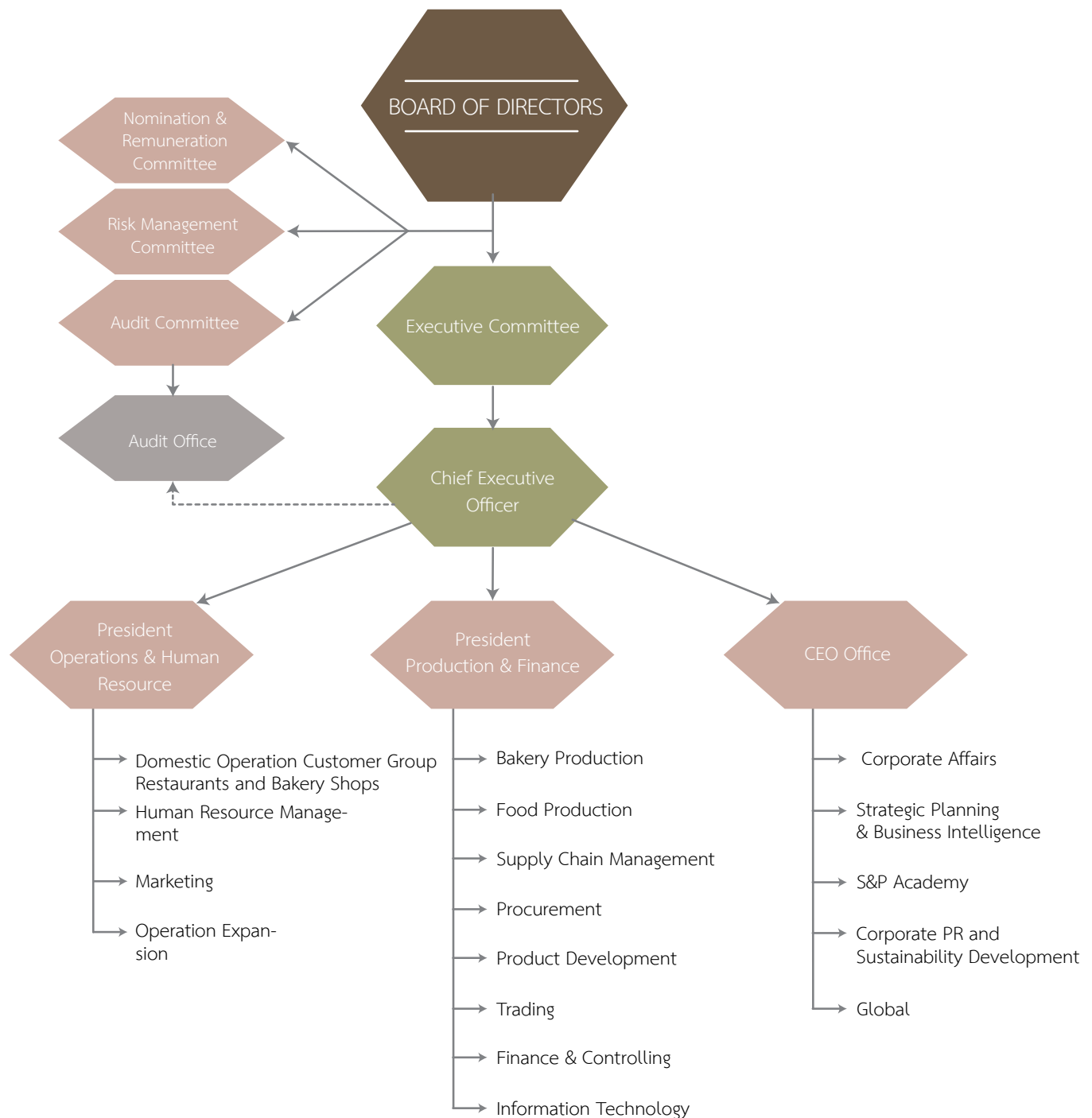


Remark

* On 27 November 2018, the company name was formally changed from S&P Asset Co Ltd to S&P Delivery Co., Ltd.

Organization Chart

(As of 31 December 2018)



Management Structure of the Company

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

Board of Directors

The Board of Directors comprises 12 members.

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

Note: Director No. 6 (Mr. Aviruth Wongbuddhapitak) resigned from the position of the Director on February 1st, 2019

Audit Committee

The Audit Committee comprises 3 members.

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

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 4 members.

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

Note: Director No. 1 (Mr. Aviruth Wongbuddhapitak) resigned from the position of the Chairperson of Nomination and Remuneration's Committee on February 1st, 2019

Risk Management Committee

The Risk Management Committee comprises 5 members.

- | | |
|----------------------------|--|
| 1) Mr. Vitoon Sila-On | Chairperson of the Risk Management Committee |
| 2) Mrs. Kessuda Raiva | Risk Management Committee |
| 3) Mr. John Scott Heinecke | Risk Management Committee |
| 4) Mr. Piya Sosothikul | Risk Management Committee |
| 5) Mr. Kamtorn Sila-On | Risk Management Committee |

Executive Committee

The Executive Committee comprises 7 members.

- | | |
|------------------------------|--|
| 1) Mr. Pravesvudhi Raiva | Chairperson of the Executive Committee |
| 2) Mr. Kachorndej Raiva | Executive Committee Director |
| 3) Mrs. Kessuda Raiva | Executive Committee Director |
| 4) Mr. Vitoon Sila-On | Executive Committee Director |
| 5) Mr. John Scott Heinecke | Executive Committee Director |
| 6) Ms. Patamawalai Ratanapol | Executive Committee Director |
| 7) Mr. Kamtorn Sila-On | Executive Committee Director |

Note: On January 1, 2019, there were changes in the management team, namely:

1. Mr. Pravesvudhi Raiva - from the original position: Chairman of the Executive Committee to the position: Vice Chairperson
2. Mrs. Kessuda Raiva - from the original position: Chief Executive Officer to the position: Chairman of the Executive Committee
3. Mr. Vitoon Sila-on - from the original position: President Operations and Human Resource to the position: Chief of Executive Committee.

Management Team

The Management Team comprises 6 members

- | | |
|-----------------------------|---|
| 1) Mr. Pravesvudhi Raiva | Chairperson of the Executive Committee |
| 2) Mrs. Kessuda Raiva | Chief Executive Officer, and President for S&P Global Co., Ltd. |
| 3) Mr. Vitoon Sila-On | President – Operations and Human Resources, and Company Secretary |
| 4) Mr. Kamtorn Sila-On | President - Production and Finance |
| 5) Mr. Somjit Kitterakul | Vice President Bakery Manufacturing |
| 6) Mr. Chongchana Chantamas | Vice President Food Manufacturing |

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

Economic Conditions and Business Competition

In 2018 the general economy was slowing down in terms of export, tourism, and domestic consumption. In the third quarter, the Thai Chamber of Commerce adjusted the economic growth figure from 4.4% to 4.6% as a result of improved domestic economic distribution, crop prices such as rice, sugar cane, tapioca (except rubber) improved leading to increased local expenditure. In addition, SMEs within the supply chain adjusted their production reflecting economic recovery, including improved private sector investment and spending.





Restaurant & Bakery Business

Despite the slowdown in the economy, the food business sector grew with increased competition, with a total value of 420,000 million Thai baht, and a 4-5% growth rate. Breaking it down, the street food category had steady growth, restaurant category had low growth, and food delivery had the highest rate of growth. As Thailand becomes more of an aging society, and people became more health-conscious, healthy food had become more in demand thus making it necessary to develop healthy food and beverages to satisfy this demand. S&P has developed and improved our products to address this trend, including food and bakery, introducing healthy low sodium, low sugar, 0% trans fat menus, and adding more seasonal varieties, as well as setting appropriate prices for different target groups. Furthermore, our company analyze the needs of our customers,



and categorize them according to 6 customer groups i.e, Hypermarket, Standalone, Hospital, Office and University and Transportation [Airport, Gas station and BTS/MRT]. By doing so, we are enabled to offer products and services that are more specific to the needs of our customers. We renovate our shops, change the product presentation, and most importantly select the product items that satisfy the demand of each specific customer group. As a result of that, we can analyze the trend and growth of each customer group accurately.



Ready Meal Business

Due to modern-day consumer behaviour and fast-paced lifestyles, ready-to-eat meals are becoming more popular among the new generation as it serves the needs of modern life. The growth rate of the ready-to-eat chilled food and frozen food market is at 10%, down from a previous year with 11% growth. The growth of sales of frozen food is also slightly decreasing partly due to the economic slowdown reducing the consumers' purchasing power and there is an alternative of chilled food for the new generation to choose from instead of frozen food as evidenced by an increasing marketing campaign on chilled food offered in various choices and flavors which is also more convenient to buy and heat up right at the convenient stores. S&P, therefore, improved its products to serve the needs of consumers by continuing to introduce various choices of food and bakery products during special occasions for consumers to have more choices to choose from. The Company also maintains its standards at reasonable prices that can be affordable during this economic slowdown.

Technology Trends

Trends are changing as the world of the Internet is expanding especially the social media which plays a big role in creating an impact on the decision of the new generation. The consumers can access the information on new shops and products through many well-known influencers giving small businesses or brands an opportunity to easily reach customers, be talked about and shared through various social media channels such as Facebook, Instagram, Line etc. Furthermore, storefronts and locations are not an issue for the businesses to reach to customers anymore which means small food and baked goods businesses can attract more customers through many food delivery services e.g. Grab Food, Foodpanda, LINEMAN, Now.



S&P therefore needs to adopt new technologies to improve its system to respond to more aggressive competition. The Company has conducted marketing campaigns through many famous social media, collaborated with various food delivery service providers, organized online activities for users to participate and catch up with the updates. Furthermore, the Company has shifted the focus on the food ordering channel from calling 1344 to an online ordering channel via the website and mobile application in which customers can choose the delivery address based on Google Maps, track their orders, make payment via the payment gateway. This change will offer a more convenient way for customers to order food online, resulting in higher sales through website and application. Despite fierce competition and technological evolution, S&P continues to improve and enhance its products and service including adopting new technologies to serve the demand of customers. We are stepping into the 46th year with stability and sustainability.

Important Events in 2018



Opening more than 500 branches

S&P has continued to grow and expand its distribution channels to reach a wider range of consumers.

There are currently more than 509 branches of restaurants and bakeries in the country.



Offering “healthy food and snacks”

S&P has introduced food and snacks under the “Healthy Licious” concept by creating selections of food and snacks made from high-quality and healthy ingredients in line with its promise of “Healthier Family, Happier World”



The launch of a new distribution center

The Company has procured land to build a Distribution Center in which storage and transport technologies are adopted to boost the maximum efficiency of storage and transport. The building is expected to be complete in 2019.



Awards

The Company received the Thai Select Certificate 2018 for 15 items of frozen food from the Department of International Trade Promotion, Ministry of Commerce.

The Company also received a plaque of appreciation for its dedication and commitment to improving the organization to be a health literate organization from the Health Reform Commission in Thailand health literacy promotion conference organized by the Department of Health.



Selling shares in Singapore

For performance management in making profits from foreign investments, the company has considered selling its shares in Singapore (Bangkok Jam (Singapore) and Siam Kitchen) worth 8.4 million baht.



Introducing new Online Delivery

www.1344delivery.com has been changed to www.snpfood.com

The online food ordering system has been improved to increased investment in technology such as adopting Google Maps for delivery address, order tracking and online payment through a payment gateway.

This improvement has enhanced the convenience in online food ordering of S&P customers.

Events in 2018

Signing ceremony of health agreement with Mahidol University

S&P Syndicate PCL has signed a memorandum of understanding with the Faculty of Public Health, Mahidol University to develop health studies, promote health literacy as well as developing nutritious product innovation for the public interest. The agreement indicates a substantial collaborative effort on health matters between S&P and Mahidol University. The event took place at S&P Syndicate



S&P joins chef volunteers at "Royal Project 49"

S&P Syndicate PCL has joined a chef volunteer to demonstrate cooking "Avocado Somtam" as an idea for dishes made from ingredients from the Royal Project at "Royal Project 49" held on 9 August 2018 at CentralWorld shopping mall. "Avocado Somtam" is one of the popular dishes of S&P as a part of "Happy and Healthy with Royal Project" campaign. The dish has been offered on the menu at S&P restaurants at the end of 2017.



S&P celebrates its 45th anniversary, during which it has been the leader of cakes and baked goods with environmental awareness in Thailand

S&P Syndicate PCL has held "S&P Cake & Cookies 2019" to celebrate its 45th anniversary. At the event, the giant 2.1-meter tall "Merry-Go-Round Carousel" cake was displayed together with a new 2019 collection and several promotions as it welcomes the upcoming festival of happiness at Work and Play area on the 1st floor of Central Plaza Grand Rama 9 on 29 November - 2 December 2018.

S&P confirms “no partially hydrogenated oil as a primary source of trans fat added”

S&P Syndicate PCL has held a special interview on “S&P guarantees no partially hydrogenated oil has been added as a primary source of trans fat” in which a team of executives and product development experts from S&P have given the information to the press at SNP Headquarter at New Petchburi Road.



S&P joins tourism village project with CEO Love Local campaign

Mrs. Kessuda Raiva, CEO of S&P Syndicate PCL was invited to be CEO presenter for Agro Tourism Village. The company has promoted Mae Sat village in Chiang Rai to be an agro-tourism village as part of the We Love Local project. Ten tourism villages were selected from 50 villages across the country to join the project. The company also launched the CEO Love Local special campaign whereby the CEO presented the village collection. The campaign was organized by Tourism Authority of Thailand on 29 August 2018 at Dusit Thani Hotel.



S&P holds a press conference on Mid-Autumn Festival

S&P Syndicate PCL held a press conference on Mid-Autumn Festival to introduce “S&P Mooncake 2018” under the “Suan Dang Chan, Som Dang Jai” concept to ask for good blessings from the moon through selections of mooncake in various flavours made from meticulously-selected ingredients. The company also introduced a premium limited edition mooncake set made from a collaborative effort between S&P and SCG Packaging for an environmental-friendly container at SNP Headquarter at New Petchburi Road.



S&P goes back in time with Khao Chae

S&P organized a Khao Chae workshop to bring back an ancient Thai dish that is hard to find nowadays. After a very meticulous cooking process, a fragrant jasmine-scented Khao Chae is served with various side dishes. Famous actresses from Buppesannivas television series Kannarun “Prang” Wongkhajornklai and Ramida “Noon” Prapasanoobon also joined the workshop at the Skill Standard Testing Center, S&P Syndicate PCL Learning Center in March 2018.



Expansion of Business and Product Development

1. Business Expansion

Every year the company increases the number of restaurants and bakery shop outlets both in Bangkok and other provinces so our customers can access our products and services conveniently. In 2018, S&P opened 2 new restaurant branches at Don Mueang Airport (Terminal 2) and Icon Siam along with 25 new bakery shops.



2. Product development and sales promotion

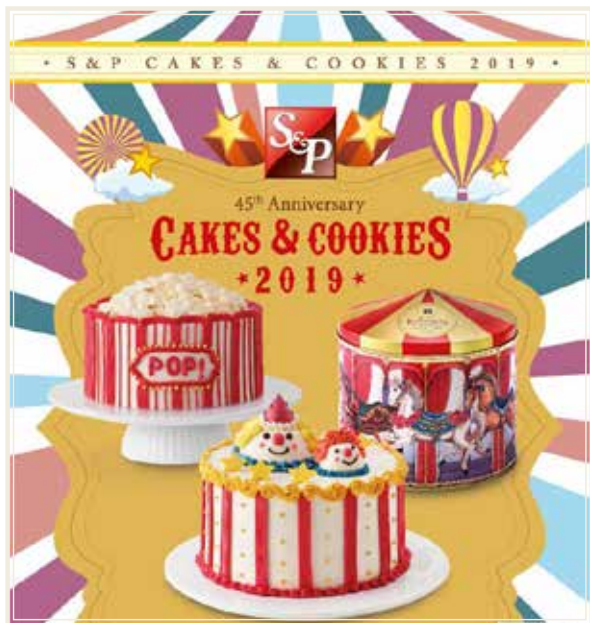
Introducing new menus and products is a part of S&P's success. Apart from novelty, we give priority to taste, quality of ingredients and decoration. We have introduced themes, such as for food beverages and bakery for special occasions e.g. Simply Valentines for the festival of love; Summer Delight for Khao Chae (Summer Rice Cooler) and Mango sticky rice festival; Simply Thai Taste for Thai food festival; Mooncake festival in which S&P this year introduces mooncakes with beautiful crust used to ask for good blessings from the moon and to give to loved ones. Mooncakes are offered in many fillings made from meticulously-selected ingredients from S&P. The Company also partnered with SCG to develop packages made from recycled paper with a beautiful and durable design. Each layer of the package can be reused and recycled in the paper recycling process. This set of packages is designed under the concept of "Happy Mid-Autumn Festival: Enjoy The Moon"



S&P uses raw materials from the Royal Project for its Royal Project dishes. S&P also introduced cakes and cookies for the New Year festival. The event, S&P 45th Anniversary Cakes and Cookies 2019 was held at Central Plaza Grand Rama 9 where other fun activities also took place such as concert, show from celebrities and introduction of a giant carousel cake.



Main sales promotion occurs on Wednesdays with a 20% discount for bakery products, and Double Day Discount occurs on Wednesday and Saturday with a 20% discount, 2 pies for 40 THB, Buy 3 get 1 Banana Cake, Joy of Sharing food discount for Fish menus, BlueCup Buy 1 get 1 promotion, twice a month.



Joy Card has added a new 'S&P Mobile Application' feature which allows users to top-up the card and receive cumulative points when using the debit function of the card or the Mobile Application. It can also be used to send gifts.

S&P gives increasing importance to online marketing, using content marketing with interesting materials and social media for customer awareness and interest in our products. We made TV and online commercials for our mooncakes and 'The Most Diverse Meal' campaign to promote our restaurant using online media for brand awareness, as well as our year-end campaign approach through television commercial and online promotion for cakes and cookies from S&P under the "45th Anniversary Cake & Cookies 2019" theme where fun meets deliciousness. This year, S&P has developed cake and cookie products under the Circus concept for customers to pass on new cookie packaging design and modern cakes to others.

Awards and Achievements

“Tom Yum Goong” by Patara restaurant wins 8th International Culinary Artists Competition Yi Yin Cup

“Tom Yum Goong” by Patara Fine Thai Cuisine wins the 8th International Culinary Artists Competition Yi Yin Cup held in Beijing, China over other contestants from over 30 countries around the world. “Tom Yum Goong” is a signature dish of Patara Fine Thai Cuisine which has 6 branches around the world in Bangkok, U.K. (London), Switzerland (Geneva), Austria (Vienna), China and Singapore.



S&P receives Thai Select certificate, guaranteeing the quality of export products

S&P Syndicate PCL received Thai Select certificate from Department of International Trade Promotion, Ministry of Commerce in the certificate presenting ceremony for Thai instant food manufacturers. The company also opened its booth at “THAIFEX-World of Food Asia 2018” to boost its capability and credibility in being the King of Thai Food and Bakery as well as applying various innovations for product development for the convenience of the urban lifestyle at Impact Arena Muang Thong Thani.



S&P receives “Excellent Organization for Health Product Development (reduced sodium)”

S&P Syndicate PCL received the “Excellent Organization for Health Product Development (reduced sodium)” award from the Thai Health Promotion Foundation at the ceremony where certificates were granted to operators who join the Less Salt Network at Health Learning Center, Thai Health Promotion Foundation. S&P has created 6 dishes with less salt sold at S&P restaurants in the hospitals since 1 May 2018.

S&P receives a plaque for “Pilot Company for Financial Discipline 2018”

S&P Syndicate PCL received a plaque for “Pilot Company for Financial Discipline 2018” from the Stock Exchange of Thailand at the ceremony on 18 July 2018.



S&P receives a certificate for drug prevention

S&P Syndicate PCL received Standard on Prevention and Solution to Drugs Problems in an Establishment certificate (Mor Yor Sor) and White Factory for Catering certificate from the Department of Labour Protection and Welfare to encourage a drug-free environment for the employees and the organization for encouragement and happiness of the company at the Royal Thai Army Club, Vibhavadi Rangsit Road.



S&P obtains “Health Literate Organization” plaque

S&P Syndicate PCL obtained a plaque of appreciation for its dedication and commitment to improving the organization to be a health literate organization from the Health Reform Commission in Thailand health literacy promotion conference on health literacy for Thai society organized by the Department of Health. S&P has promoted the organization to be a health literate organization in line with its promise of “Healthier Family, Happier World” such as Healthy Licious, S&P Kitchen for Kids, S&P Great Food Good Health etc. at Prince Palace Mahanak Hotel.



S&P receives a certificate for green products

S&P Syndicate PCL received a certificate for green products from the Ministry of Natural Resources and Environment at the “Reducing Carbon Offset 2018” event organized by Thailand Greenhouse Gas Management Organization (Public Organization) at Centara Grand at Central Plaza Ladprao.

The “S&P Vanilla Butter Cake” product can indicate its greenhouse gas emission volume throughout its life cycle after participating in the carbon footprint label campaign to maximize the capability and encourage industrial business operators in

Thailand to adjust to environmental and air pollution measures (carbon dioxide). The carbon footprint label was granted to the product on May 30, 2018.

Marketing Activities

We organized many promotional activities for our customers as a thank you for their continued support and to promote overall sales. Promotions and activities support our main marketing strategy focusing on bringing good taste, quality ingredients, premium service to our customers to ensure every meal with the family members is filled with happiness. Main marketing activities are as follows:



- 20% discount on Wednesdays for bakery products, which continues to be popular for customers. We also offer a 15% discount every day for pound cakes to our Joy Card members.
- To thank customers and celebrate the 45th anniversary, S&P offered a Double Day Discount with a discount of 20% on Wednesdays and Saturdays, July 14-October 31, 2018.
- Promotional activities during Mid-Autumn Festival: Buy 4 mooncakes and get 1 free mooncake.
- New Year Promotion: 20% discount when buying more than two-pound cakes and for cookies; Buy 4 boxes get 1 extra box. This year, S&P partnered with Joy Card and KTC to offer 15% discount on S&P cakes, cookies, hampers. Customers will get a chance to win a tour package to Disneyland Hong Kong and a free meal at S&P with the Red Carpet Experience in Hong Kong campaign. For every purchase of 1,000 baht by Joy Card members and those who pay with KTC cards will get a chance to win the prize worth more than 1 million baht.



- The 45th Anniversary Cakes & Cookies 2019 was held at Central Plaza Grand Rama 9 where other fun activities also took place such as concert, shows from celebrities and introduction of a giant carousel cake.
- BlueCup D-Day: Buy 1 get 1 free, valid for coffee, tea, smoothies and sparkling water twice a month to all customers to try new quality coffee from BlueCup. The aim is to expand our customer base and encourage purchases of other products and baking scales at our outlets.

- Promotion during important Thai Holidays such as Children's Day when we gave souvenirs to children visiting our outlets and Mother's Father's day where moms and dads eat free at S&P to underline our reputation as a restaurant for the whole family.
- Online marketing or e-marketing is an important channel to reach our customers either through Facebook, Line, Instagram and the website; content marketing plays a key role emphasizing interesting materials, evoking good sentiments in our customers and reinforcing customer brand loyalty.
- For this year's vegetarian festival, S&P is introducing various products for health-conscious customers such as healthy vegetarian dishes under 300 kcal and organic beverages.



A large group of young children, likely of East Asian descent, are gathered together. They are wearing white short-sleeved shirts with dark blue overalls and white paper crowns decorated with a red 'S' and 'P' logo. Many of the children are making peace signs with their hands. In the foreground, a girl on the left is smiling and making a peace sign, wearing a green lanyard with a school ID. To her right, another girl is also smiling and making a peace sign, wearing a pink jacket over her uniform. The background is filled with more children, some looking towards the camera and others looking away. The overall atmosphere is cheerful and lively.

Fulfil society
with smiles

Corporate Social Responsibility

1. 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 is 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 received the Environmental, Social and Governance: ESG Award and in 2017, the Company received “International Innovation Award 2017” (IIA2017) in the Services & Solutions category which is an Asian-level award from the “SolarRoof: S&P Bakery Factory Energy Saving Project” from Enterprise Asia. S&P is proud to be a part in reducing the use of electric power and strives to continue to do good deeds for Thai society.



2. 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 practising 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:

2.1 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 to the corruption prevention measures that can reduce the possibility of corruption, the Company also conducted an assessment measure to identify essential corruption problem and report any behaviours that may lead to corruption in an abrupt way. The Company introduced the "Whistleblower" channel to allow stakeholders and related persons including directors and employees to report or blow the whistle on corruptive behaviours or injustice. The Company gives importance to keep the information confidential which are known only by assigned persons and related persons. Clues can be given through the following channels;

1. E-mail : whistleline@snpfood.com
2. Post addressing to
Audit Office, S&P Syndicate Public Company Limited no. 2034/100-107, 23rd Floor, Ital-Thai Tower, New Petchburi Road, Kwang Bangkapi, Khet Huai Khwang, Bangkok 10310
3. Information Center
Phone: 02-785-4000 ext.386
Phone: 089-204-5542

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 staff. 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 behaviours 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 a cartoon style that was easy 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.

2.2 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 the 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 backtracking 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 Lad Krabang Factory is to emphasize on producing the products with good quality, safety, complying with the law and with international standards. 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 Lat Krabang 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 2018, 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 Sukhumvit Factory has had its production accredited pursuant to the Good Manufacturing Practice (GMP) regarding the safety management system for food quality by the Food and Drug Administration and the Department of Agriculture. The Hazard Analysis and Critical Control Points (HACCP) standard has also been continually applied.

Besides, the bakery production group's laboratory that examines the raw material, the finished product and the environment were 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, compliance with such regulations was always monitored.

S&P Unity Project and Complaint Handling

The Company strives to develop the product quality and standards including paying attention to providing family-friendly services to customers. The Customer Service Department emphasizes on complaints and feedback handling from customers with maximum and the sincerest responsibility under the S&P Unity Project. The Customer Service Department has prepared a complaint handling manual and provided know-how and basic problem-solving guidelines to staff working at the storefronts every month. The content covers providing impressive services to customers, how to handle complaints from customers and how to observe primary symptoms of customers in case of possible allergies as well as treatment methods.



This project is aimed at reducing the number of complaints and possible impacts on customers such as the impact on health and safety. Furthermore, in case of complaints, the Customer Service has a procedural method to investigate the cause of complaints and report the results to complainers in writing every time as well as collecting data on complaint statistics for further analysis, improvement of service and efficiency in transparency and justice to the customers.

2.3 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 Sukhumvit, Bangna and Lamphun bakery factories.

“NO BAG MORE POINTS” Project

In response to its CSR campaign on the environment, the Company has organized “NO BAG MORE POINTS” campaign, offering 10 points to S&P Joy Cardmembers when refusing to accept plastic bags when shopping. The Company also launched a promotion for S&P Joy Card members on the mobile application to give away free cloth bags for members to be a part of reducing waste in Thailand and creating awareness for environmental conservation.



2.4 Participation in the Community

1) Sustainable development with suppliers

“High-quality ingredient selection process” is the heart of delicious Thai cuisine filled with quality in every dish. S&P has selected excellent ingredients from high-quality sources by directing ordering from farmers. Having realized that if the business is growing, the farmers need to be growing with the Company, the Company launched the S&P Sustainable Development with farmers for many ingredients.

For example, 10 years ago, the number of people using fresh coconut milk was not as many as today. Farmers live in a small processing factory to produce coconut milk for S&P. When the number of coconut milk demand rises, farmers had more coconut trees. The factory is relocated and expanded equipped with tools suitable for enough coconut milk to serve the needs.



Fresh coconut milk – enhancing the production capability of coconut farmers

S&P not only created a chance for coconut farmers to earn more income by making fresh and fragrant coconut milk, we also provided equipment used in the processing factories like heat insulation to maintain the temperature of the coconut milk to be new and fresh and for farmers to learn how to select appropriate materials as well as standards experts to provide knowledge, consultation and guidelines to farmers for further use in enhancing production capability which can result in better quality products and more income. The experts also helped to install the GMP system and conduct an annual inspection. If a problem is found, we will look for the solution together which ensures that the coconut milk directed delivered from the factory is not only fresh but also meets international standards and safe for consumption. This is considered a part of a supplier development to produce high-quality products and set prices that are fair to buyers and sellers. Suppliers will earn more income and can continue to improve their ability to grow.



Durian – Enhancing Thai durians at the processing plant

S&P had been seeking high-quality durians until we found a good source in Chanthaburi. In addition to buying many tons of durians from farmers every year, S&P also helps to provide knowledge, consultation and guidelines to farmers to improve their production capacity until the durian processing plant was established which increases earnings for farmers. The Company also helped to install the GMP system to ensure high-quality products as well as training them how to cut durians, remove the pods, store the fruit and separate the seeds, pack fruits and freeze the fruit for freshness. Furthermore, the S&P experts also recommended the level of ripeness of each species of durians that is suitable for cooking for different dishes. We also helped farmers to build the plant. S&P customers can rest assured that high-quality durians from the plant meet the international standards and safe for consumption. This is considered a part of a supplier development to produce high-quality products and set prices that are fair to buyers and sellers. Suppliers will earn more income and can continue to improve their ability to grow.

Growing together with communities





Participating in Community Development

2) S&P Learning Center

From the vision of the high-ranking management regarding “human resources” 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 2018, there have already been 9 classes of students graduated from this learning center. Also, the S&P Learning Center has implemented an 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 2017, there were 75 vocational certificate level students graduated and they have already been recruited as the Company’s employees. The total number of graduating students from 9 classes is almost 50.
2. Collaborating with the Vocational Education Commission (VEC) in admitting vocational students in Bangkok and from provincial regions to do an internship. In 2018, there were over 1,000 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 a chef or restaurant/bakery shop management. The institutes collaborating in this program include:

- Suan Dusit University: Program in Culinary Technology and Service
- Rajamangala University of Technology Krungthep: Program in Retail Marketing and Program in Food and Nutrition
- Institute of Vocational Education: Northern Region 2 (Phrae Vocational College), Program in Retail Marketing

In 2018, there were more than 1,000 bachelor degree students receiving a scholarship and 34 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 Rajamankol 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.

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.

3) Dhamma Practice Venue, Raiva House

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

In 2018, Raiva House had provided dhamma practice courses with over 1,000 people participated in the program: both from the Company's employees and the public.



2.5 Corporate Social Responsibility

Promoting a Better Quality of Life for Underprivileged Children

S&P Syndicate PCL participated in the quality of life promotion of underprivileged children campaign which is held for the second consecutive year. The event was chaired by Commander in Chief of the Royal Thai Air Force Prajin Jantong, Deputy Prime Minister and Minister of Justice Ministry. This year, S&P has renovated the kitchen, canteen and presented kitchen appliances as well as renovating a playground to promote a good quality of life and nutrition meals for students and personnel in the school which is part of human resource development at Ban Wang Mon School, Nong Bua Lamphu Province on February 26, 2018.

S&P Syndicate PCL received an honorary plaque from Chief of the Royal Thai Air Force Prajin Jantong, Deputy Prime Minister and Minister of Justice Ministry at the press conference on Quality of life promotion of underprivileged children 2017 campaign at Santi Maitree Building, Government House.



Cake A Wish Make A Wish

S&P Syndicate PCL continued with the 14th year of S&P Cake A Wish to Make A Wish 2017 campaign to pass on happiness during New Year and Valentine's Day to underprivileged people, orphans, disables including patients in 24 various foundations in Bangkok and other provinces with 740-pound cake between January 29 – February 2, 2018.



11th S&P Sharing Smile Campaign: Planting Trees to Reduce Dust in Bangkok

S&P Syndicate PCL organized "S&P Sharing Smile" campaign for the 11th year under the Planting Trees to Reduce Dust in Bangkok concept. The Company presented 100 Spanish cherry trees to 4 districts in Bangkok which are Wattana, Khlong Toei, Phra Khanong and Bangna to respond to the creating an identity with trees on Sukhumvit Road policy on April 4, 2018

Training For Prisoners Campaign

S&P Syndicate PCL collaborated with the Department of Corrections to organize a training program for prisoners from 3 prisons. The instructors and experts from the Company were sent in to train basic professions for prisoners after they have been free that can be applied to create jobs and earnings for the family. The experts from the bakery factory taught prisoners at Thon Buri Remand Prison on how to decorate a cake. Experts from BlueCup taught prisoners at Min Buri Special Prison on how to make fresh coffee and culinary experts taught prisoners at Female Assuage Special Prison Thanya Buri on how to cook Pad Thai in June 2018.



S&P Kitchen For Kids Campaign

S&P Syndicate PCL organized the 10th S&P Kitchen for Kids by renovating the kitchen and presenting kitchen appliances for clean and safe to promote good health and well-being for the society and improvement of students' quality of life in a sustainable way. In 2018, S&P has renovated kitchens and presented appliances to 2 schools which are Naresuan Ban Huai Sok Border Patrol Police School, Phetchaburi Province and Rajaprajanugroh 50 School, Khon Kaen Province. The experts from the Company also shared knowledge on hygiene to create an awareness in waste sorting to cooks and students. The Company also presented 3-colored garbage bins; yellow, green and blue, to create good awareness and also presented plant seeds, animal feed and agricultural tools to the school to support studies on agriculture and to be ingredients in school cooking. The "Favorite dishes for students" cookbooks made by the Company to promote good nutrient for students and to be an idea for various dishes for students to enjoy were also presented.



S&P Great Food Good Health Campaign

S&P Syndicate PCL organized "S&P Great Food Good Health" to pass on knowledge on nutritious food and exercises. This activity was inspired by the commitment of the directors who want to see Thai people healthy as S&P is the food leader in the country. The support for a healthy life is another mission that we wish to happen. The first activity was launched in June 2018 for S&P family at Suan Luang Rama IX and the second activity was held in July 2018 for S&P Joy Cardmembers and the public at The Stadium One Project. Meiji Anorma Cook, a health and fitness inspiratory also shared her experience and conducted the training.



S&P For You

S&P Syndicate PCL presented mooncakes to the Royal Thai Army HQ as encouragement for the Thai army in carrying on their missions for the country at Royal Thai Army HQ, Ratchadamnoen Road.



Responsible Procurement Campaign

S&P Syndicate PCL met with farmers and raw material producers such as coconut farmers at Samut Songkhram Province, durian farmers at Chanthaburi Province and organic vegetable farmers at Chiang Mai Province to exchange knowledge and produce development guidelines to ensure high-quality products for consumers as well as helping out the farmers to ensure consistent earnings and fair selling price. Throughout 2018, S&P has committed to developing more health products as well as emphasizes on ingredient selection process starting with selecting new, fresh and clean natural raw materials to create dishes for “From Farm to Table” restaurant for the benefit of consumers’ health.



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.2560), regarding “Presentation of Financial Statements”, which has enforced for the financial statement for the fiscal year starting from or after 1 January 2018 onward and in accordance with the Regulation of the Stock Exchange of Thailand dated October 2nd, 2017, regarding “the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E.2560”, in compliance with the Notification of the Department of Business Development dated October 11st, 2016 regarding “The Brief Particulars in the Financial Statements (No. 2) B.E.2559”, And in accordance with the consolidated interim financial statements and the separate interim financial statements which have been prepared in Thai Baht and in accordance with Thai Accounting Standard No. 34 (revised B.E.2560), regarding “Interim Financial Reporting including sufficient disclosure of important 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 Executive Officer

Audit Committee's Report

The Board of Directors has assigned an independent committee as an audit committee, which comprises 3 people, namely are Ms. Cattleya Saengsastra, as head of the Audit Committee, Ms. Sophavadee Uttamobol, and Mr. Piya Sosothikul, an audit director, and Mrs. Chirley Sawangkong, serving as a secretary to the audit committee. All Audit Committee members are qualified according to requirements by the Thailand Stock Exchange Committee, and work within the boundaries and responsibilities designated to the Audit Committee, which are financial budgeting, internal control, internal audit, ensuring compliance according to the law, policies, regulations, orders; including reviews of transaction and conflicts of interests, promoting good corporate governance, nomination, and remuneration of account auditors.

As of 2018, the Audit Committee met 6 times in total, by being jointly convened with the directors, internal auditor, and account auditors. There was also a joint meeting with the account auditors, without the Management, to enable independent discussions on financial budgeting, and exchange opinions on the financial budget of 2018. The main points are as follows.

1. Quarterly financial audit and 2018 fiscal budget

The Audit Committee has reviewed the quarterly financial budget and 2018 fiscal year, including any transaction made, transactions which may have conflicts of interests with the Management and the internal audit function. Account auditors are invited for all meetings with budget consideration, financial footnoting, observations of account auditors, and new reporting format of account auditors. This includes aspects on data, evidence, and accounting system, as well as opportunities to inquire and receive satisfactory advices on key content. Inquiries and advices with Management of accounting, and finances, and account auditors, regarding the accuracy of the Company's financial budget and overall budget; as well as improving accountings per observations from account auditors in parts mutually agreed to be appropriate. This enables reliable financial budget, which is sufficient for information disclosure and the company's financial footnoting, as well as independence of account auditors. The Audit Committee was of an opinion consistent to the account auditors that the aforementioned financial statement is appropriately accurate regarding its key content, reliable according to the general accounting standards. This was presented to the Company's Board of Directors for approval prior to submitting for further approval in the next Company's general shareholder assembly.

2. Performance review and internal audit

The Audit Committee has reviewed the internal audit system assessment, based on the reports of the audit function, in collaboration with directors on a quarterly basis. Issues considered would be on performances, resource usage, asset maintenance, prevention or mitigation of mishaps, damages, or corruption; including the computer system used for financial data recording, reliability of financial statements, and compliance to the laws, regulations and mandates.

3. Internal Audit Review

The Audit Committee has reviewed the audit operations according to the approved plan, and recognized that the operational results have exceeded targets. Furthermore, work development should be according to the established vision, which is to audit creatively for value generation in the Company, according to good corporate governance set under our missions, strategy, and for plans successful implementation of. Considerations would be made from quarterly result summary, which presents findings and shared opinions with audit function. This helps setting result monitoring measures to ensure increased effectiveness of operational function. Furthermore, internal quality assurance within the Company has also been established, in order to be compared against self-assessment of internal auditors. It was revealed that the quality is satisfactory. Improvement from audit function were utilized to fortify the audit work's quality further.

4. Compliance audit of laws, regulations and mandates

The Audit Committee has held a meeting with internal audit function and relevant management function. It was revealed that the audited function was in compliance with the laws and regulations designated in the key content. There were also considerations on changes of the laws, accounting measures, and other issues relevant to the Company for each quarter. This includes information from external account auditors. Studies and work were undertaken for understanding prior to it being implemented as an appropriate working guideline for the Company, better accurate and consistent with the evolving laws and regulations.

5. Risk Management Assessment

This year, the Audit Committee has reviewed risk management review of the risk management committee, and discovered that the work was a consistent with regulations on risk management, covering key risk factors, controls and monitoring, and risk management, particularly in mitigating key risks down to an acceptable level. The key risk factors were illustrated in the annual report. Furthermore, the Company has set for risk assessment of scale-up projects and new projects, in forecasting key risk factors, and set guideline that would mitigate risks, particularly when the risks occur according to the forecast.

6. Cross-transaction review and review on conflicts of interests

The Audit Committee has reviewed the appropriateness and sufficiency in the cross-transaction review, for related transactions that may generate conflicts of interests. It was revealed that in 2018, the agreement for transactions of the Company is of a general trade business nature. There were no substantial changes. They were reasonable and were of the highest benefits to the Company's business operations, were transparent, traceable, and disclosed in an accurate and sufficient manner, as illustrated in the annual report.

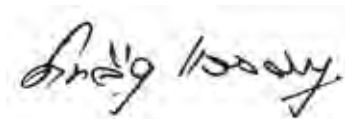
7. Promotion of Good Corporate Governance

The Audit Committee has reviewed the operations of the Company to be accordance with laws of assets and stock exchange market, regulations of Thailand' stock exchange market, policy and working guideline in anti-corruption which resulted in the Company being certified from Thailand's private sector's Alliance Network against Anti-Corruption for the 2nd consecutive year, and in compliance with other laws relevant to the Company's business operations. It was discovered that the Company has been in compliance with various laws and regulations in an accurate, appropriate manner, as well as promoting and encouraging for directors and all employees to be in compliance with the policy of regulations and ethics. This enables the Company's business to operate in a transparent and traceable manner. In the year 2018, the Company was continuous communication on anti-corruption and Whistleblower issues in order to promote, encourage employees to practice and not ignore when seeing any non-compliance with the rules, Code of Ethics, corruption which resulted in the year 2018 the number of complaints are increased from the year 2017. All matters were investigated in accordance with the specify regulations and there are specific measures to prevent every complaint.

8. Nomination and remuneration of account auditors

The Audit Committee considers and reviews the operation results of the past year from the accounting auditor, with considerations given to reliability, independence of the account auditor, knowledge, and capacity in service and consultancy provision regarding the standards of accounting, account review, and budgeting approval in a timely manner. The Audit Committee proposed a resolution to the Board for approval in contracting Deloitte Touche Tomatsu Chaiyos Company to be the Company's accounting auditor for one more year more. It would be proposed for approval by the board before the general shareholder assembly, to approve, to appoint, and to set remuneration of account auditor, as of 2019, at 2,730,000 Baht just for the Company. This is higher than the year before of 3%, when consolidating the Company and its subsidiaries, the figure would be at 4,098,300 Baht Baht which is an increase of 100,000 THB compared to the year before. (or 2.48%)

In order to ensure that accounting governance is just and independent from the Management, there was one joint-meeting with the account auditors, without the Management. The account auditors gave opinions that there was good collaboration and appropriate adherence to accounting standards. There were also consultations with account auditors, on key audit matter according to the new reporting standards of account auditors. Conclusion was according to what the account auditor noted in the account auditors' report, opening up opportunities for internal auditors and account auditors to meet and consult at all times. Feedback on the monitoring work for continuous improvement has been implemented, to ensure greater effectiveness and even better alignment to standards.



(MS. 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, 2018, 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, 2018, 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 Federation of Accounting Professions’ Code of Ethics for Professional Accountants 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 Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated and separate financial statements of the current period.

This matter was 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 this matter.

Key Audit Matter	Audit Responses
<p>Valuation of investment in a subsidiary in the separate financial statements and valuation of investment in a joint venture entity in the consolidated financial statements</p> <p>A domestic subsidiary in the separate financial statements and a joint venture entity in United Kingdom in the consolidated financial statements have incurred material retained deficit which is an indication that the carrying amounts of investments in such subsidiary and joint venture entity may exceed the recoverable amounts. Therefore, the investments of a subsidiary and a joint venture entity may have incurred impairment.</p> <p>The consideration of impairment of investment in a subsidiary in the separate financial statements and investment in a joint venture entity in the consolidated financial statements is depended on the judgements and assumptions used by management in estimating the recoverable amounts.</p> <p>Accounting policies for impairment of assets, impairment of investments and details of investments in a subsidiary and a joint venture entity were disclosed in the Notes 3.10, 3.21 and 10, to the financial statements.</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 recognition of loss from impairment • 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. • 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. • Comparing between the recoverable amounts and the carrying values.

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: 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.

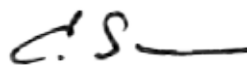
As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 and the Company 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.



Choopong Surachutikarn

Certified Public Accountant (Thailand)

Registration No. 4325

BANGKOK

February 27, 2019

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., Ltd.

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

UNIT : BAHT

Asset	Notes	Consolidated Financial Statements		Seperate Financial Statements	
		2018	2017	2018	2017
CURRENT ASSETS					
Cash and cash equivalents	4.1	782,984,447	796,421,070	579,473,967	510,215,371
Temporary investments	5	205,153,889	176,086,221	205,139,879	176,072,399
Trade and other current receivables	6 and 26	343,935,438	362,943,480	358,551,512	385,153,463
Short-term loans to related parties	7 and 26	2,974,477	-	12,228,480	9,000,000
Current portion of loans to related parties	11	-	-	2,042,120	27,634,118
Inventories	8	307,026,782	317,526,820	294,221,248	301,449,084
Other current assets		22,594,364	16,805,324	15,397,166	13,964,738
Total Current Assets		1,664,669,397	1,669,782,915	1,467,054,372	1,423,489,173
NON-CURRENT ASSETS					
Deposits used as collateral	9	15,583,660	16,052,860	15,583,660	15,583,660
Investments in an associate	10 and 26	56,186,239	43,411,852	4,997,000	4,997,000
Investments in subsidiaries	10 and 26	-	-	260,365,939	261,880,639
Investments in joint venture entities	10 and 26	275,868,380	260,979,045	35,000,000	35,000,000
Loans to related parties	11	-	-	51,086,046	31,973,890
Property, plant and equipment	12	1,616,202,578	1,529,248,430	1,470,305,928	1,355,864,035
Leasehold rights	13	43,703,538	69,876,849	31,805,827	45,207,388
Intangible asset	14	36,149,142	38,530,030	35,710,340	38,267,080
Deferred tax assets	15	49,952,469	49,202,159	42,988,065	41,736,635
Long-term deposits		271,016,681	280,107,830	243,555,323	223,684,732
Other non-current assets		10,237,468	13,128,557	5,431,131	7,079,648
Total Non-current Assets		2,374,900,155	2,300,537,612	2,196,829,259	2,061,274,707
TOTAL ASSETS		4,039,569,552	3,970,320,527	3,663,883,631	3,484,763,880

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, 2018

UNIT : BAHT

Liabilities and Shareholders' Equity	Notes	Consolidated Financial Statements		Seperate Financial Statements	
		2018	2017	2018	2017
CURRENT LIABILITIES					
Trade and other current payables	16 and 26	904,997,695	935,065,912	788,386,561	788,740,077
Current portion of long-term borrowings from financial institutions	19	38,529,674	18,340,000	37,901,760	6,000,000
Current portion of long-term borrowings from a related party	20	1,215,974	-	-	-
Short-term borrowing from a related party	17	-	-	8,572,000	-
Current income tax payable		46,704,820	44,360,028	45,214,322	43,998,317
Current provision for employee benefits	21	6,607,532	1,993,866	6,223,236	1,993,866
Other current assets	18	50,395,207	61,031,211	35,622,348	37,524,497
Total Current Assets		1,048,450,902	1,060,791,017	921,920,227	878,256,757
NON-CURRENT LIABILITIES					
Deferred gain from sales of fixed assets to a joint venture entity	33	26,679,343	28,083,519	-	-
Long-term borrowings from financial institutions	19	156,761,120	16,127,277	156,761,120	15,500,000
Long-term borrowing from a related party	20	2,054,289	-	-	-
Deferred tax liabilities	15	-	1,721,827	-	-
Non-current provision for employee benefits	21	153,204,593	171,295,978	149,270,245	167,158,333
Other non-current assets	22	63,150,813	67,611,095	47,895,915	47,690,983
Total Non-current Assets		401,850,158	284,839,696	353,927,280	230,349,316
TOTAL LIABILITIES		1,450,301,060	1,345,630,713	1,275,847,507	1,108,606,073

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2018

UNIT : BAHT

	Notes	Consolidated Financial Statements		Seperate Financial Statements	
		2018	2017	2018	2017
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 SURPLUS ON GAIN FROM TRANSFER OF BUSINESS		689,980,549	689,980,549	689,980,549	689,980,549
TO A JOINT VENTURE ENTITY	33	79,905,178	79,905,178	-	-
RETAINED EARNINGS					
Appropriated					
Legal reserve	23	52,343,137	52,343,137	52,343,137	52,343,137
Unappropriated		1,236,383,613	1,253,021,258	1,129,041,362	1,143,425,756
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(27,687,959)	(48,800,226)	26,262,711	-
TOTAL ATTRIBUTIONS TO OWNERS OF THE PARENT		2,521,332,883	2,516,858,261	2,388,036,124	2,376,157,807
NON-CONTROLLING INTERESTS		67,935,609	107,831,553	-	-
TOTAL SHAREHOLDERS' EQUITY		2,589,268,492	2,624,689,814	2,388,036,124	2,376,157,807
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,039,569,552	3,970,320,527	3,663,883,631	3,484,763,880

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2018

UNIT : BAHT

	Notes	Consolidated Financial Statements		Seperate Financial Statements	
		2018	2017	2018	2017
Revenues from sales		7,608,375,101	7,785,598,677	6,782,225,377	6,742,874,167
Cost of sales		(4,274,048,116)	(4,258,133,631)	(4,007,793,401)	(3,958,387,169)
Gross profit		3,334,326,985	3,527,465,046	2,774,431,976	2,784,486,998
Other income	25	98,374,429	200,675,251	142,712,941	93,730,555
Selling expenses		(2,102,726,792)	(2,296,857,180)	(1,691,025,714)	(1,687,345,861)
Administrative expenses		(823,235,379)	(791,673,362)	(636,227,196)	(609,899,937)
Management benefit expenses	26	(57,729,112)	(52,577,472)	(56,523,705)	(50,771,145)
Impairment loss on investments in a subsidiary	10	-	-	(65,000,000)	-
Loss from sale of investments in subsidiaries	2.6	(6,970,736)	-	-	-
Net gain (loss) on exchange rates		191,825	(2,516,127)	(1,523,292)	(2,516,127)
Finance costs		(7,337,695)	(2,447,999)	(7,080,250)	(1,592,754)
Share of profit (losses) from investments in an associate and joint venture entities	26	3,191,703	(6,772,758)	-	-
Profit before income tax expense		438,085,228	575,295,399	459,764,760	526,091,729
Income tax expense	15	(61,241,017)	(78,839,029)	(57,302,044)	(74,684,084)
PROFIT FOR THE YEAR		376,844,211	496,456,370	402,462,716	451,407,645

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2018

UNIT : BAHT

	Notes	Consolidated Financial Statements		Seperate Financial Statements	
		2018	2017	2018	2017
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that may be reclassified to profit or loss					
Actuarial gain on defined employee benefit plan - net of tax		27,538,681	-	26,262,711	-
Exchange differences on translation of financial statements		(7,673,868)	5,474,764	-	-
Reversal of unrealized gain on revaluation of available-for-sale securities		-	(159,550)	-	-
Income tax relating to components of other comprehensive income		-	15,955	-	-
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR - NET OF TAX		19,864,813	5,331,169	26,262,711	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		396,709,024	501,787,539	428,725,427	451,407,645
PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the Parent		400,209,465	483,793,629	402,462,716	451,407,645
Non-controlling interests		(23,365,254)	12,662,741	-	-
		376,844,211	496,456,370	402,462,716	451,407,645
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Owners of the Parent		421,321,732	483,224,922	428,725,427	451,407,645
Non-controlling interests		(24,612,708)	18,562,617	-	-
		396,709,024	501,787,539	428,725,427	451,407,645
BASIC EARNINGS PER SHARE					
	BAHT	0.81	0.99	0.82	0.92
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, 2018 CONSOLIDATED FINANCIAL STATEMENTS**

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	Surplus on gain from transfer of business to a joint venture entity	Retained earnings		Other components of shareholders' equity			Total attributions to owners of the parent			
					Appropriated	Unappropriated	Other comprehensive income (loss)	Exchange differences on translation of financial statements	Gain on remeasurement of defined benefit plan - net of tax		Unrealized gain (reversal) on securities - net of tax		
BEGINNING BALANCE AS AT JANUARY 1, 2017		490,408,365	689,980,549	-	52,343,137	1,146,842,070	(48,375,130)	-	143,611	2,331,342,602	89,268,936	2,420,611,538	
Total comprehensive income for the year		-	-	-	-	483,793,629	(425,096)	-	(143,611)	483,224,922	18,562,617	501,787,539	
Dividends paid	24	-	-	-	-	(377,614,441)	-	-	-	(377,614,441)	-	(377,614,441)	
Profit from transferring business to a joint venture entity	33	-	-	79,905,178	-	-	-	-	-	79,905,178	-	79,905,178	
ENDING BALANCE AS AT DECEMBER 31, 2017		490,408,365	689,980,549	79,905,178	52,343,137	1,253,021,258	(48,800,226)	-	-	2,516,858,261	107,831,553	2,624,689,814	
BEGINNING BALANCE AS AT JANUARY 1, 2018		490,408,365	689,980,549	79,905,178	52,343,137	1,253,021,258	(48,800,226)	-	-	2,516,858,261	107,831,553	2,624,689,814	
Total comprehensive income for the year		-	-	-	-	400,209,465	(6,239,501)	27,351,768	-	421,321,732	(24,612,708)	396,709,024	
Decrease in non-controlling interests resulting from sale of investment in subsidiaries		-	-	-	-	-	-	-	-	-	(15,283,236)	(15,283,236)	
Dividends paid	24	-	-	-	-	(416,847,110)	-	-	-	(416,847,110)	-	(416,847,110)	
ENDING BALANCE AS AT DECEMBER 31, 2018		490,408,365	689,980,549	79,905,178	52,343,137	1,236,383,613	(55,039,727)	27,351,768	-	2,521,332,883	67,935,609	2,589,268,492	

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, 2018 SEPARATE FINANCIAL STATEMENTS**

UNIT : BAHT

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Other components of shareholders' equity		Total Shareholders' equity
				Appropriated	Unappropriated	Legal Reserve	Other comprehensive income	Gain on remeasurement of defined benefit plan – net of tax	
BEGINNING BALANCE AS AT JANUARY 1, 2017		490,408,365	689,980,549	52,343,137		1,069,632,552	-		2,302,364,603
Total comprehensive income for the year		-	-	-		451,407,645	-		451,407,645
Dividends paid	24	-	-	-		(377,614,441)	-		(377,614,441)
ENDING BALANCE AS AT DECEMBER 31, 2017		490,408,365	689,980,549	52,343,137		1,143,425,756	-		2,376,157,807
BEGINNING BALANCE AS AT JANUARY 1, 2018		490,408,365	689,980,549	52,343,137		1,143,425,756	-		2,376,157,807
Total comprehensive income for the year		-	-	-		402,462,716	26,262,711.2		428,725,427.2
Dividends paid	24	-	-	-		(416,847,110)	-		-416,847,110.25
ENDING BALANCE AS AT DECEMBER 31, 2018		490,408,365	689,980,549	52,343,137		1,129,041,361.75	26,262,711.2		2,388,036,124

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, 2018

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax expense		438,085,228	575,295,399	459,764,760	526,091,729
Adjustments:					
Depreciation and amortization		381,974,061	417,441,714	328,212,518	352,059,025
Unrealized (gain) loss on exchange rates		3,237,385	(1,235,534)	878,885	(2,295,321)
Unrealized gain on revaluation of trading securities		(639,174)	(1,395,857)	(639,174)	(1,395,670)
Reversal allowance for doubtful account		-	-	(25,000,000)	-
Share of (profit) losses from investments in an associate and joint venture entities		(3,191,703)	6,772,758	-	-
Loss on impairment of fixed assets (reversal)		2,113,534	2,521,443	3,148,962	(159,800)
Reversal of provision for cost of dismantling, removing and restoring the site		(2,546,837)	-	(2,546,837)	-
Loss on write-off of fixed assets and intangible asset		17,699,643	6,182,469	3,852,454	5,903,041
Gain from compensation from the early termination of the lease agreement received from the lessor		(1,703,572)	-	-	-
Gain on sales of temporary investments		(989,292)	(891,387)	(977,254)	(731,064)
Impairment loss on investments in a subsidiary		-	-	65,000,000	-
Gain on sales of fixed assets		(4,574,105)	(17,076,185)	(3,976,754)	(11,163,204)
Gain on sales of fixed assets to a joint venture entity	25 and 33	(1,404,176)	(28,083,520)	-	-
Gain from transfer of business to a joint venture entity	25 and 33	-	(79,905,178)	-	-
Employee benefit obligation expense		24,509,705	24,944,777	23,052,736	24,352,341
Expense from customer loyalty program		698,868	-	698,868	-

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES STATEMENTS OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2018

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		2018	2017	2018	2017
Interest income		(2,580,955)	(2,537,866)	(4,843,642)	(4,716,543)
Interest expense		7,337,695	2,447,980	7,080,250	1,592,754
Profit from operations before changes in operating assets and liabilities		858,026,305	904,481,013	853,705,772	889,537,288
Operating assets (increase) decrease					
Trade and other receivables		18,001,789	(45,221,281)	(45,130,385)	(33,795,276)
Inventories		10,500,038	(5,782,407)	7,227,836	(6,115,896)
Other current assets		(5,789,039)	24,784,954	(1,432,428)	21,982,122
Deposits used as collateral		469,200	(15,000,000)	-	(15,000,000)
Long-term deposits		9,091,149	(12,125,040)	(19,870,591)	(15,243,159)
Other non-current assets		2,891,088	1,622,441	1,648,518	906,919
Operating liabilities increase (decrease)					
Trade and other payables		(17,809,747)	32,916,787	10,790,232	13,665,552
Other current liabilities		(11,230,076)	(13,166,385)	(2,496,220)	2,085,024
Cash paid for employee benefit obligations		(3,883,065)	(2,270,450)	(3,883,065)	(2,270,450)
Other non-current liabilities		(129,676)	2,020,064	15,408	195,722
Cash received from operations		860,137,966	872,259,696	800,575,077	855,947,846
Cash received from interest		7,752,540	2,575,142	10,016,022	2,969,252
Cash paid for interest		(6,886,061)	(2,265,653)	(6,830,878)	(1,353,387)
Cash paid for income tax		(66,229,341)	(90,864,098)	(63,903,147)	(84,369,488)
Net cash provided by operating activities		794,775,104	781,705,087	739,857,074	773,194,223

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES STATEMENTS OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2018

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		2018	2017	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash payments for loans to related parties		(3,020,000)	-	(9,468,798)	(28,158,244)
Cash received from short-term loan to a related party		-	-	6,621,279	-
Cash received from long-term loans to related parties		-	5,000,000	31,479,842	12,000,000
Cash payments for purchases of temporary investments		(391,000,000)	(250,000,000)	(380,000,000)	(250,000,000)
Proceeds from sales of temporary investments		363,560,798	300,713,966	352,548,947	281,300,000
Cash payments for purchases of investment in a joint venture entity		(29,469,020)	(186,343,100)	-	(15,000,000)
Cash payment for purchase of investment in a subsidiary		-	-	(30,000,000)	(999,800)
Cash received from long-term investment		-	10,000,000	-	10,000,000
Cash payments for purchases of fixed assets, intangible asset and leasehold rights	4.2.1	(500,692,226)	(370,321,178)	(441,095,592)	(307,491,785)
Proceeds from compensation from the early termination of the lease agreement received from the lessor		15,314,843	-	-	-
Cash received from sales of fixed assets		5,654,031	22,106,073	4,994,043	12,394,259
Cash received from sales of fixed assets to a joint venture entity	33	-	126,507,300	-	-
Cash received from transfer of business to a joint venture entity	33	-	179,198,700	-	-
Dividends received		4,997,000	-	33,057,786	-
Net cash used in investing activities		(534,654,574)	(163,138,239)	(431,862,493)	(285,955,570)

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES STATEMENTS OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2018

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		2018	2017	2018	2017
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash paid for short-term borrowing from a financial institution		-	(7,904,943)	(18,994,970)	-
Cash received from long-term borrowings from financial institutions		200,729,850	15,000,000	200,729,850	-
Cash repayments for long-term borrowings from financial institutions		(39,906,332)	(24,650,170)	-	(6,000,000)
Cash received from long-term borrowing from a related party		4,000,000	-	-	-
Cash repayment for long-term borrowing from a related party		(729,737)	-	-	-
Cash repayments for finance lease liabilities	4.2.1	(2,403,522)	(2,255,419)	(2,403,522)	(2,255,419)
Dividends paid	4.2.2	(416,824,367)	(377,595,250)	(416,824,367)	(377,595,250)
Net cash used in financing activities		(255,134,108)	(397,405,782)	(237,493,009)	(385,850,669)
Unrealized exchange gain (loss) of cash and cash equivalents		(1,492,527)	983,808	(1,242,976)	1,832
Exchange rate differences from translation of financial statements		(16,930,518)	22,390,637	-	-
Increase (decrease) in cash and cash equivalents		(13,436,623)	244,535,511	69,258,596	101,389,816
Cash and cash equivalents as at January 1,		796,421,070	551,885,559	510,215,371	408,825,555
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	4.1	782,984,447	796,421,070	579,473,967	510,215,371

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

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 into 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 businesses are 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 Group and the Company maintain their accounting records in Thai Baht and prepare their statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and Generally Accepted Accounting Principles in Thailand.

2.2 The Group’s and the Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (“TAS”) No. 1 (Revised 2017) “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2018, and the Regulation of the Stock Exchange of Thailand (SET) dated October 2, 2017, regarding “The Preparation and Submission of Financial Statements and Reports for the Financial position and Results of Operations of the Listed Companies B.E. 2560” and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statements (No. 2) B.E. 2559” dated October 11, 2016.

The accounting standards adopted by the Company may not be in conformity with generally accepted accounting principles in other countries because the financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and accounting 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 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies.

2.4 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period's financial statements

During the period, the Group and the Company have adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's and the Company's financial statements.

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

2.5.1 Thai Financial Reporting Standards which will be effective for the financial statements with fiscal years beginning on or after January 1, 2019

New Thai Financial Reporting Standards and Thai Financial Reporting Standard Interpretation

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards and Thai Financial Reporting Standard Interpretation which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2019 as follows:

Thai Financial Reporting Standards ("TFRS")

TFRS 1 First-time Adoption of International Financial Reporting Standards
TFRS 15 Revenue from Contracts with Customers

Thai Financial Reporting Standard Interpretation ("TFRIC")

TFRIC 22 Foreign Currency Transactions and Advance Consideration

There is a key change to the core principle of TFRS 15, which introduces a 5-step approach to revenue recognition, as follows:

- Step 1:** Identify the contract(s) with a customer
- Step 2:** Identify the performance obligations in the contract.
- Step 3:** Determine the transaction price
- Step 4:** Allocate the transaction price to the performance obligations in the contract
- Step 5:** Recognize revenue when (or as) the entity satisfies the performance obligation

Under TFRS 15, an entity recognizes revenue when (or as) a performance obligation is satisfied. TFRS 15 will supersede the Standards and Interpretations relating to revenue upon its effective date.

Thai Financial Reporting Standards (TFRSs) Revised 2018

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards (TFRSs) Revised 2018 which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and reference to other TFRSs except the following TFRSs, which there is a revision or additional paragraph relating to accounting guidance.

Thai Accounting Standard No. 28 (Revised 2018) “Investment in Associates and Joint Ventures” clarifies about the election of investment measurement in an associate or a joint venture at fair value through profit or loss, and clarifies the consideration about the impairment of an investment in an associate or a joint venture. This accounting standard requires a retrospective method for such amendment.

Thai Accounting Standard No. 40 (Revised 2018) “Investment Property” clarifies about the transfer of an investment property to, or from, other accounts when, and only when, there is a change in use. This accounting standard requires a prospective method for such amendment.

Thai Financial Reporting Standard No. 2 (Revised 2018) “Share-based Payment” adds the requirements, which require a prospective method for the amendments as follows:

- 1) The requirement about treatment of vesting and non-vesting for a cash-settled share-based payment transaction
- 2) The requirement about share-based payment transactions with a net settlement feature for withholding tax obligations
- 3) The requirement about accounting for a modification of a share-based payment transaction that changes its classification from cash-settled to equity-settled

Thai Financial Reporting Standard No. 4 (Revised 2018) “Insurance Contracts” determines the option for insurance industry to be temporarily exempt from applying Thai Financial Reporting Standard No. 9 “Financial Instruments” (“TFRS 9”). An entity can elect to be exempt from TFRS 9 for annual periods beginning before January 1, 2022 or before TFRS 17 is effective.

2.5.2 Thai Financial Reporting Standards which will be effective for the financial statements with fiscal years beginning on or after January 1, 2020

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard Group of Financial Instruments which has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020, as follows:

Thai Accounting Standards (“TAS”)

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards (“TFRS”)

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company’s business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These TFRSs will supersede the Standards and Interpretations relating to the financial instruments upon their effective date.

The Group’s and the Company’s management will adopt such TFRSs in the preparation of the Group’s and the Company’s financial statements when they become effective. The Group’s and the Company’s management is in the process of assessing the impact of these TFRSs on the financial statements of the Group and the Company in the period of initial application.

2.6 Basis for preparation of consolidated financial statements

The consolidated financial statements for the years ended December 31, 2018 and 2017 include the financial information of the Company and its subsidiaries. These subsidiaries of the Company are as follows:

	Business type	Country of registration	Percentage of shareholdings (%) As at December 31,	
			2018	2017
S&P Global Co., Ltd.	Investment in other companies	Thailand	80.00	80.00
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 Delivery Co., Ltd. (formerly S&P Asset Co., Ltd.) ⁽¹⁾	Food delivery (Hasn't commenced operation)	Thailand	99.93	99.93
S&P International Foods (Cambodia) Co., Ltd. ⁽²⁾	Restaurant	Cambodia	99.99	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
S&P Training Co., Ltd. ⁽²⁾	Training for employees	Thailand	99.98	99.98

(1) On November 9, 2018, the Board of Director's meeting No. 3/2561 of S&P Asset Co., Ltd. passed a resolution to approve that the Company registered to change the Company's name to S&P Delivery Co., Ltd. and change the Company's main operation from office rental to food delivery.

(2) On May 8, 2018, the Board of Director's meeting of the Company passed a resolution to additionally invest in S&P International Foods (Cambodia) Co., Ltd., a subsidiary of the Company. Such subsidiary increased the registered share capital amounting to USD 1.54 million, from USD 0.46 million to USD 2.00 million. In July 2018, such company called and received a share subscription in the amount of USD 1 million (equivalent to Baht 33.49 million) by conversing its debts owed to the Company to equity and the remaining amount of USD 0.54 million (equivalent to Baht 17.32 million) will be called up capital in subsequent periods.

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

	Business type	Country of registration	Percentage of shareholdings (%) As at December 31,	
			2018	2017
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. ⁽¹⁾	Restaurant	Singapore	-	50.00
SK Catering Pte. Ltd. ⁽¹⁾	Restaurant	Singapore	-	50.00
Patara International Restaurant Management (Beijing) Co., Ltd.	Restaurant	The People’s Republic of China	96.11	96.11
Patara Restaurant, Vienna GmbH	Restaurant	Austria	52.25	52.25
Indirectly invested through S&P Restaurant Limited				
Patara Restaurant, Vienna GmbH	Restaurant	Austria	40.80	40.80
Indirectly invested through SK Catering Pte. Ltd.				
Bangkok Jam Sdn. Bhd.	Restaurant (Ceased operation)	Malaysia	-	50.00
Indirectly invested through Patara International Restaurant Management (Beijing) Co., Ltd.				
Shanghai Yueshi Restaurant Management Limited	Restaurant	The People’s Republic of China	49.02	49.02

(1) On October 1, 2018, S&P Global Co., Ltd. entered into the agreement to sell the entire ordinary shares held in SK Catering Pte. Ltd. and Patara Fine Thai Cuisine Pte. Ltd. of 350,000 shares and 300,000 shares, respectively, at the selling prices of SGD 50,000 (equivalent to Baht 1.17 million) and SGD 300,000 (equivalent to Baht 6.99 million), respectively, to Creative Eateries Pte. Ltd. which is the another shareholder and completely transferred the shares on October 1, 2018. The Company had loss from sale of investments in subsidiaries in the amount of Baht 6.97 million, which was recognized as loss from sale of investments in subsidiaries in the statements of profit or loss and other comprehensive income.

Therefore, the consolidated financial statements as at December 31, 2018, excluded the financial statements of such two subsidiaries including 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, which included the results of operations of such subsidiaries until October 1, 2018 in the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2018.

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

The consolidated financial statements for the year ended December 31, 2017 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. S&P Global Co., Ltd. sold such investments in 2018.

2.7 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(%) As at December 31,		Profit (loss) allocated to non-controlling interests For the years ended December 31,		Accumulated non-controlling interests As at December 31,	
	2018	2017	2018	2017	2018	2017
SK Catering Pte., Ltd.	-	50	(5,417)	(38,309)	-	(39)
Patara Fine Thai Cuisine Pte., Ltd.	-	50	230	632	-	16,467
S&P Restaurant Ltd.	4	4	(601)	9,655	10,118	10,719
Individually immaterial subsidiaries with non-controlling interests			(18,825)	46,585	57,818	80,685
			(24,613)	18,563	67,936	107,832

The summarized financial information before intragroup eliminations of each subsidiary with non-controlling interests is as follows:

SK CATERING PTE., LTD.
UNIT : THOUSAND BAHT

	As at December 31,	
	2018⁽¹⁾	2017
Current assets	-	19,960
Non-current assets	-	33,314
Current liabilities	-	53,353
Total attributions to owners	-	(39)
Non-controlling interests	-	(39)

UNIT : THOUSAND BAHT

	For the period from January 1, 2018 to October 1, 2018⁽¹⁾	For the year ended December 31, 2017
Revenue	133,897	255,129
Expenses	(144,730)	(278,223)
Profit for the year	(10,833)	(23,094)

Loss attributable to:

Owners of the Parent	(5,417)	(11,547)
Non-controlling interests	(5,417)	(11,547)
	(10,834)	(23,094)

Total comprehensive loss attributable to:

Owners of the Parent	(5,417)	(38,309)
Non-controlling interests	(5,417)	(38,309)
	(10,834)	(76,618)

PATARA FINE THAI CUISINE PTE., LTD.

UNIT : THOUSAND BAHT

	As at December 31,	
	2018 ⁽¹⁾	2017
Current assets	-	36,815
Non-current assets	-	2,038
Current liabilities	-	6,249
Non-current Liabilities	-	90
Total attributions to owners		16,467
Non-controlling interests	-	16,467

UNIT : THOUSAND BAHT

	For the period from January 1, 2018 to October 1, 2018 ⁽¹⁾	For the year ended December 31, 2017
Revenue	24,352	38,286
Expenses	(23,892)	(36,584)
Profit for the year	460	1,702

Loss attributable to:

Owners of the Parent	230	851
Non-controlling interests	230	851
	460	1,702

Total comprehensive loss attributable to:

Owners of the Parent	230	632
Non-controlling interests	230	632
	460	1,264

(1) On September 25, 2018, the Board of Director's Meeting No. 2/2018 of S&P Global Co., Ltd., a subsidiary of the Company, passed a resolution to approve the selling of the entire ordinary shares held in SK Catering Pte. Ltd. and Patara Fine Thai Cuisine Pte. Ltd. to Creative Eateries Pte. Ltd., which is the another shareholder. On October 1, 2018, S&P Global Co., Ltd. completely transferred the shares. The consolidated financial statements as at December 31, 2018 thus excluded the financial information of such companies.

S&P RESTAURANT LTD.

UNIT : THOUSAND BAHT

	As at December 31,	
	2018	2017
Current assets	306,328	339,290
Non-current assets	116	238
Current liabilities	53,485	69,921
Non-current Liabilities	-	1,632
Total attributions to owners	242,840	257,256
Non-controlling interests	10,118	10,719

UNIT : THOUSAND BAHT

	For the years ended	
	2018	2017
Revenue	177,456	572,774
Expenses	(192,479)	(331,399)
Profit for the year	(15,023)	241,375

Profit (loss) attributable to:

Owners of the Parent	(14,422)	231,720
Non-controlling interests	(601)	9,655
	(15,023)	241,375

Total comprehensive (loss) income attributable to:

Owners of the Parent	(14,422)	231,720
Non-controlling interests	(601)	9,655
	(15,023)	241,375

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 deposits 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 a maturity term of over 3 months up to 12 months and held-to-maturity debt security due within 12 months and without obligations.

Investments in trading securities are carried at fair value. Realized gain and loss from the sales of trading securities and unrealized gain and loss on the changes in fair values are recognized as profit and loss in the statement of profit or loss and other comprehensive income.

Investments in available-for-sale securities are carried at fair value, differences between cost value and fair value of available-for-sale 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 is 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 costs of inventories of the Company and its three subsidiaries are calculated by using the weighted average cost method and the other eight subsidiaries' are calculated by using the first-in, first-out method.

3.5 Investments in an associate, subsidiaries and joint ventures

Investments in an associate, subsidiaries and joint ventures are presented by the cost method in the separate financial statements.

Investments in an associate and joint ventures are presented by the equity method in the consolidated financial statements.

In cases where impairment of investment occurs, the impairment loss of investment is recognized as expense 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, which 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.

Plant and equipment of the Company and its subsidiaries are stated at cost, less accumulated depreciation and allowance for impairment.

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 cases where of impairment of property, plant and equipment occurs, the loss on impairment will be charged as expense to the statement of profit or loss and other comprehensive income.

Dismantling, moving and renovating assets' location to which the Company is obligated when receiving such asset are recognized at the cost of assets and depreciated.

3.8 Intangible asset

Intangible asset consists of computer software development cost which is stated at cost less accumulated amortization.

Amortization is calculated by the straight-line method, based on the estimated useful life of the asset of 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 indication exists, the recoverable amount of an 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 amount which is either 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 the 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 impairment loss as expense in the statement of profit or loss and other comprehensive income.

Reversal of impairment loss

The Company reverses impairment loss of asset, which had been recognized in the prior periods, if there is an indication that 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 a 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 Deferred gain on sales of fixed assets to a joint venture entity

In November 2017, S&P Restaurant Limited, a subsidiary of S&P Global Co., Ltd., sold buildings to MSP Property Ltd., a subsidiary of Patara Fine Thai Cuisine Limited, a joint venture entity (see Note 33).

The Company recognized such gain on sales of fixed assets as income in the consolidated statements of profit or loss according to the shareholding percentage of the parties outside S&P Group. The remaining amount was recorded under the liability section in the account “Deferred gain from sales of fixed assets to a joint venture entity”. The Company will realize such “Deferred gain from sales of fixed assets to a joint venture entity” as income when the Company reduces the percentage of shareholding in such joint venture entity and when such joint venture entity calculates depreciation or sells such transferred assets to the third parties.

3.13 Surplus on gain from transfer of business to a joint venture entity

In October 2017, S&P Restaurant Limited, a subsidiary of S&P Global Co., Ltd., transferred 4 Thai restaurants operating in United Kingdom and employees and other related assets to SUDA Limited, the subsidiary of S&P Restaurant Limited and sold SUDA Limited to a joint venture entity (see Note 33).

The Company recognized gain on transfer of business to a joint venture entity as income in the consolidated statements of profit or loss according to the shareholding percentage of the party outside S&P Group. The remaining amount was recognized as “surplus on gain from transfer of business to a joint venture entity”. The Company will realize such “surplus on gain from transfer of business to a joint venture entity” into retained earnings when the Company reduces the percentage of shareholding in such joint venture entity, or when such joint venture entity sells such transferred business to the third parties.

3.14 Employee benefit obligations

3.14.1 The contributions paid by the Company and its domestic subsidiaries to the provident funds of employees are recognized as expenses in the statement of profit or loss and other comprehensive income when the transactions occurred.

3.14.2 The Company and its subsidiaries records post-employment benefit obligations for employees under the Labor Protection Act using the Projected Unit Credit Method. Such provision was calculated by an independent actuary based on actuarial assumptions as at the statement of financial position date and various factors including assessment of the average age and employment period of its employees, employee turnover rate and assumption of future salary increases. The employee benefit obligations are discounted to the present values as at the statement of financial position date.

The Company and its subsidiaries recognize the expense for defined employee benefits as personnel expenses in the statement of profit or loss and other comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the income statement when the plan amendment is effective.

The actuarial gain (loss) is recognized in other comprehensive income and transferred in full amount to the retained earnings in the period in which it arises.

3.15 Leases

Operating leases

Long-term leases 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 as expense to the statement of profit or loss and other comprehensive income on a straight-line basis over the periods of the leases.

When operating leases are terminated before the lease periods expire, 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 leases

Leases in which substantially all the risks and rewards of ownership, except legal title are transferred to the Company are accounted for as finance leases. The Company capitalized the asset and recorded liabilities in the statements of financial position of the lessee in the amount at the lower of the 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. Interest or 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.

3.16 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. Gain or loss on retranslation is recognized as income or expense 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 rates 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 rates during the year.

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

3.17 Recognition of revenues and expenses

Revenues from sales of goods are recognized as revenue when the significant risks and rewards of ownership are transferred to the buyers. For domestic sales, title is considered to have passed when goods are dispatched to the customers. For export sales, sales are recognized when goods are shipped and the significant risks and rewards are passed to the buyers according to the shipment terms. Sales are presented by deducting discounts, purchase volume discounts and goods returned.

Revenues from dividends from investments are recognized as income when the dividends are declared.

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

Expenses are recognized on an accrual basis.

3.18 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 the 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 amounts of deferred tax assets are reviewed at each of the end of the 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. Such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profits 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 the tax rates that have been enacted or substantively enacted at the end of the 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 is presented in the statement of profit or loss except for current and deferred taxes of related items that are recognized directly in the shareholders' equity in the same or different period.

3.19 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.

3.20 Fair value measurement for disclosure purposes

The Company and its subsidiaries regularly review significant unobservable inputs and valuation adjustments. If third parties' information, such as brokers' quotes or pricing services, is used to measure fair values, then the Company and its subsidiaries will 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.

3.21 Accounting estimates and source of estimation uncertainty

(1) Use of management's judgment

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Group's management to exercise various judgment 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 end of the reporting period 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 Company and the Group recognize impairment loss when the recoverable amount of an asset is lower than its carrying amount. The recoverable amount is the higher amount which is either the asset's fair value less cost to sell or its value in use. The Company and the Group determine the value in use by estimating the present value of the 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 amounts 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 the estimated future cash flows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and have terms to maturity approximating the terms of the related obligations. Additional information is disclosed in Note 3.14.

(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 significant accounting 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 3.20.

4. SUPPLEMENTAL DISCLOSURE OF CASH FLOW 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	
	2018	2017	2018	2017
Cash on hand	11,343	10,431	8,000	8,105
Bank deposits - savings and current accounts	767,536	783,630	569,155	501,646
Time deposits with maturity of not more than 3 months (interest rates between 0.38% - 1.25% per annum in 2018 and interest rates between 0.30% - 0.85% per annum in 2017)	4,105	2,360	2,319	464
	782,984	796,421	579,474	510,215

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	
	2018	2017	2018	2017
Liabilities incurred from acquisition of fixed assets, intangible asset and leasehold rights as at January 1,	52,999	51,297	44,514	47,443
<u>Add</u> Purchases of fixed assets, intangible asset and leasehold rights during the years	482,564	373,676	434,715	310,852
<u>Less</u> Provision for costs of dismantling, removing and restoring the site	2,887	1,309	(1,633)	(3,327)
Liabilities under finance lease agreements	(3,153)	(2,962)	(3,153)	(2,962)
Cash payments	(500,692)	(370,321)	(441,095)	(307,492)
Liabilities incurred from acquisition of fixed assets, intangible asset and leasehold rights as at December 31,	34,605	52,999	33,348	44,514
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,	5,404	4,698	5,404	4,698
<u>Add</u> Liabilities under finance lease agreements	3,153	2,962	3,153	2,962
<u>Less</u> Cash payments	(2,403)	(2,256)	(2,403)	(2,256)
Balance as at December 31,	6,154	5,404	6,154	5,404
Future lease payments under finance lease agreements as at December 31, 2018 and 2017				
Not later than 1 year	2,299	2,403	2,299	2,403
Later than 1 year but not later than 5 years	3,855	3,001	3,855	3,001
	6,154	5,404	6,154	5,404

4.2.2 Accrued dividends as at December 31, consist of:

UNIT : THOUSAND BAHT				
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Accrued dividends as at January 1,	352	333	352	333
<u>Add</u> Dividends declared during the year	416,847	377,614	416,847	377,614
<u>Less</u> Paid during the year	(416,824)	(377,595)	(416,824)	(377,595)
Accrued dividends as at December 31,	375	352	375	352

4.2.3 Movements of interest-bearing liabilities arising from financing activities for the year ended December 31, are as follows:

UNIT : THOUSAND BAHT					
As at December 31, 2018	Consolidated financial statements				
	Balance as at January 1, 2018	Cash flows from financial activities	Non-cash changes		Balance as at changes December 31, 2018
			Differences on translation of financial statements	Other changes	
Long-term borrowings from financial institutions	34,467	160,824	-	-	195,291
Long-term borrowings from a related party	-	3,270	-	-	3,270
Liabilities under finance lease agreements	5,404	750	-	-	6,154
Total	39,871	164,844	-	-	204,715
As at December 31, 2018	Separate financial statements				
	Balance as at January 1, 2018	Cash flows from financial activities	Non-cash changes		Balance as at changes December 31, 2018
			Differences on translation of financial statements	Other changes	
Long-term borrowings from financial institutions	21,500	173,163	-	-	194,663
Liabilities under finance lease agreements	5,404	750	-	-	6,154
Total	26,904	173,913	-	-	200,817

4.2.4 S&P International Foods (Cambodia) Co., Ltd., a subsidiary of the Company, increased the registered share capital amounting to USD 1.54 million, from USD 0.46 million to USD 2.00 million. In July 2018, such company called and received a share subscription in the amount of USD 1 million (equivalent to Baht 33.49 million) by converting its debts owed to the Company to equity.

4.3 On October 26, 2017, S&P Restaurant Limited, a subsidiary of S&P Global Co., Ltd., transferred 4 Thai restaurant operating in United Kingdom and employees and other related assets to SUDA Limited, the subsidiary of S&P Restaurant Limited, by exchanging them with newly issued shares of SUDA Limited amounting to GBP 4.1 million (equivalent to Baht 179.20 million) upon the business transfer agreement.

5. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

	UNIT : THOUSAND BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Time deposits with maturity of more than 3 months but not more than 1 year (interest rate of 2.5% per annum)	14	14	-	-
Trading securities				
- Fixed income open-ended funds	181,302	152,475	181,302	152,475
- Private funds	23,838	23,597	23,838	23,597
Total temporary investments	205,154	176,086	205,140	176,072

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

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT			
	Cost value As at December 31, 2018	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2018
Trading securities			
- Fixed income open-ended funds	180,904	398	181,302
- Private funds	23,597	241	23,838

AS AT DECEMBER 31, 2017

	Cost value As at December 31, 2017	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2017
Trading securities			
- Fixed income open-ended funds	152,147	328	152,475
- Private funds	22,529	1,068	23,597

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

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT			
	Cost value As at December 31, 2018	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2018
Trading securities			
- Fixed income open-ended funds	180,904	398	181,302
- Private funds	23,597	241	23,838

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Cost value As at December 31, 2017	Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2017
Trading securities			
- Fixed income open-ended funds	152,147	328	152,475
- Private funds	22,529	1,068	23,597

6. TRADE AND OTHER RECEIVABLES

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

UNIT : THOUSAND BAHT

	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Trade receivables - other companies	277,872	273,520	257,550	249,765
Trade receivables - related parties	17,017	5,140	45,690	70,979
	294,889	278,660	303,240	320,744
<u>Less</u> Allowance for doubtful accounts	(2,152)	(2,406)	(2,152)	(2,152)
Total trade receivables	292,737	276,254	301,088	318,592
Advance payments to related parties	-	-	13,723	10,407
Other receivables - other companies	19,215	36,562	5,762	11,016
Accrued income - related parties	5,910	4,962	9,364	23,826
Accrued dividend - related parties	-	-	2,400	-
Prepaid expenses	26,074	45,165	26,215	21,312
Total trade and other current receivables	343,936	362,943	358,552	385,153

Trade receivables as at December 31, 2018 and 2017 are classified by aging as follows:

UNIT : THOUSAND BAHT				
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Trade receivables				
Third parties				
Current	148,104	144,326	127,782	120,825
Overdue				
3 months or less	122,590	120,201	122,590	120,200
Over 3 months up to 6 months	1,587	2,743	1,587	2,743
Over 6 months up to 12 months	1,495	1,620	1,495	1,620
Over 12 months	4,096	4,630	4,096	4,377
Total	277,872	273,520	257,550	249,765
Related parties				
Curren	16,838	2,107	6,109	8,808
Overdue				
3 months or less	92	953	9,939	9,189
Over 3 months up to 6 months	-	-	9,829	9,574
Over 6 months up to 12 months	-	1,126	12,225	16,790
Over 12 months	87	954	7,588	26,618
Total	17,017	5,140	45,690	70,979
	294,889	278,660	303,240	320,744
<u>Less</u> Allowance for doubtful accounts	(2,152)	(2,406)	(2,152)	(2,152)
Trade receivables	292,737	276,254	301,088	318,592

7. SHORT-TERM LOAN TO RELATED PARTIES

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

UNIT : THOUSAND BAHT					
	Interest rate % per annum	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
Short-term loans to related parties					
Subsidiaries					
S&P Global Co., Ltd.	3.0	-	-	9,000	9,000
S&P International Foods (Cambodia) Co., Ltd.	3.5	-	-	3,228	-
S&P Restaurant Limited granted a loan to					
MSP Property Limited	4.5	2,974	-	-	-
		2,974	-	12,228	9,000

On December 31, 2018, the Company granted a loan to S&P International Foods (Cambodia) Co., Ltd. in the form of a promissory note in the amount of USD 300,000 (equivalent to Baht 9.90 million). Such loan is unsecured and payable on December 31, 2018. Subsequently, on July 31, 2018, S&P International Foods (Cambodia) Co., Ltd. increased the authorized share capital and partly converted its debts to equity in the amount of USD 44,928 (equivalent to Baht 1.48 million). On November 1, 2018, the Company received the installment in the amount of USD 155,072 (equivalent to Baht 5.0 million). On December 31, 2018, the remaining balance is USD 100,000 (equivalent to Baht 3.23 million).

On January 22, 2018, S&P Restaurant Limited, the Company's subsidiary, granted a loan to MSP Property Co., Ltd., a joint venture, in the amount of GBP 69,500 (equivalent to Baht 2.95 million). Such loan is unsecured and is callable on demand.

On December 31, 2018 and 2017, the Company granted a loan to S&P Global Co., Ltd. in the form of a promissory note in the amount of Baht 9 million. The loan carries fixed interest at the rate of 3.0 percent per annum. Such loan is unsecured and is callable on demand.

8. INVENTORIES

Inventories as at December 31, consist of:

	UNIT : THOUSAND BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Finished goods	120,447	121,472	120,041	120,966
Work in process	1,248	1,574	1,248	1,574
Raw materials	117,851	113,905	108,985	100,563
Packaging materials	55,368	65,038	54,730	64,530
Spare parts and supplies	12,078	13,018	9,217	10,396
Goods in transit	35	2,520	-	3,420
Total inventories	307,027	317,527	294,221	301,449

For the years ended December 31, 2018 and 2017, the costs of inventories recognized as expenses during the year in the consolidated financial statements are Baht 4,275 million and Baht 4,258 million, respectively, and in the separate financial statements, Baht 4,008 million and Baht 3,958 million, respectively.

9. DEPOSITS USED AS COLLATERAL

- 9.1 As at December 31, 2018 and 2017, cash at banks of the Company of Baht 15 million was used as collateral for a long-term loan to S&P Global Co., Ltd., a subsidiary (see Note 32.3).
- 9.2 As at December 31, 2018 and 2017, 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).
- 9.3 As at December 31, 2017, cash at banks of S&P Delivery Co., Ltd. (formerly 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). In June 2018, the Company already redeemed the collateral.

10. INVESTMENTS IN AN ASSOCIATE, 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)	
		2018	2017	2018	2017	2018	2017	2018	2017
An associate:									
Shares held by S&P Syndicate Public Company Limited									
Foodhouse Catering Services Co., Ltd.	Catering	10,000	10,000	49.97	49.97	4,997	4,997	56,186	43,412
Total investments in an associate								56,186	43,412
Joint ventures:									
Shares held by S&P Syndicate Public Company Limited									
MSC Thai Cuisine Co., Ltd.	Culinary School	80,000	80,000	43.75	43.75	35,000	35,000	25,079	27,042
Shares held by S&P Development Holding Co., Ltd.									
Patara Fine Thai Cuisine Limited ⁽¹⁾	Restaurant	GBP 13.7 million	GBP 12.3 million	50.00	50.00	322,373	292,904	250,789	233,937
Total investments in joint ventures								275,868	260,979

(1) On September 13, 2018, the Board of Directors' Meeting of Patara Fine Thai Cuisine Limited passed a resolution to increase its authorized share capital from GBP 12.30 million to GBP 13.70 million by issuing 1,400,000 new ordinary shares of GBP 1 each, totalling GBP 1.40 million. S&P Development Holding Co., Ltd. purchased 700,000 new ordinary shares totalling GBP 700,000.

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,		Dividend income For the years ended December 31,
		2018	2017	2018	2017	
Shares held by S&P Syndicate Public Co., Ltd.						
An associate:						
Foodhouse Catering Services Co., Ltd.	Catering	10,000	10,000	49.97	49.97	4,997
Total investments in an associate					4,997	-
Shares held by S&P Syndicate Public Co., Ltd.						
Subsidiaries:						
S&P Global Co., Ltd.	Investing in other companies	50,000	50,000	80.00	40,000	-
S&P Delivery Co., Ltd. (formerly S&P Asset Co., Ltd.)	Food delivery	1,000	1,000	99.93	999	7,195
S&P International Foods Co., Ltd.	Restaurant	50,000	50,000	99.99	49,997	-
Umenohana S&P Co., Ltd.	Restaurant	25,000	25,000	59.99	15,000	-
S&P International Foods (Cambodia) Co., Ltd. ⁽¹⁾	Restaurant	USD 1,457,500	USD 457,500	99.99	48,370	-
S&P Development Holding Co., Ltd.	Investing in other companies	SGD 1	SGD 1	100.00	-	-

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,	
		2018	2017	2018	2017	2018	2017	2018	2017
S&P Development Holding Co., Ltd. ⁽²⁾	Investing in other companies	170,000	140,000	99.99	99.99	170,000	140,000	-	-
S&P Training Co., Ltd.	Training for employees	1,000	1,000	99.98	99.98	1,000	1,000	23,265	-
						325,366	261,881		
<u>Less</u> Allowance for impairment loss on investment in a subsidiary						(65,000)	-		
Total investments in subsidiaries						260,366	261,881		

Shares held by S&P Syndicate Public Co., Ltd.**Joint venture:**

MSC Thai Cuisine Co., Ltd.	Culinary School	80,000	80,000	43.75	43.75	35,000	35,000	-	-
Total investments in joint venture						35,000	35,000		
Total dividend income								35,457	-

(1) On May 8, 2018, the Board of Director's meeting of the Company passed a resolution to additionally invest in S&P International Foods (Cambodia) Co., Ltd., a subsidiary of the Company. Such subsidiary increased the registered share capital amounting to USD 1.54 million, from USD 0.46 million to USD 2.00 million. In July 2018, such company called and received a share subscription in the amount of USD 1 million (equivalent to Baht 33.49 million) by converting its debts owed to the Company to equity and the remaining amount of USD 0.54 million (equivalent to Baht 17.32 million) will be called up capital in subsequent periods.

(2) On September 11, 2018, S&P Development Holding Co., Ltd. called and received a share subscription in the amount of Baht 30 million.

S&P Development Holding Co., Ltd., a subsidiary of the Company, has loss from operation and as at December 31, 2018 and 2017, the retained deficit amounts are Baht 6.55 million and Baht 1.85 million, respectively (the carrying amount of investment in the separate financial statements amounting to Baht 170 million). The loss of subsidiary is an indication of impairment of such subsidiary's investment, which the Company estimated the recoverable amounts by estimating the values in use and noted that the values in use of such investment are higher than carrying amounts amounting to Baht 65 million, recognized as loss on impairment of investments in a subsidiary in the separate statement of profit or loss and other comprehensive income as at December 31, 2018.

Details of material associated company

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

FOODHOUSE CATERING SERVICES CO., LTD.

UNIT: THOUSAND BAHT

	2018	2017
As at December 31,		
Assets	135,104	114,666
Liabilities	(41,541)	(34,607)
For the years ended December 31,		
Revenue	387,873	341,815
Gain from continuing operations	67,622	61,053
Profit for the year	35,564	33,170

Reconciliation of the above summarized financial information to the carrying amount of the interest in Foodhouse Catering Services Co., Ltd. recognized in the consolidated financial statements, is as follows:

UNIT: THOUSAND BAHT		
	As at December 31,	
	2018	2017
Net assets of the associate company	93,563	80,059
Proportion of the Group's ownership interest in Foodhouse Catering Services Co., Ltd. (%)	49.97	49.97
Carrying amount of the Group's interest in Foodhouse Catering Services Co., Ltd.	46,753	40,005

Aggregate information of an associated company that is not individually material

UNIT : THOUSAND BAHT		
	2018	2017
The Group's share of profits for the years ended December 31,	17,771	15,690
Aggregate carrying amount of the Group's interests in this associated company as at December 31,	56,186	43,412

Details of material joint venture

The summarized financial information of the material joint venture represents the amounts shown in the joint venture's financial statements prepared in accordance with TFRSs and adjusted by the Group for equity accounting purposes for the years ended December 31, is as follows:

PATARA FINE THAI CUISINE LIMITED

SUMMARIZED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31,

UNIT : THOUSAND BAHT		
	2018	2017
Current assets		
Cash and cash equivalents	17,805	8,502
Other current assets (excluding cash)	58,887	30,509
Total current assets	76,692	39,011
Non-current assets	473,955	430,431
Total assets	550,647	469,442

PATARA FINE THAI CUISINE LIMITED

SUMMARIZED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31,

UNIT : THOUSAND BAHT		
	2018	2017
Current liabilities		
Other current liabilities (including trade payables)	(74,675)	(38,342)
Non-current liabilities	(40,017)	-
Total liabilities	(114,692)	(38,342)
Net assets	435,955	431,100

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

UNIT : THOUSAND BAHT		
	2018	2017
Revenue	268,927	125,619
Cost of sale	(55,552)	(32,263)
Staff cost	(84,442)	(52,472)
Administration expense	(153,675)	(83,789)
Loss from continuing operations	(24,742)	(42,905)
Income tax expense	(491)	-
Post-tax loss from continuing operations	(25,233)	(42,905)
Net loss	(25,233)	(42,905)

Patara Fine Thai Cuisine Ltd., a joint venture of the Company, has loss from operation and as at December 31, 2018 and 2017, the retained deficit amounts are Baht 143.07 million and Baht 119.36 million, respectively (the carrying amount of investment in the consolidated financial statements amounting to Baht 250.79 million). The loss of joint venture is an indication of impairment of such joint venture's investment, which the Company estimated the recoverable amounts by estimating the values in use and noted that the values in use of such investment are higher than carrying amounts.

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

UNIT : THOUSAND BAHT		
	2018	2017
Net assets of the joint venture	435,955	431,100
Adjustment to exchange differences on translation of financial statements	65,623	36,774
	501,578	467,874
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	250,789	233,937

Aggregate information of a joint venture that is not individually material

UNIT : THOUSAND BAHT		
	2018	2017
The Group's share of loss for the years ended December 31,	(1,963)	(1,495)
Aggregate carrying amount of the Group's interests in this joint venture as at December 31,	25,079	27,042

11. LOANS TO RELATED PARTIES

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

UNIT : THOUSAND BAHT				
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Loans to related parties				
Subsidiaries				
Patara Restaurant, Vienna GmbH	-	-	45,952	49,974
<u>Less</u> Allowance for doubtful accounts	-	-	-	(25,000)
	-	-	45,952	24,974
Umenohana S&P Co., Ltd.	-	-	5,176	6,000
S&P Restaurant Limited	-	-	-	26,634
S&P Global Co., Ltd.	-	-	2,000	2,000
Total loans to related parties	-	-	53,128	59,608
Current portion of loans to related parties - presented in current assets	-	-	2,042	27,634
Loans to related parties - presented in non-current assets	-	-	51,086	31,974
	-	-	53,128	59,608

- 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. The note is unsecured and callable on demand. As such subsidiary has retained deficit, the Company considered to provide an allowance for doubtful accounts for the loan to such subsidiary of Baht 25.00 million in 2014. Then, such subsidiary had net profit since year 2017 and 2018 amounting to Baht 3.42 million and Baht 2.07 million, respectively. As a result, such subsidiary had more cash and could repay some of the loan in December in the amount of Baht 4.02 million. The Company considered to reverse all allowance for doubtful accounts of such loan to such subsidiary in the amount of Baht 25 million.

On December 31, 2018 and 2017, the Company anticipated that the loan to Patara Restaurant, Vienna GmbH would be collectible after 12 months from the date of the reporting period, therefore, the loan was presented as non-current asset.

- 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 is 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 2015 and 2016, the Company received the installment in the amount of GBP 0.25 million (equivalent to Baht 11.97 million), respectively.

In August 2017, the Company granted a loan to S&P Restaurant Limited in the amount of GBP 0.36 million. The loan carries fixed interest at the rate of 3.0 percent per annum. Such loan is payable totalling 3 installments. The first principal repayment will be repaid in August 2018 of GBP 0.10 million, the second repayment in August 2019 in the amount of GBP 0.13 million and the final repayment in August 2020 in the amount of GBP 0.13 million.

On October 6, 2017, the Company granted an additional loan to S&P Restaurant Limited in the amount of GBP 0.10 million. The loan carries fixed interest at the rate of 3.0 percent per annum. Such loan is unsecured and is callable on demand.

In April 2018, the Company fully received such loans in the amount of GBP 0.61 million.

- On November 27, 2017, the Company granted a loan to Umenohana S&P Co., Ltd. in the amount of Baht 6.00 million and such subsidiary issued a promissory note to the Company. The loan carries fixed interest at the rate of 4.5 percent per annum. Such loan is unsecured.

In March 2018, the Company revised the loan agreement to specify the term of repayment to be payable on a 3-month basis, totalling 16 installments.

- On August 25, 2017, the Company granted a loan to S&P Global Co., Ltd. in the amount of Baht 2.00 million and such subsidiary issued a promissory note to the Company. The loan carries fixed interest at the rate of 3.0 percent per annum. Such loan is unsecured and is callable on demand.

On December 31, 2018, the Company anticipated that the loan to S&P Global Co., Ltd. would be collectible after 12 months from the date of the reporting period, therefore, the loan was presented as non-current asset.

12. PROPERTY, PLANT AND EQUIPMENT

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

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT									
		Consolidated Financial Statements							
		Balance as at January 1, 2018	Additions	Disposals	Transfer in (Transfer out)	Differences on Translation of Financial Statements	Disposal of Subsidiaries		Balance as at December 31, 2018
							Disposal of Subsidiaries' assets	Differences on Translation of Financial Statements	
Cost									
Land		279,483	-	-	195,020	-	-	-	474,503
Buildings and building improvements		89,773	-	-	-	(3,229)	-	-	86,544
Factory buildings		200,131	-	-	-	-	-	-	200,131
Machinery and equipment		1,145,104	46,478	(63,133)	13,086	(3,768)	-	-	1,137,767
Furniture and equipment									
- Offices and factories		855,531	82,206	(26,958)	54,527	-	-	-	965,306
- Restaurants and bakery shops		2,040,111	40,057	(99,415)	14,721	(5,650)	(113,526)	(2,179)	1,874,119
Vehicles		63,048	17	(4,617)	3,707	(90)	-	-	62,065
Total cost		4,673,181	168,758	(194,123)	281,061	(12,737)	(113,526)	(2,179)	4,800,435
Accumulated depreciation									
Buildings and building improvements		(53,831)	(2,511)	-	-	1,095	-	-	(55,247)
Factory buildings		(144,893)	(4,536)	-	-	-	-	-	(149,429)
Machinery and equipment		(864,978)	(91,587)	58,037	-	1,938	-	-	(896,590)

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT

	Consolidated Financial Statements						
	Balance as at January 1, 2018	Additions	Disposals	Transfer in (Transfer out)	Differences on Translation of Financial Statements	Disposal of Subsidiaries	
						Disposal of Subsidiaries' assets	Differences on Translation of Financial Statements
							Balance as at December 31, 2018
Furniture and equipment							
- Offices and factories	(582,153)	(56,824)	26,277	-	-	-	(612,700)
- Restaurants and bakery shops	(1,489,308)	(195,466)	96,100	-	4,653	100,332	(1,481,826)
Vehicles	(51,792)	(4,351)	4,541	-	91	-	(51,511)
Total accumulated depreciation	(3,186,955)	(355,275)	184,955	-	7,777	100,332	(3,247,303)
Building improvements and equipment under construction and installation	50,264	301,377	-	(281,061)	(1,199)	-	69,381
Less Allowance for impairment - building improvements and equipment	(7,242)	(5,365)	6,833	-	(536)	-	(6,310)
Property, plant and equipment	1,529,248						1,616,203

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT						
	Consolidated Financial Statements					
	Balance as at January 1, 2017	Additions	Disposals	Transfer in (Transfer out)	Reclassifications	Differences on Translation of Financial Statements
Balance as at December 31, 2017						
Cost						
Land	279,483	-	-	-	-	279,483
Buildings and building improvements	207,179	348	(117,361)	-	-	89,773
Factory buildings	200,131	-	-	-	-	200,131
Machinery and equipment	1,344,179	59,723	(25,298)	31,817	(259,203)	1,145,104
Furniture and equipment						
- Offices and factories	850,483	31,460	(32,703)	6,291	-	855,531
- Restaurants and bakery shops	1,705,854	78,552	(97,136)	117,938	259,203	2,040,111
Vehicles	64,487	2,676	(4,114)	-	-	63,048
Total cost	4,651,796	172,759	(276,612)	156,046	-	4,673,181
Accumulated depreciation						
Buildings and building improvements	(96,004)	(4,440)	46,778	-	-	(53,831)
Factory buildings	(140,084)	(4,809)	-	-	-	(144,893)
Machinery and equipment	(996,438)	(103,910)	20,657	-	210,840	(864,978)

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Consolidated Financial Statements					
	Balance as at January 1, 2017	Additions	Disposals	Transfer in (Transfer out)	Reclassifications	Differences on Translation of Financial Statements
	Balance as at December 31, 2017					
Furniture and equipment						
- Offices and factories	(538,120)	(75,893)	31,860	-	-	(582,153)
- Restaurants and bakery shops	(1,177,945)	(193,132)	82,142	-	(210,840)	(1,489,308)
Vehicles	(50,162)	(5,745)	4,114	-	-	(51,792)
Total accumulated depreciation	(2,998,753)	(387,929)	185,551	-	-	(3,186,955)
Building improvements and equipment under construction and installation	25,619	180,851	-	(156,046)	-	50,264
Less Allowance for impairment - building improvements and equipment	(4,721)	(6,184)	3,663	-	-	(7,242)
Property, plant and equipment	1,673,941					1,529,248
Depreciation for the years ended December 31,						
2018					Thousand Baht	355,275
2017					Thousand Baht	387,929
Gross carrying amount of fully depreciated fixed assets that is still in use as at December 31,						
2018					พันบาท	2,240,062
2017					พันบาท	1,985,088

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT

	Separate Financial Statements				
	Balance as at January 1, 2018	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2018
Cost					
Land	279,483	-	-	195,020	474,503
Buildings and building improvements	38,184	-	-	-	38,184
Factory buildings	200,131	-	-	-	200,131
Machinery and equipment	1,029,953	34,893	(31,910)	12,805	1,045,741
Furniture and equipment					
- Offices and factories	855,299	82,157	(26,764)	54,527	965,219
- Restaurants and bakery shops	1,675,940	11,045	(96,855)	6,515	1,596,645
Vehicles	61,900	17	(4,357)	3,708	61,268
Total cost	4,140,890	128,112	(159,886)	272,575	4,381,691
Accumulated depreciation					
Buildings and building improvements	(35,614)	(786)	-	-	(36,400)
Factory buildings	(144,894)	(4,536)	-	-	(149,430)
Machinery and equipment	(780,967)	(80,234)	31,286	-	(829,915)
Furniture and equipment					
- Offices and factories	(581,986)	(56,789)	26,089	-	(612,686)
- Restaurants and bakery shops	(1,229,194)	(156,769)	93,359	-	(1,292,604)
Vehicles	(50,642)	(4,351)	4,282	-	(50,711)
Total accumulated depreciation	(2,823,297)	(303,465)	155,016	-	(2,971,746)
Building improvements and equipment under construction and installation	40,487	297,814	-	(272,575)	65,726
<u>Less</u> Allowance for impairment - building improvements and equipment	(2,216)	(5,365)	2,216	-	(5,365)
Property, plant and equipment	<u>1,355,864</u>				<u>1,470,306</u>

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Separate Financial Statements					
	Balance as at January 1, 2018	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2018	Balance as at December 31, 2018
Cost						
Land	279,483	-	-	-	-	279,483
Buildings and building improvements	38,121	348	(285)	-	-	38,184
Factory buildings	200,131	-	-	-	-	200,131
Machinery and equipment	1,228,598	45,527	(16,716)	31,747	(259,203)	1,029,953
Furniture and equipment						
- Offices and factories	850,295	31,416	(32,703)	6,291	-	855,299
- Restaurants and bakery shops	1,341,425	47,846	(85,874)	113,340	259,203	1,675,940
Vehicles	63,338	2,676	(4,114)	-	-	61,900
Total cost	4,001,391	127,813	(139,692)	151,378	-	4,140,890
Accumulated depreciation						
Buildings and building improvements	(35,161)	(738)	285	-	-	(35,614)
Factory buildings	(140,085)	(4,809)	-	-	-	(144,894)
Machinery and equipment	(917,657)	(90,518)	16,368	-	210,840	(780,967)
Furniture and equipment						
- Offices and factories	(538,006)	(75,840)	31,860	-	-	(581,986)
- Restaurants and bakery shops	(949,623)	(148,662)	79,931	-	(210,840)	(1,229,194)
Vehicles	(49,011)	(5,745)	4,114	-	-	(50,642)
Total accumulated depreciation	(2,629,543)	(326,312)	132,558	-	-	(2,823,297)
Building improvements and equipment under construction and installation	18,858	173,007	-	(151,378)	-	40,487
<u>Less</u> Allowance for impairment						
- building improvements and equipment	(2,376)	(2,103)	2,263	-	-	(2,216)
Property, plant and equipment	<u>1,388,330</u>					<u>1,355,864</u>

Depreciation for the years ended December 31,

2018	Thousand Baht	303,465
2017	Thousand Baht	326,312

Gross carrying amount of fully depreciated fixed assets that is still in use as at December 31,

2018	Thousand Baht	2,199,492
2017	Thousand Baht	1,975,348

As at December 31, 2018 and 2017, the assets under financial leases are as follows:

	UNIT : THOUSAND BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Cost of assets - vehicles	13,067	9,847	13,067	9,847
<u>Less</u> Accumulated depreciation	(4,427)	(2,488)	(4,427)	(2,488)
Carrying amount	8,640	7,359	8,640	7,359

13. LEASEHOLD RIGHTS

Leasehold rights as at December 31, consist of:

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT

	Consolidated Financial Statements				
	Balance as at January 1, 2018	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2018
Cost					
Leasehold rights	252,343	3,150	(39,669)	(932)	214,892
Total cost	252,343	3,150	(39,669)	(932)	214,892
Accumulated amortization					
Leasehold rights	(182,466)	(15,300)	26,057	521	(171,188)
Total accumulated amortization	(182,466)	(15,300)	26,057	521	(171,188)
Leasehold rights	69,877				43,704

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Consolidated Financial Statements				
	Balance as at January 1, 2017	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2017
Cost					
Leasehold rights	263,451	9,978	(20,958)	(128)	252,343
Total cost	263,451	9,978	(20,958)	(128)	252,343
Accumulated amortization					
Leasehold rights	(175,888)	(17,753)	11,080	95	(182,466)
Total accumulated amortization	(175,888)	(17,753)	11,080	95	(182,466)
Leasehold rights	87,563				69,877

Amortization for the years ended December 31,

2018	Thousand Baht	15,300
2017	Thousand Baht	17,753

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT

	Separate Financial Statements			
	Balance as at January 1, 2018	Additions	Disposals	Balance as at December 31, 2018
Cost				
Leasehold rights	197,473	-	-	197,473
Total cost	197,473	-	-	197,473
Accumulated amortization				
Leasehold rights	(152,266)	(13,401)	-	(165,667)
Total accumulated amortization	(152,266)	(13,401)	-	(165,667)
Leasehold rights	45,207			31,806

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Separate Financial Statements			
	Balance as at January 1, 2017	Additions	Disposals	Balance as at December 31, 2017
Cost				
Leasehold rights	197,473	-	-	197,473
Total cost	197,473	-	-	197,473
Accumulated amortization				
Leasehold rights	(138,228)	(14,038)	-	(152,266)
Total accumulated amortization	(138,228)	(14,038)	-	(152,266)
Leasehold rights	59,245			45,207

Amortization for the years ended December 31,

2018	Thousand Baht	13,401
2017	Thousand Baht	14,038

14. INTANGIBLE ASSETS

Intangible assets as at December 31, consists of:

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT

	Consolidated Financial Statements				
	Balance as at January 1, 2018	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2018
Cost					
Computer software development costs	73,669	9,278	(25)	9	82,931
Total cost	73,669	9,278	(25)	9	82,931
Accumulated amortization					
Computer software development costs	(35,139)	(11,400)	25	(268)	(46,782)
Total accumulated amortization	(35,139)	(11,400)	25	(268)	(46,782)
Intangible asset	<u>38,530</u>				<u>36,149</u>

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Consolidated Financial Statements				
	Balance as at January 1, 2018	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2018
Cost					
Computer software development costs	63,712	10,087	-	(130)	73,669
Total cost	63,712	10,087	-	(130)	73,669
Accumulated amortization					
Computer software development costs	(23,417)	(11,760)	-	38	(35,139)
Total accumulated amortization	(23,417)	(11,760)	-	38	(35,139)
Intangible asset	<u>40,295</u>				<u>38,530</u>

Amortization for the years ended December 31,

2018	Thousand Baht	11,400
2017	Thousand Baht	11,760

AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT

	Separate Financial Statements			
	Balance as at January 1, 2018	Additions	Disposals	Balance as at December 31, 2018
Cost				
Computer software development costs	73,076	8,789	(25)	81,840
Total cost	73,076	8,789	(25)	81,840
Accumulated amortization				
Computer software development costs	(34,809)	(11,346)	25	(46,130)
Total accumulated amortization	(34,809)	(11,346)	25	(46,130)
Intangible asset	<u>38,267</u>			<u>35,710</u>

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Separate Financial Statements			
	Balance as at January 1, 2017	Additions	Disposals	Balance as at December 31, 2017
Cost				
Computer software development costs	63,044	10,032	-	73,076
Total cost	63,044	10,032	-	73,076
Accumulated amortization				
Computer software development costs	(23,100)	(11,709)	-	(34,809)
Total accumulated amortization	(23,100)	(11,709)	-	(34,809)
Intangible asset	<u>39,944</u>			<u>38,267</u>

Amortization for the years ended December 31,

2018	Thousand Baht	<u>11,346</u>
2017	Thousand Baht	<u>11,709</u>

15. DEFERRED INCOME TAX AND INCOME TAX EXPENSES

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

UNIT : THOUSAND BAHT				
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Deferred tax assets	49,952	49,202	42,988	41,737
Deferred tax liabilities	-	1,722	-	-

The movements of deferred tax assets and liabilities for the years ended December 31, 2018 and 2017 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT				
	Balances as at January 1, 2018	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2018
Deferred tax assets resulted from				
Revaluation of trading securities	(2,427)	2,505	-	78
Allowance for doubtful accounts	481	(50)	-	431
Buildings and equipment - difference of depreciation rate	399	569	-	968
Provision for customer loyalty program	-	140	-	140
Unearned revenues	4,686	392	-	5,078
Provision for employee benefits	33,988	3,834	-	37,822
Actuarial gain on defined employee benefit plan	44	-	(6,566)	(6,522)
Provision for costs of dismantling, removing and restoring the site	5,058	407	-	5,465
Unused tax losses	6,973	(481)	-	6,492
Deferred tax assets	49,202	7,316	(6,566)	49,952
Deferred tax liabilities resulted from				
Buildings and equipment - difference of depreciation rate ⁽¹⁾	(1,722)	1,722	-	-
Deferred tax liabilities	(1,722)	1,722	-	-

CONSOLIDATED FINANCIAL STATEMENTS (Con'd)
AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Balances as at January 1, 2018	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2018
Deferred tax assets resulted from				
Revaluation of trading securities	(2,313)	(115)	-	(2,428)
Revaluation of available-for-sale securities	(16)	16	-	-
Allowance for doubtful accounts	481	-	-	481
Buildings and equipment - difference of depreciation rate	(109)	508	-	399
Unearned revenues	2,808	1,878	-	4,686
Provision for employee benefits	29,571	4,417	-	33,988
Actuarial gain on defined employee benefit plan	45	-	-	45
Provision for costs of dismantling, removing and restoring the site	3,996	1,062	-	5,058
Unused tax losses	6,441	532	-	6,973
Deferred tax assets	40,904	8,298	-	49,202

Deferred tax liabilities resulted from

Buildings and equipment - difference of depreciation rate ⁽¹⁾	(1,901)	179	-	(1,722)
Deferred tax liabilities	(1,901)	179	-	(1,722)

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

SEPARATED FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2018

UNIT : THOUSAND BAHT

	Balances as at January 1, 2018	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2018
Deferred tax assets resulted from				
Revaluation of trading securities	(2,427)	2,505	-	78
Allowance for doubtful accounts	431	-	-	431
Buildings and equipment - difference of depreciation rate	275	515	-	790
Unearned revenues	4,686	392	-	5,078
Provision for customer loyalty program	-	140	-	140
Provision for employee benefits	33,786	3,834	-	37,620
Actuarial gain on defined employee benefit plan	44	-	(6,566)	(6,522)
Provision for costs of dismantling, removing and restoring the site	4,942	431	-	5,373
Deferred tax assets	41,737	7,817	(6,566)	42,988

AS AT DECEMBER 31, 2017

UNIT : THOUSAND BAHT

	Balances as at January 1, 2017	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2017
Deferred tax assets resulted from				
Revaluation of trading securities	(2,313)	(114)	-	(2,427)
Allowance for doubtful accounts	431	-	-	431
Buildings and equipment - difference of depreciation rate	(108)	383	-	275
Unearned revenues	2,809	1,877	-	4,686
Provision for employee benefits	29,370	4,416	-	33,786
Actuarial gain on defined employee benefit plan	44	-	-	44
Provision for costs of dismantling, removing and restoring the site	3,971	971	-	4,942
Deferred tax assets	34,204	7,533	-	41,737

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

UNIT : THOUSAND BAHT				
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Current tax	67,226	93,765	62,066	88,666
Prior year's adjustment to income tax	3,053	(6,449)	3,053	(6,449)
Deferred tax expenses relating to the origination and reversal of temporary differences	(9,038)	(8,477)	(7,817)	(7,533)
Income tax expense per the statements of profit or loss and other comprehensive income	61,241	78,839	57,302	74,684

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

UNIT : THOUSAND BAHT				
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Accounting profit before income tax	438,085	575,295	459,765	526,092
Applicable corporate income tax rates	8.5 - 25%	8.5 - 25%	20%	20%
Current income tax	95,325	144,081	91,953	105,218
Prior year's adjustment to income tax	3,053	(6,449)	3,053	(6,449)
Tax effect of non-deductible expenses (benefits)	(37,137)	(58,793)	(37,704)	(24,085)
Income tax expense per the statements of profit or loss and other comprehensive income	61,241	78,839	57,302	74,684

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 a tax rate of each country at the rates of 8.5% - 25%.

16. TRADE AND OTHER CURRENT PAYABLES

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

	UNIT : THOUSAND BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Trade payables - other companies	484,474	491,357	413,116	388,096
Trade payables - related parties	61	1,959	607	9,987
Advance received from related parties	-	-	92	609
Accounts payable - acquisition of fixed assets	34,605	52,999	33,348	44,514
Unearned revenues	37,794	36,622	36,790	35,938
Other payables	82,178	90,714	66,341	86,990
Accrued expenses	265,886	261,415	238,093	222,606
	904,998	935,066	788,387	788,740

17. SHORT-TERM BORROWINGS FROM A RELATED PARTY

On September 11, 2018, the Company entered into a loan agreement with S&P Restaurant Limited, a subsidiary, in the amount of GBP 0.20 million (equivalent to Baht 8.57 million). The loan carries fixed interest at the rate of 3.5 percent per annum. Such loan is unsecured and is callable on demand.

18. OTHER NON-CURRENT ASSETS

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

	UNIT : THOUSAND BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Value-added-tax payable	38,363	45,643	29,045	32,781
Others	12,032	15,388	6,577	4,743
	50,395	61,031	35,622	37,524

19. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

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

UNIT : THOUSAND BAHT							
Borrower	Credit limit	Interest rate (% p.a.)	Repayment term	Consolidated Financial Statements As at December 31,			Separate Financial Statements As at December 31,
				2018	2017	2018	2017
S&P International Foods Co., Ltd. ⁽¹⁾							
Loan from a local commercial bank	Baht 25 million	MLR - 2%	Repayable on a quarterly basis of Baht 1,260,000 per installment from January 15, 2014 to January 15, 2019 (The subsidiary fully paid in October 2018.)	-	4,840	-	-
S&P Syndicate Public Company Limited ⁽²⁾							
Loans from local commercial banks	Baht 30 million	Bank base rate 4.25%	Repayable on a monthly basis of Baht 500,000 per installment from July 22, 2016 to July 21, 2021	15,500	21,500	15,500	21,500
	Baht 195 million	MLR - 2%	Repayable on a monthly basis of Baht 2,321,430 per installment from April 23, 2018 to March 23, 2024	174,107	-	174,107	-
	Baht 5.73 million	MLR - 2.45%	Repayable on a monthly basis of Baht 337,050 per installment from November 12, 2018 to March 31, 2020	5,056	-	5,056	-
S&P Global Co., Ltd. ⁽³⁾							
Loan from a local commercial bank	Baht 15 million	Bank saving account rate + 1.00%	Repayable on a monthly basis of Baht 625,000 per installment from January 18, 2017 to January 17, 2019	628	8,127	-	-
				195,291	34,467	194,663	21,500
Less Current portion of long-term borrowings from financial institutions				(38,530)	(18,340)	(37,902)	(6,000)
				156,761	16,127	156,761	15,500

(1) The Company has issued a "Letter of Awareness" to the lender's bank and has to maintain the percentage of shareholding in S&P International Foods Co., Ltd. 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.

(2) Such loan is unsecured. In addition, the Company has to maintain its debt to equity ratio as specified in the loan agreement.

(3) The loan uses its savings bank account as collateral (see Note 10.1). Under the loan agreement, such subsidiary has to maintain its debt to equity ratio as specified in the loan agreement.

20. LONG-TERM BORROWING FROM A RELATED PARTY

Long-term borrowing from a related party as at December 31, is as follows:

UNIT : THOUSAND BAHT							
Borrower	Credit limit	Interest rate (% p.a.)	Repayment term	Consolidated Financial Statements		Separate Financial Statements	
				Balance 2018	Balance 2017	Balance 2018	Balance 2017
Umenohana S&P Co., Ltd.							
Loan from Umenohana Co., Ltd.	Baht 4 million	Bank base rate 4.5%	Repayable on a quarterly basis of Baht 274,575 per installment from April 10, 2018 to November 21, 2021	3,270	-	-	-
<u>Less</u> Current portion of long-term borrowing from a related party				(1,216)	-	-	-
				2,054	-	-	-

In March 2018, Umenohana S&P Co., Ltd. entered into a long-term loan agreement with Umenohana Co., Ltd., such company's shareholder. Such loan is unsecured.

21. EMPLOYEE BENEFIT OBLIGATIONS

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

Amounts recognized as expense in the statements of profit or loss and other comprehensive income in respect of the defined benefit plans for the years ended December 31, 2018 and 2017 are as follows

UNIT : THOUSAND BAHT				
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Current service cost	21,106	20,370	19,741	19,896
Interest cost	3,406	4,573	3,312	4,456
Expenses recorded in the statements of profit or loss and other comprehensive income	24,512	24,943	23,053	24,352

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	
	2018	2017	2018	2017
Balance of present value of defined benefit obligation				
as at January 1,	173,289	150,616	169,152	147,070
Current service cost	21,106	20,370	19,741	19,896
Interest cost	3,406	4,573	3,312	4,456
Actuarial gain on defined employee benefit plan	(34,105)	-	(32,828)	-
	163,696	175,559	159,377	171,422
<u>Less</u> Benefits paid during the year	(3,883)	(2,270)	(3,883)	(2,270)
Balance of present value of defined benefit obligation as at December 31,	159,813	173,289	155,494	169,152
<u>Less</u> Current provision for employee benefits	(6,608)	(1,994)	(6,223)	(1,994)
Non-current provision for employee benefits	153,205	171,295	149,271	167,158

On December 13, 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labor Protection Act, which is in the process of being announced in the Royal Gazette. The new Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rates. This change is considered an amendment to post-employment benefit plan. The Company and its subsidiaries will reflect the effect of such change by recognizing past service cost as an expense in the statement of income and other comprehensive income of the period in which the law is effective.

For the year ended December 31, 2018, the Company recognized the actuarial gain in the consolidated and separate statements of profit or loss and other comprehensive income in the amounts of Baht 34.11 million and Baht 32.83 million, respectively. Such actuarial gain mainly resulted from the increase in the employee turnover rate in the old age range according to the actuarial assumption. (2017 : Nil)

The key actuarial assumptions used to calculate the defined benefit obligation as at December 31, 2018 and 2017 are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Discount rate (% p.a.)	2.14% - 2.87%	3.03% - 3.46%	2.43%	3.03%
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2008	Thai Mortality Table 2017	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% - 49%	0% - 47%	0% - 41%	0% - 47%

The sensitivity analysis of the above actuarial assumptions impacting on increase (decrease) in the present value of the employee benefit obligations as at December 31, 2018 and 2017 is as follows:

UNIT : MILLION BAHT				
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Discount rate				
Discount rate, decrease of 1 percent	15.95	19.06	15.43	18.44
Discount rate, increase of 1 percent	(13.88)	(16.45)	(13.44)	(15.92)
Salary growth rates				
Salary growth rates, increase of 1 percent	15.32	20.25	14.83	19.61
Salary growth rates, decrease of 1 percent	(13.61)	(17.71)	(13.19)	(17.17)
Life expectancy				
Life expectancy, increase of 1 year	0.73	3.81	0.71	3.70
Life expectancy, decrease of 1 year	(0.73)	(3.78)	(0.71)	(3.67)
Employee turnover rate				
Employee turnover rate, decrease of 1 percent	9.90	5.76	9.71	5.61
Employee turnover rate, increase of 1 percent	(14.98)	(17.54)	(14.51)	(16.99)

22. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities as at December 31, 2018 and 2017 consist of:

	Consolidated Financial Statements		UNIT : THOUSAND BAHT	
			Separate Financial Statements	
	2018	2017	2018	2017
Provision for costs of dismantling, removing and restoring the site	57,086	62,271	41,831	42,496
Others	6,065	5,340	6,065	5,195
	63,151	67,611	47,896	47,691

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 DIVIDENDS

On April 21, 2017, the Annual General Shareholders' Meeting of the Company passed a resolution to approve the dividends from its operations of the year 2016 at Baht 0.80 per share for 490,408,365 shares, 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 2016, therefore, the Company paid the remaining dividends of Baht 0.70 per share, totalling Baht 343.29 million which was paid on May 11, 2017.

On August 15, 2017, the Board of Directors' Meeting of the Company passed a resolution to distribute the interim dividends from the operations of the six-month period ended June 30, 2017 for 490,408,365 shares at Baht 0.07 per share, totalling approximately Baht 34.32 million and the Company paid the dividends within September 13, 2017.

On April 20, 2018, the Annual General Shareholders' Meeting of the Company passed a resolution to approve the dividends from the operations of the year 2017 at Baht 0.87 per share for 490,408,365 shares, totalling Baht 426.65 million and as the Company already distributed the interim dividends at Baht 0.07 per share, totalling Baht 34.32 million in September 2017, therefore, the Company paid the remaining dividends of Baht 0.80 per share, totalling Baht 392.33 million which was paid on May 2, 2018.

On August 10, 2018, the Board of Directors' Meeting of the Company passed a resolution to distribute the interim dividends from the operations of the six-month period ended June 30, 2018 for 490,408,365 shares at Baht 0.05 per share, totalling approximately Baht 24.52 million which the Company will pay the dividends within September 10, 2018.

25. OTHER INCOME

Significant other income for the years ended December 31, 2018 and 2017 is as follows:

	UNIT : THOUSAND BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2018	2017	2018	2017
Unrealized gain on revaluation of trading securities	639	2,176	639	143
Interest income	2,581	2,676	4,844	4,717
Management fee income	3,651	6,370	16,314	14,933
Building and equipment rental income	4,618	3,096	11,645	5,589
Card membership fee income	24,196	16,212	24,196	16,212
Revenue from sales scraps	4,021	8,405	3,977	8,405
Gain on transfer of business to a joint venture entity (see Note 33)	-	79,905	-	-
Gain on sales of fixed assets to	1,404	28,084	-	-
a joint venture entity (see Note 33)	-	-	35,457	-
Dividend income	57,264	53,751	45,641	43,732
Other income	98,374	200,675	142,713	93,731

26. TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with its subsidiaries, associate, joint venture entities and other related parties. Certain portions of the Company's assets, liabilities, revenues from sales, other income, costs of sales, selling expenses and administrative expenses represent transactions that occurred with its subsidiaries, associate, joint venture entities and other related parties. These parties are related through common shareholders and/or directorships. Those significant transactions with subsidiaries, associate, joint venture entities 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 that occurred with the related parties are as follows:

26.1 Significant balances with related parties as of December 31, as follows:

UNIT : THOUSAND BAHT

Account name/Company’s name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
Trade receivables					
S&P International Foods Co., Ltd.	Subsidiary	-	-	42,270	44,967
Umenohana S&P Co., Ltd.	Subsidiary	-	-	637	388
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	-	20,134
S&P Training Co., Ltd.	Subsidiary	-	-	451	3,442
Foodhouse Catering Services Co., Ltd.	Associate	269	516	269	516
Suda Limited	Joint venture	3,508	-	-	-
Patara Fine Thai Cuisine Limited	Joint venture	11,177	3,092	-	-
The Minor Food Group Public Co., Ltd.	Related party	1,038	1,109	1,038	1,109
Other related parties	Related party	1,025	423	1,025	423
		17,017	5,140	45,690	70,979
Advance payments to related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	7,248	57
S&P International Foods Co., Ltd.	Subsidiary	-	-	4,881	6,703
Umenohana S&P Co., Ltd.	Subsidiary	-	-	115	59
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	1	2,368
S&P Development Holding Co., Ltd.	Subsidiary	-	-	-	500
S&P Training Co., Ltd.	Subsidiary	-	-	1,478	720
		-	-	13,723	10,407

UNIT : THOUSAND BAHT

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
Accrued income - related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	483	242
S&P International Foods Co., Ltd.	Subsidiary	-	-	133	205
Umenohana S&P Co., Ltd.	Subsidiary	-	-	206	81
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	1,816	12,013
S&P Training Co., Ltd.	Subsidiary	-	-	428	642
S&P Restaurant Limited	Subsidiary	-	-	-	898
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	388	4,783
Foodhouse Catering Services Co., Ltd.	Associate	86	-	86	-
Patara Fine Thai Cuisine Limited	Joint venture	5,824	4,962	5,824	4,962
		5,910	4,962	9,364	23,826

Accrued income - related party (dividend)

S&P Training Co., Ltd.	Subsidiary	-	-	2,400	-
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**Short-term loans to related parties
(Interest rate per annum)**

S&P Global Co., Ltd. (3.0%)	Subsidiary	-	-	9,000	9,000
S&P International Foods (Cambodia) Co., Ltd. (4.0%)	Subsidiary	-	-	3,228	-
MSP Property Co., Ltd. (4.5%)	Joint venture	2,974	-	-	-
		2,974	-	12,228	9,000

Investment in associate

Foodhouse Catering Services Co., Ltd.	Associate	56,186	43,412	4,997	4,997
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				UNIT : THOUSAND BAHT	
Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
Investments in subsidiaries					
S&P Global Co., Ltd.	Subsidiary	-	-	40,000	40,000
S&P Delivery Co., Ltd. (formerly 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	-	-	48,370	14,885
S&P Development Holding Pte. Ltd. (Registered Capital : SGD 1)	Subsidiary	-	-	-	-
S&P Development Holding Co., Ltd.	Subsidiary	-	-	170,000	140,000
<u>Less</u> Allowance for impairment loss on investment in a subsidiary		-	-	(65,000)	-
		-	-	105,000	140,000
S&P Training Co., Ltd.	Subsidiary	-	-	1,000	1,000
		-	-	260,366	261,881
Investments in joint ventures					
MSC Thai Cuisine Co., Ltd.	Joint venture	25,079	27,042	35,000	35,000
Patara Fine Thai Cuisine Limited	Joint venture	250,789	233,937	-	-
		275,868	260,979	35,000	35,000
Loans to related parties (Interest rate per annum)					
Patara Restaurant, Vienna GmbH (3.0%)	Subsidiary	-	-	45,952	49,974
<u>Less</u> Allowance for doubtful account		-	-	-	(25,000)
		-	-	45,952	24,974
S&P Restaurant Limited (3.0%)	Subsidiary	-	-	-	26,634
Umenohana S&P Co., Ltd. (3.0%)	Subsidiary	-	-	5,176	6,000
S&P Global Co., Ltd. (3.0%)	Subsidiary	-	-	2,000	2,000
		-	-	53,128	59,608

UNIT : THOUSAND BAHT

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
Trade payables					
S&P Global Co., Ltd.	Subsidiary	-	-	10	86
S&P International Foods Co., Ltd.	Subsidiary	-	-	309	247
Umenohana S&P Co., Ltd.	Subsidiary	-	-	18	140
S&P Training Co., Ltd.	Subsidiary	-	-	209	7,876
MSC Thai Cuisine Co., Ltd.	Joint venture	-	321	-	-
The Minor Food Group Public Co., Ltd.	Related party	-	17	-	17
Other related parties	Related party	61	1,621	61	1,621
		61	1,959	607	9,987

Advance received from related parties

S&P International Foods Co., Ltd.	Subsidiary	-	-	-	609
S&P Restaurant Limited	Subsidiary	-	-	92	-
		-	-	92	609

Short-term borrowing from a related party

(Interest rate percent per annum)

S&P Restaurant Limited (3.5%)	Subsidiary	-	-	8,572	-
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Long-term borrowing from a related party

(Interest rate percent per annum)

Umenohana Co., Ltd. (4.5%)	Related party	3,270	-	-	-
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26.2 Movements of loans to related parties

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

UNIT : THOUSAND BAHT					
Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
S&P Global Co., Ltd.	Subsidiary				
Beginning balances		-	-	11,000	9,000
Add Lent during the year		-	-	-	2,000
Ending balances		-	-	11,000	11,000
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary				
Beginning balances		-	-	-	-
Add Lent during the year		-	-	9,907	-
Less Repayment during the year		-	-	(6,678)	-
Ending balances		-	-	3,229	-
Patara Restaurant, Vienna GmbH	Subsidiary				
Beginning balances		-	-	49,974	49,974
Less Allowance for doubtful accounts		-	-	(25,000)	(25,000)
Add Allowance for doubtful accounts		-	-	25,000	-
Less Repayment during the year		-	-	(4,022)	-
Ending balances		-	-	45,952	24,974
S&P International Foods Co., Ltd.	Subsidiary				
Beginning balances		-	-	-	6,500
Less Repayment during the year		-	-	-	(6,500)
Ending balances		-	-	-	-
S&P Restaurant Limited	Subsidiary				
Beginning balances		-	-	26,634	6,539
Add Lent during the year		-	-	-	19,658
Less Repayment during the year		-	-	(26,634)	-
Unrealized gain (loss) on revaluation		-	-	-	437
Ending balances		-	-	-	26,634

UNIT : THOUSAND BAHT

Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
MSC Thai Cuisine Co., Ltd.	Joint venture				
Beginning balances		-	5,000	-	5,000
<u>Less</u> Repayment during the year		-	(5,000)	-	(5,000)
Ending balances		-	-	-	-
Umenohana S&P Co., Ltd.	Subsidiary				
Beginning balances		-	-	6,000	-
<u>Add</u> Lent during the year		-	-	(824)	6,000
Ending balances		-	-	5,176	6,000
S&P Delivery Co., Ltd. (formerly S&P Asset Co., Ltd.)	Subsidiary				
Beginning balances		-	-	-	-
<u>Add</u> Lent during the year		-	-	-	500
<u>Less</u> Repayment during the year		-	-	-	(500)
Ending balances		-	-	-	-

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	
		2018	2017	2018	2017
Revenues from sales					
S&P International Foods Co., Ltd.	Subsidiary	-	-	35,329	33,857
Umenohana S&P Co., Ltd.	Subsidiary	-	-	4,111	614
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	-	5,664
S&P Training Co., Ltd.	Subsidiary	-	-	2,667	3,158
Foodhouse Catering Service Co., Ltd.	Associate	769	1,593	769	1,593
The Minor Food Group Public Co., Ltd.	Related party	27,328	27,138	27,328	27,138
Swensen's (Thai) Co., Ltd.	Related party	41,335	53,165	41,335	53,165
Other related parties	Related party	31,960	42,304	31,960	42,304
		101,392	124,200	143,499	167,493
Rental income from buildings and equipment					
S&P Global Co., Ltd.	Subsidiary	-	-	683	761
Umenohana S&P Co., Ltd.	Subsidiary	-	-	833	300
S&P International Foods Co., Ltd.	Subsidiary	-	-	791	712
S&P Training Co., Ltd.	Subsidiary	-	-	4,720	720
MSC Thai Cuisine Co., Ltd.	Joint venture	3,000	3,000	3,000	3,000
		3,000	3,000	10,027	5,493

UNIT : THOUSAND BAHT

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
Interest income					
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	1,498	1,499
S&P Restaurant Limited	Subsidiary	-	-	231	410
S&P International Foods Co., Ltd.	Subsidiary	-	-	-	112
Umenohana S&P Co., Ltd.	Subsidiary	-	-	276	17
S&P Delivery Co., Ltd. (formerly S&P Asset Co., Ltd.)	Subsidiary	-	-	-	3
S&P Global Co., Ltd.	Subsidiary	-	-	331	319
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	170	-
MSC Thai Cuisine Co., Ltd.	Joint venture	-	51	-	51
MSP Property Co., Ltd.	Joint venture	126	-	-	-
		126	51	2,506	2,411

Other income

S&P Global Co., Ltd.	Subsidiary	-	-	2,543	2,613
S&P Delivery Co., Ltd. . (formerly S&P Asset Co., Ltd.)	Subsidiary	-	-	48	97
S&P International Foods Co., Ltd.	Subsidiary	-	-	2,485	1,800
Umenohana S&P Co., Ltd.	Subsidiary	-	-	3,520	561
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	-	-	2,850	4,825
S&P Development Holding Co., Ltd.	Subsidiary	-	-	24	24
S&P Training Co., Ltd.	Subsidiary	-	-	4,423	600
Foodhouse Catering Services Co., Ltd.	Associate	515	930	515	930
MSC Thai Cuisine Co., Ltd.	Joint venture	546	464	546	413
Patara Fine Thai Cuisine Limited	Joint venture	1,268	3,174	1,268	3,174
		2,329	4,568	18,222	15,037

UNIT : THOUSAND BAHT

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
Dividend income					
S&P Delivery Co., Ltd. (formerly S&P Asset Co., Ltd.)	Subsidiary	-	-	7,195	-
S&P Training Co., Ltd.	Subsidiary	-	-	23,265	-
Foodhouse Catering Services Co., Ltd.	Associate	-	-	4,997	-
		-	-	35,457	-
Purchases of goods					
S&P International Foods Co., Ltd.	Subsidiary	-	-	2,540	1,974
Umenohana S&P Co., Ltd.	Subsidiary	-	-	838	843
MSC Thai Cuisine Co., Ltd.	Joint venture	40	1,135	40	1,135
Other related parties	Related parties	1,426	4,526	1,426	4,526
		1,466	5,661	4,844	8,478
Rental and other expenses					
S&P Global Co., Ltd.	Subsidiary	-	-	23	558
S&P Delivery Co., Ltd. (formerly S&P Asset Co., Ltd.)	Subsidiary	-	-	-	3,219
S&P Training Co., Ltd.	Subsidiary	-	-	54,774	12,235
S&P International Foods Co., Ltd.	Subsidiary	-	-	421	1,974
Umenohana S&P Co., Ltd.	Subsidiary	-	-	-	843
S.R. Estate Ltd.	Common director	-	108	-	108
Seacon Development Public Co., Ltd.	Common director	1,517	1,378	1,517	1,378
Directors	Directors	1,320	1,510	1,320	1,510
Other related parties	Related parties	5,642	-	5,642	-
		8,479	2,996	63,697	21,825

UNIT : THOUSAND BAHT

Account name/Company's name	Relationship	Consolidated Financial Statements		Separate Financial Statements	
		2018	2017	2018	2017
Service expenses					
S&P Delivery Co., Ltd. (formerly S&P Asset Co., Ltd.)	Subsidiary	-	-	-	1,383
The Minor Food Group Public Co., Ltd.	Related party	1,386	2,535	1,386	2,535
Seacon Development Public Co., Ltd.	Common director	7,671	7,356	7,671	7,356
Other related parties	Related parties	1,587	-	1,587	-
		10,644	9,891	10,644	11,274
Management benefit expenses					
Short-term benefits	Management	56,213	51,072	55,008	49,266
Long-term benefits	Management	1,516	1,505	1,516	1,505
		1,516	52,577	56,524	50,771
Interest expenses					
S&P Restaurant Limited	Subsidiary	-	-	92	-
Umenohana Co., Ltd.	Related party	131	-	-	-
		131	-	92	-
Share of profit (losses) from investments in an associate and joint ventures					
Foodhouse Catering Services Co., Ltd.	Associate	17,771	15,690	-	-
MSC Thai Cuisine Co., Ltd.	Joint venture	(1,963)	(1,495)	-	-
Patara Fine Thai Cuisine Limited	Joint venture	(12,616)	(20,968)	-	-
		3,192	(6,773)	-	-

During the year 2017, S&P Restaurant Limited, a subsidiary of S&P Global Co., Ltd., transferred businesses in United Kingdom to a joint venture entity upon the business transfer agreement (see Note 33).

27. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2018 and 2017 are as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2018	2017	2018	2017
Changes in inventories of finished goods and work in process - increase	(1,351)	6,990	(1,251)	7,061
Raw materials and consumables used	2,527,438	2,559,015	2,317,904	2,313,919
Cost of finished goods purchased	87,666	85,931	87,156	85,747
Depreciation and amortization	381,952	417,442	328,213	352,059
Employee expenses	2,037,404	1,993,265	1,767,623	1,688,890
Transportation expenses	221,049	207,302	213,697	203,123
Advertising and marketing expenses	262,355	279,073	238,285	253,461
Management benefit expenses	57,429	51,072	56,524	49,266
Building and office rental expenses	504,152	539,165	355,911	350,578
Service charge expenses	465,638	439,950	438,270	417,891
Loss on impairment of fixed assets (reversal)	3,262	(1,560)	3,262	(160)
Loss on write-off of fixed assets	3,941	6,181	3,852	5,903
Doubtful debts	1,378	-	1,378	-

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 funds' regulations, the members contribute 2% of their monthly salaries to the funds and the Company and the subsidiaries contribute 2% of such monthly salaries. The funds will be paid to the employees upon termination in accordance with the rules of the provident funds.

For the years ended December 31, 2018 and 2017, the Company's contributions and subsidiaries' contributions to the provident funds which were recorded as expenses in the consolidated statements of profit or loss and other comprehensive income were Baht 19.57 million and Baht 19.17 million, respectively.

For the years ended December 31, 2018 and 2017, the Company's contributions to the provident funds which were recorded as expenses in the separate statements of profit or loss and other comprehensive income were Baht 18.97 million and Baht 18.65 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 their capital whilst managing their capital to be sufficient for their working capital by, for instance, issuing new shares or adjusting the amount of dividends paid to shareholders, according to the prevailing situations.

30. Disclosure of Financial Instruments

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 a counterparty defaults 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 counterparties 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 an interest rate which will have an adverse effect on the Company and its subsidiaries in the current reporting periods and future periods. The Company and its subsidiaries do not expect any material incremental effect on their interest expense because loans of the Company and its subsidiaries are immaterial amounts.

30.3 Foreign exchange risk

Foreign exchange risk arises from the potential for a change in foreign exchange rate which will have an adverse effect on the Company and its subsidiaries in the current reporting period and future periods. The Company and its subsidiaries do not expect any 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 have a 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 exchange market. 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 the 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, 2018	As at December 31, 2017	As at December 31, 2018	As at December 31, 2017		
Trading securities	Fixed income open-ended funds = 181,302 - Private funds = 23,838	- Fixed income open-ended funds = 152,475 - Private funds = 23,597	Fixed income open-ended funds = 181,302 - Private funds = 23,838	- Fixed income open-ended funds = 152,475 - Private funds = 23,597	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

For the cash and cash equivalents, temporary investments, trade and other current receivables, short-term loans to related parties, trade and other current 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' fair values are not significantly different from the carrying values stated in the statements of financial position.

For long-term borrowings from financial institutions bearing floating interest rates, the carrying values approximate their fair values.

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
<u>As at December 31, 2018</u>			
Separate financial statements			
Financial assets			
Loans to related parties	65,357	61,133	Level 3
	65,357	61,133	

UNIT : THOUSAND BAHT

	Carrying amount	Fair value	Fair value hierarchy
<u>As at December 31, 2017</u>			
Separate financial statements			
Financial assets			
Loans to related parties	93,608	90,266	Level 3
<u>Less</u> Allowance for doubtful account	(25,000)	(25,000)	
	68,608	65,266	

Fair values of long-term loans to related parties bearing fixed interest rates are determined by the discounted cash flow method. Future cash flows are estimated based on relevant market prices discounting the weighted average cost of capital of S&P Syndicate Public Co., Ltd.'s Group.

31. FINANCIAL INFORMATION BY SEGMENT

Financial information is divided by 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, 2018 and 2017 is 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, 2018					
Segment revenues	6,184,030	819,039	620,187	85,880	7,709,136
Segment profit (loss) from external customers	990,387	109,368	(31,390)	(4,191)	1,064,174
Unallocated income (expenses):					
Other income					98,374
Central selling and administrative expenses					(590,373)
Management benefits					(57,729)
Loss on sale of investment in subsidiaries					(6,971)
Net gain on exchange rates					192
Finance costs					(7,338)
Share of loss from investment in an associate and joint ventures					3,192
Profit before income tax expense					438,085
Income tax expense					(61,241)
Profit for the year					376,844
Total other comprehensive income for the year - net of tax					19,865
Total comprehensive income and other comprehensive income for the year					396,709

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, 2017							
Segment revenues	6,098,404	826,729	873,419	52,023	7,850,575	(64,976)	7,785,599
Segment profit (loss) from external customers	1,015,700	122,833	(36,596)	2,729	1,104,666	(9,439)	1,095,227
Unallocated income (expenses):							
Other income							200,675
Central selling and administrative expenses							(656,293)
Management benefits							(52,577)
Net loss on exchange rates							(2,516)
Finance costs							(2,448)
Share of loss from investment in an associate and joint ventures							(6,773)
Profit before income tax expense							575,295
Income tax expense							(78,839)
Profit for the year							496,456
Total other comprehensive income for the year - net of tax							5,331
Total comprehensive income and other comprehensive income for the year							501,787

Unit: Thousand Baht						
	Domestic restaurants and bakery shops	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter- segment
Statements of financial position						
As at December 31, 2018						
Trade and other current receivables	72,332	195,514	190,610	788	459,244	(212,787)
Inventories	108,297	23,662	5,785	2,178	139,922	-
Property, plant and equipment	484,513	1,239	120,227	3,575	609,554	(5,744)
Leasehold rights	40,847	-	2,774	-	43,621	-
Assets under common use						
- Trade and other current receivables						97,478
- Inventories						167,105
- Property, plant and equipment						1,012,392
- Leasehold rights						83
- Others						1,728,702
Total assets						4,039,570

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, 2017							
Trade and other current receivables	82,507	173,871	224,011	8,629	489,018	(262,541)	226,477
Inventories	135,305	27,739	9,178	2,801	175,023	-	175,023
Property, plant and equipment	606,865	1,243	140,348	4,629	753,085	(6,554)	746,531
Leasehold rights	52,316	-	14,104	-	66,420	-	66,420
Assets under common use							
- Trade and other current receivables							136,466
- Inventories							142,504
- Property, plant and equipment							782,717
- Leasehold rights							3,457
- Others							1,690,726
Total assets							3,970,321

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, 2018			
Revenue from external customers	6,886,797	620,187	7,506,984
Segment assets			
As at December 31, 2018			
Non-current assets	2,238,299	136,601	2,374,900
Revenues			
For the year ended December 31, 2017			
Revenue from external customers	6,787,980	873,419	7,661,399
Segment assets			
As at December 31, 2017			
Non-current assets	2,101,061	199,477	2,300,538

32. COMMITMENTS AND LETTERS OF GUARANTEE

As at December 31, 2018 and 2017, the Company and its subsidiaries had commitments and letters of guarantee as follows:

32.1 Commitments to pay rental and service fees under long-term leases as at December 31, are as follows:

Domestic office rental and service expenses

UNIT : THOUSAND BAHT		
Payment period	2018	2017
Not later than 1 year	548,940	521,278
Later than 1 year but not later than 5 years	1,186,896	1,119,927
Later than 5 years	74,454	99,756

Overseas subsidiary rental and service expenses

UNIT : THOUSAND BAHT		
Payment period	2018	2017
Not later than 1 year	61,416	104,450
Later than 1 year but not later than 5 years	331,133	130,826
Later than 5 years	11,201	54,627

For the years ended December 31, 2018 and 2017, the Company paid rental expenses under lease of space and service agreements and recorded as expenses in the consolidated statements of profit or loss and other comprehensive income amounting to Baht 966.26 million and Baht 539.17 million, respectively.

For the years ended December 31, 2018 and 2017, the Company paid rental expenses under lease of space and service agreements and recorded as expenses in the separate statements of profit or loss and other comprehensive income amounting to Baht 794.18 million and Baht 350.58 million, respectively.

32.2 As at December 31, 2018 and 2017, the Company and its subsidiaries have outstanding capital commitments relating to construction of new branches, shops and information technology system of Baht 43.28 million and Baht 198.33 million, respectively.

32.3 As at December 31, 2018 and 2017, 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 71.18 million and Baht 64.87 million, respectively. Such amount included the letters of guarantee of Baht 1.05 million which deposit at bank of the Company was used as collateral (see Notes 9.1 and 9.2).

32.4 S&P International Foods Co., Ltd., a subsidiary, 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 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 the use of trademark and production know-how.

The Company issued a letter of guarantee dated October 26, 2012 to guarantee for all payments that the subsidiary has to pay according to the License Agreement.

33. TRANSFER OF A SUBSIDIARY'S BUSINESSES TO A Joint – Venture Entity

On October 26, 2017, S&P Restaurant Limited, a subsidiary of S&P Global Co., Ltd., transferred 4 Thai restaurants in United Kingdom and employees and other related assets to SUDA Limited, the subsidiary of S&P Restaurant Limited, by exchanging them with newly issued shares of SUDA Limited amounting to GBP 4.1 million (equivalent to Baht 179.20 million).

On November 20, 2017, S&P Restaurant Limited has transferred business by selling all ordinary shares of SUDA Limited to Patara Fine Thai Cuisine Limited, a joint venture entity, at the price of GBP 4.1 million (equivalent to Baht 179.20 million) and received a payment in full in 2017. From this business transfer, the Company recognized such gain on transfer of business as income for the year 2017 in the amount of GBP 1.84 million (equivalent to Baht 79.91 million) according to the shareholding percentage of the parties outside S&P Group. The remaining amount of GBP 1.84 million (equivalent to Baht 79.91 million) was presented in the account “surplus on gain from transfer of business to a joint venture entity” under shareholders’ equity in the consolidated statement of financial position as at December 31, 2017. The Company will realize such “surplus on gain from transfer of business to a joint venture entity” into retained earnings when the Company reduces the percentage of shareholding in a joint venture entity or such joint venture entity sells the transferred business to the third parties.

On November 20, 2017, S&P Restaurant Limited sold buildings, which has a carrying amount of GBP 1.62 million (equivalent to Baht 70.81 million), to MSP Property Ltd., a subsidiary of Patara Fine Thai Cuisine Limited, a joint venture entity, at the price of GBP 2.9 million (equivalent to Baht 126.51 million) and S&P Restaurant Limited fully received the payment in 2017. The Company recognized such gain on sales of fixed assets to a joint venture entity as income for the year 2017 in the amount of GBP 0.64 million (equivalent to Baht 28.08 million) according to the shareholding percentage of the parties outside S&P Group. The remaining amount of GBP 0.64 million (equivalent to Baht 28.08 million) was included in the liability section in the account as “Deferred gain on sales of fixed assets to a joint venture entity” as at December 31, 2017. The Company will realize such “Deferred gain on sales of fixed assets to a joint venture entity” as income when the Company reduces the percentage of shareholding in such joint venture entity and when such joint venture entity calculates depreciation or sells such transferred assets to the third parties.

For the year ended December 31, 2018, the Company recognized deferred gain from sales of fixed assets to a joint venture entity amounting to Baht 1.40 million as income in the consolidated statements of profit or loss and other comprehensive income. As a result, deferred gain from sales of fixed assets to a joint venture entity remained as at December 31, 2018 amounting to Baht 26.68 million.

34. EVENT AFTER THE REPORTING PERIOD

On February 27, 2019, the Board of Directors’ Meeting of the Company passed a resolution to distribute annual dividends from the operations of the year 2018 for 490,408,365 shares at Baht 0.73 per share, totalling Baht 358.00 million. The dividends consist of interim dividends at Baht 0.05 per share, totalling Baht 24.52 million which was paid on September 10, 2018 and additional dividends of 490,408,365 shares at Baht 0.68 per share, totalling Baht 333.48 million, which will be paid on May 13, 2019. The Board of Directors will propose to the shareholders at the annual general shareholders’ meeting to obtain an approval for the dividend payment.

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issue by the authorized directors of the Company on February 27, 2019.

Management Discussion and Analysis

Summary of 2018 Operation Performance

Revenue from Sales and Services

In 2018, the Company and its subsidiaries generated revenues of THB 7,608 million from the sales and services, which is decreased from the previous year in the amount of THB 177 million or equivalent to a decrease of 2.3 percent as a result of disposal of all share which held in Patara Fine Thai Cuisine Pte. Ltd (Patara) and SK Catering Pte. Ltd (SKC) Singapore total 11 Thai restaurants in the 4th quarter of 2018 and because of the transfer of 4 Thai restaurants in the UK in 4th quarter of 2017.

Revenues Classified by Distribution Channels	2018		2017		Increase/ (Decrease) %
	Amount	%	Amount	%	
Domestic Restaurant and Bakery Business	6,184	81.3	6,098	78.3	1.4
Food and Bakery Wholesales Business	773	10.2	762	9.8	1.5
Overseas Restaurant Business	620	8.1	873	11.2	(29.0)
Others	31	0.4	52	0.7	(40.2)
Total	7,608	100.0	7,786	100.0	(2.3)

In consideration with the total 526 branches of restaurant and bakery shop in both domestic and international business that company currently operate, the growth of the same store sales of the domestic from 486 restaurants and bakery shop under brand “S&P” decreased by 0.6 percent while the total sales increased by 0.9 percent. And the same store sales of restaurants in Cambodia, China, UK and Switzerland declined by 11.7 percent due to a higher competition in a restaurant business and a continuous economic slowdown in China and UK countries.

In 2018, the Company generated revenues from the food and bakery wholesales in the amount of THB 773 Million which increased by 11 Million or equivalent to 1.5 percent from 2017 mainly contribution from OEM products.

Revenues Classified by Products	2018		2017		Increase/ (Decrease) %
	Amount	%	Amount	%	
Bakery	3,521	46.3	3,449	44.3	2.1
Domestic Food and Beverage	2,482	32.6	2,440	31.3	1.7
Overseas Restaurant	620	8.1	873	11.2	(29.0)
Food Products**	724	9.5	758	9.7	(4.5)
Other Products ***	261	3.4	266	3.4	(1.9)
TOTAL	7,608	100.0	7,786	100.0	(2.3)

** Food products produced by the Company, Consisting of Frozen food, Sausages and Jelly

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

In 2018, revenue from bakery products accounted for 3,521 Million Baht, or a 2.1% increased from previous year. Revenue from domestic food and beverage accounted for 2,482 Million Baht, increased from previous year 1.7%, contributed by branch expansion and continuous promotional activities to improve market position.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

In 2018, the Company has earnings before interest payable, tax, and depreciation (EBITDA) pursuant to the Financial Statements in the amount of THB 827 million, which decreased by 16.9 percent comparing to last year due to the company acknowledged the one-time profits in the amount of THB 108 million from the transfer of 4 Thai restaurants in the UK and other relevant properties to Patara Fine Thai Cuisine Limited (PFTC).

In considering of the EBITDA profit from the operation in 2018 compared to 2017, the company decreased its EBITDA profit from previous year at 11.1 percent to 10.7 percent this year due to sales decrease in the UK, Switzerland and China restaurants

In 2018, the Company and its subsidiaries' costs of sales and services rose to THB 4,274 million, equivalent to 56.2 percent of the revenues from sales and services or increased by 0.4 percent from last year because of the price of main raw materials used in production were increased and an impact from the minimum wage increased which was effective from 1 April 2018 onwards.

The selling and administration expenses consists of employee benefits, rental, depreciation and marketing expenses were THB 2,925 million decreased by THB 163 million or 5.0 percent from last year as a result of the transfer of 4 Thai restaurants in the UK in 4th quarter 2017 and disposal of all share which held in Patara Fine Thai Cuisine Pte. Ltd. (Patara) and SK Catering Pte. Ltd. (SKC) Singapore total 11 Thai in the 4th quarter of 2018 as aforesaid mentioned.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	12 Months 2018	12 Months 2017	Variation THB	%
EBITDA pursuant to the Financial Statements	827	995	(168)	(16.9)
EBITDA Profit Margin per Total Revenues (percentage)	10.7	12.5	-	(1.7)
EBITDA pursuant to the Operation	827	887	(60)	(6.8)
EBITDA Profit Margin per Total Revenues (percentage)	10.7	11.1	-	(0.4)

Net Profit

In 2018, the Company and its subsidiaries earn the net profit pursuant to the financial statements in the amount of THB 400 million, which is decreased from the previous year by THB 84 million, equivalent to 17.3 percent which resulted from the company acknowledged the one-time profits from the transfer of Thai restaurants in the UK and other relevant properties to Patara Fine Thai Cuisine Limited (PFTC) as aforesaid mentioned.

In considering of the Net profit from the operation in 2018 compared to 2017, the company has increased its Net profit from THB 376 million previous year to THB 400 million, increased by 6.5 percent from last year which resulted from establishing “S&P Training Co.,Ltd” and profit sharing from other subsidiaries. The Company's net profit margin to total revenue increased from 4.7 percent last year to 5.2 percent this year.

Net Profit	12 Months 2018	12 Months 2017	Variation THB	%
Net Profit pursuant to the Financial Statements	400	484	(84)	(17.4)
Net Profit Margin to Total Revenues (percentage)	5.2	6.1	-	(0.9)
Net Profit pursuant to the Operation	400	376	23.7	6.5
Net Profit Margin per Total Revenues (percentage)	5.2	4.7	-	0.5

Statements of Financial Position and Cash Flows

At the end of 2018, the Company and its subsidiaries have the total assets in the amount of THB 4,040 million, which increased from the previous year by THB 69 million from decreasing of current assets THB 6 million, while the non-current assets were increased THB 74 million, which were mainly caused by:

1. Cash and cash equivalents was decreased by 13 million.
 2. Temporary investment was increased by 29 million from trading securities.
 3. Trade and other current receivables were decreased by 19 million due to improved debt collection process.
 4. Property, plant, and equipment was increased by 87 million mainly from land property acquisition.
 5. Leasehold was decreased by 26 million mainly from disposal of leasehold in the UK restaurants
- Total liabilities in 2018 was THB 1,450 million, increased by 105 MB compared to the end of the prior year. As a result of current liabilities decreased THB 12 million while and non-current liabilities increased amount of THB 117 mainly came from
1. Decrease of Trade and Other Current Payable THB 30 million
 2. Increase of Long-term borrowings from financial institutions THB 141 million

The shareholders' equity of the company has decreased in the amount of THB 36 million from THB 2,625 million to THB 2,589 million, which mainly resulted from the dividend payment in the amount of THB 417 million

The Company and its subsidiaries have the cash flow from operating activities in the amount of THB 795 million, which increased by THB 13 million from the previous year resulting from decrease of corporate tax payment amount of THB 25 million

The Company and its subsidiaries have the net cash used in investing activities in the amount of THB 535 million as a result cash paid for purchasing fixed assets, intangible assets, and leasehold rights in the amount of THB 501 million.

The Company and its subsidiaries have the net cash used in financing activities in the amount of THB 255 million, which mainly from cash received from long-term borrowings from a financial institution amount of THB 161 million and dividend payment amount of THB 417 million.

Financial Ratio Analysis

Financial Ratio	31 Dec 18	31 Dec 17
Profitability Ratio		
Gross Profit Margin (%)	43.8	45.3
Net Profit Margin (%)	5.2	6.1
Net Profit From Operation (%)	5.2	4.8
Activity Ratio		
Return on Asset (%)	10.0	12.6
Return on equity (%)	15.4	19.2
Account Receivable Turnover (Times)	27.8	29.4
Average Collection Period (Days)	13.1	12.4
Fixed Asset Turnover (Times)	4.6	4.5
Account Payable Turnover (Times)	8.8	8.9
Average Payment Period (Days)	41.7	41.1
Inventory Turnover (Times)	13.7	13.5
Total Asset Turnover (Times)	1.9	2.0
Liquidity ratio		
Current Ratio (Times)	1.6	1.6
Quick Ratio (Times)	1.3	1.3
Leverage Ratio		
Debt to Equity Ratio (Times)	0.5	0.5
Interest Coverage Ratio (Times)	60.7	236.0

In 2018 the company has the gross profits decreased from 45.3 percent in 2017 to 43.8 percent mainly due to the increasing of cost of raw material that used for production and the higher of direct labour cost. The net profit rate from financial statement was decreased from 6.1 percent in 2017 to 5.2 percent in 2018 due to the one time profit recognized in 4th quarter 2017 together with of the declining of overseas restaurants and the Food and Bakery Wholesales Business.

The return on equity for full year comparison decreased from 19.2 percent in 2017 to 15.4 percent in 2018 as well as the return on assets decreased from 12.6 percent in 2017 to 10.0 percent in 2018.

The current ratio in 2018 was as the same rate as last year at 1.6 times. The liabilities versus the shareholders' equity increased from 0.5 times in 2017 to 0.6 times in 2018. This mainly resulted from long term loan from financial institution.

Company's Operation Plans for 2019

The company continues to embed the revenue growth policy through branch expansion both domestic and international branches by aiming only in potential areas with high competitiveness. With determination to improve product quality and service responsive to various customer needs, the company strive to develop new product and ambience to make a good impression to customers as well as offer more alternatives.

In addition, the company introduced a new business model called “Food and Bakery” which focusses on freshly cooked meal in gas station, BTS, MRT and other transportation hubs to serve the needs of customers who have a hectic lifestyle but need delicious freshly cooked meal with high quality at the affordable price.

For production and distribution, the company intends to develop chilled product in order to distribute to convenient stores and modern trade apart from frozen products that company currently sold in such channels.

The company strives to improve its production and distribution capacities by investing in new warehouses and distribution centers which are expected to be ready in Q4/2019. This is to enhance logistic management and transportation cost control. Moreover, the Warehouse Management System (WMS) and other technologies will be installed to enhance inventory management and to accelerate distribution capability.

In recognition of the importance of human resources, the company endeavor to develop its employee skills and knowledge by providing training and development programs such as Leadership Skill, Cross Functional Skill, Technical Skill and etc. to staff of all levels to ensure all employee are equipped with necessary skills and prompt to compete in business dynamic situation in both domestic and international sections.

The company has driven the business forward in parallel with social, community, economy and environment responsibility policy in order to ensure sustainable growth in order to make the S&P Brand and other affiliate companies “To be No.1 Top of Mind Thai Restaurant and Bakery for Modern Family”

S&P's Subsidiaries and Affiliates

Names / Location	Type of Business	No. of common share		% Holding
		Total Share	No. of Shares held by S&P Group	
S&P Syndicate Public Company Limited Ital Thai Tower, 23 rd – 24 th Floor, No. 2034/100 – 107, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 4000 Fax : +66 (0) 2785 4040	Operate restaurant branches and bakery outlets, produce cakes, bread, bakery products, Thai desserts, frozen foods and bakery, provide delivery and catering services, Invest and manage overseas restaurant business			
S&P Development Holding Pte. Ltd. 80 Robinson Road # 02-00 Singapore (068898) Tel : - Fax : -	Operate Thai restaurant domestically and internationally, also hold shares in other companies.	1	1	100
S&P Development Holding Co., Ltd. Ital Thai Tower, 23 rd Floor, No. 2034/100, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 4000 Fax : -	Operate Thai restaurant abroad, Provide service support for affiliated business or branch both domestic and abroad.	2,000,000	1,999,997	99.99
S&P International Foods Company Limited Ital Thai Tower, 23 rd Floor, No. 2034/100, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 4000 Fax : +66 (0) 2785 4506	Operate Japanese Restaurant under “Maisen” brand	500,000	499,970	99.99
S&P International Foods (Cambodia) Company Limited Villa No. 21, Street 214, Village 2, Sangkat Beoung Raing, Khan Daun Penh, Phnom Penh, Cambodia Tel : +85 639 988 Fax : -	Operate Restaurant Business under “S&P Restaurant” and “BlueCup” in Cambodia	200,000	199,980	99.99

Names / Location	Type of Business	No. of common share		% Holding
		Total Share	No. of Shares held by S&P Group	
S&P Training Co., Ltd. 1/2 Soi Attakravi1, Sukhumvit 26 Rd, Klongtan, Klongtoei, Bangkok Tel : +66 (0) 2664-6260 Fax : -	To engage in the training of skill development for employees of S&P Syndicate Public Company Limited and its subsidiaries.	10,000	9,998	99.98
S&P Delivery Co., Ltd.* Ital Thai Tower, 23 rd Floor, No. 2034 New Petchburi Road, Bangkapi, Huay Kwang, Bangkok Tel : +66 (0) 2785 4000 Fax : -	Operate land product transport	10,000	9,993	99.93
S&P Global Co., Ltd. Ital Thai Tower, 23 rd Floor, No. 2034/100, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785-4000 Fax : +66 (0) 2785 4507	Operate Thai restaurants in overseas, currently with 6 subsidiaries as follows	500,000	400,000	80.00
Umenohana S&P Co., Ltd. Ital Thai Tower, 23 rd Floor, No. 2034/100 New Petchburi Road, Bangkapi, Huay kwang, Bangkok Tel : +66 (0) 2785 – 4000 Fax : +66 (0) 2785 4506	Operate Japanese restaurant and food product in Thailand under “Umenohana” brand	250,000	149,997	59.99
Foodhouse Catering Services Co., Ltd. 234 Soi Sukhvit 101 (Punnavithi), Sukhumvit Rd., Bangchak, Prakanong, Bangkok Tel : +66 (0) 2741-8800 Fax : +66 (0) 2741-8260	Operate business to Provides a variety of nutrition services in kind of or sets of dishes to any organizations such as hospitals, factories and schools.	10,000	4,997	49.97

Names / Location	Type of Business	No. of common share		% Holding
		Total Share	No. of Shares held by S&P Group	
M.S.C Thai Cuisine Co., Ltd. (Former names "The Thai Cuisine Co.,Ltd." / The Thai Cuisine Co.,Ltd.) No. 99 Beril Jucker House 16 th Floor, SoiRubia, Sukhumvit 42 Road, Phraknomg, Klongtoey, Bangkok Tel : +66 (0) 2636-6901 Fax : +66 (0) 2636-7660	Operate Cooking School under the name " M.S.C. Thai Culinary School "	800,000	350,000	43.75
S&P Restaurant Company Limited** Sutherland House, 1759 London Road, Leigh on Sea, Essex SS9 2RZ, UK Tel : +44(0) 20 8874 6503 Fax : -	Operate Thai restaurants under "Patara" and "Suda" brand in England	1,000,000	960,000	96.00
Patara (Geneva) SA** No.94, Rue des Eaux-Vives CH-1207, Geneva Switzerland Tel : +41(0)22 735 0517 Fax : +41(0)22 735 0538	Operate Thai restaurants under "Patara" brand in Geneva, Switzerland	200	124	62.00
Patara International Restaurant Management (Beijing) Co., Ltd.** 6 th Floor, Jinbao Place, 88 Jinbao Street, Dongcheng District, Beijing, China Tel : (8610) 852-21678 Fax : -	Operate Thai restaurants under "Patara" brand in China	9,000,000	8,650,000	96.11
Patara Restaurant, Vienna GmbH*** Petersplatz 1 / Goldschmiedgass 9 / Graben 27 – 28 / Top-No.7 1010 Vienna , Austria Tel : +43 199 719 38 Fax : -	Operate Thai restaurants under "Patara" brand in Austria	1,200,000	1,137,000	94.75
Shanghai Yueshi Restaurant Management Co., Ltd.**** Sky Mall, No.5001, Dushi Road, Room 07/08/09, 4 th Floor, Xinzhuang, Minhang District, Shanghai, China Tel : (8610) 021-3468-7591 Fax : -	Operate restaurants under "Vanilla" brand. in Shanghai China	8,000,000	4,080,000	51.00

Names / Location	Type of Business	No. of common share		% Holding
		Total Share	No. of 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” and “Suda” brands in England	13,700,000	6,850,000	50.00
Suda Limited ***** Sutherland House, 1795 London Road, Leigh on Sea, Essex SS9 2RZ, UK Te : + 44(0) 20 8874 6503 Fax : -	Operate Thai restaurant under “Patara” and “Suda” brands in England	4,100,000	2,050,000	50.00
MSP Property Limited ***** Sutherland House, 1795 London Road, Leigh on Sea, Essex SS9 2RZ, UK Tel : + 44(0) 20 8874 6503 Fax : -	Operate real estate business	2,900,000	1,450,000	50.00

Remarks	<p>* Formerly named “S&P Asset Co., Ltd.” located at “1/2 Soi Attakrawi 1, Sukhumvit 26 Road, Khlongtan, Khlongtoei, Bangkok, operating the business of asset development for restaurant lease. The Company has registered a change of name, address and business objectives on November 27, 2018</p> <p>** indicates a company in which shares are owned by S&P Global Co., Ltd.</p> <p>*** indicates a company in which S&P Global Co., Ltd. owns shares through S&P Restaurant Co. Ltd. in the UK</p> <p>**** indicates a company in which S&P Global Co., Ltd. owns shares through Patara International Restaurant Management (Beijing) Co., Ltd. in China</p> <p>***** indicates a company in which share are owned by S&P Development Holding Co., Ltd. in Thailand</p> <p>***** indicates a company in which S&P Development Holding Co., Ltd. owns shares through Patara Fine Thai Cuisine Limited in UK</p>
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CONNECTED TRANSACTIONS

REVENUES

Company / Related Parties	Type of Transactions	2018	2017
S&P Global Co.,Ltd.	Rental income - Building and Equipment	0.68	0.76
	Revenue from services	2.40	2.40
	Revenue from sales	0.14	0.21
	Interest received	0.33	0.32
Subsidiaries of S&P Global Co., Ltd.			
S&P Restaurants Co.,Ltd.	Interest Income	0.23	0.41
Patara Reataurant, Vienna GmbH	Interest Income	1.50	1.50
S&P International Foods Co.,Ltd.	Revenue from services	0.74	0.74
	Rental income - Building and Equipment	0.79	0.71
	Revenues from sales	37.07	34.91
	Interest Income	-	0.11
S&P Asset Co.,Ltd.	Revenue from services	0.05	0.10
	Dividend	7.20	-
S&P International Foods (Cambodia) Co.,Ltd.	Revenue from services	2.85	4.34
	Revenue from sales	-	6.15
	Interest Income	0.17	-
Umenohana S&P Co.,Ltd.	Revenue from services	2.93	0.36
	Rental income - Building and Equipment	0.83	0.30
	Revenue from sales	4.70	0.82
	Interest Income	0.28	0.01
S&P Development Holding Co.,Ltd.	Revenue from services	0.02	0.02

Company/ Related Parties	Type of Transactions	2018	2017
S&P Training Co., Ltd.	Revenue from services	2.40	0.60
	Rental income - Building and Equipment	4.72	0.72
	Revenue from sales	4.69	3.16
	Dividend	23.27	-
Foodhouse Catering Services Co.,Ltd.	Revenue from sales	0.77	1.59
	Revenue from services	0.52	0.93
	Interest Income	5.00	-
MSC Thai Cuisine Co.,Ltd.	Rental income - Building and Equipment	3.00	3.00
	Revenue from sales	0.55	0.41
	Dividend	-	0.05
Subsidiaries of Minor International Public Company Limited			
The Minor Food Group Plc.	Revenue from sales	27.33	27.14
Minor DQ Limited	Revenue from sales	24.27	27.33
Minor Dairy Limited	Revenue from sales		-
Swensen's (Thai) Limited	Revenue from sales	41.34	53.16
SLRT Limited	Revenue from sales	1.67	4.44
The Coffee Club (Thailand) Limited	Revenue from sales	0.87	0.31
BMP (Thailand) Co., Ltd.	Revenue from sales	0.14	2.73
Select Service Partner Co.,Ltd.	Revenue from sales	0.32	0.78
		95.94	115.89

PURCHASES OF GOODS AND SERVICES

Company/ Related Parties	Type of Transactions	2018	2017
S&P Global Co., Ltd.	Purchase of goods	0.02	0.56
S&P Asset Co.,Ltd.	Rental payment for building and services	-	4.60
S&P International Foods Co., Ltd.	Purchase of goods	2.96	1.97
Umenohana S&P Co., Ltd.	Purchase of goods	0.84	0.84
S&P Training Co., Ltd.	Service Payment	54.78	12.24
MSC Thai Cuisine Co., Ltd.	Service Payment	0.04	1.14
S.R. Estate Co., Ltd.	Rental payment for branch office	-	0.11
Board of directors	Rental payment for branch office and storage	1.32	1.51
Seacon Development Plc.	Rental payment for building and services	9.19	8.74
Subsidiaries of Minor International Public Company Limited			
Royal Garden Plaza Co., Ltd.	Rental payment for building and services	3.51	3.68
Chao Phraya Resort Co., Ltd.	Rental payment for building and services	3.72	2.67
The Minor Food Group Plc.	Service Payment	1.39	2.54
Subsidiaries of The Minor Food Group Public Company Limited			
Minor Cheese Co., Ltd.	Purchase of goods	1.09	0.14
Minor Dairy Co., Ltd.	Purchase of goods	0.33	0.38
		10.04	9.41

Accruals

1. Accounts Receivable

Company / Related Parties	Type of Transactions	2018	2017
S&P International Foods Co.,Ltd.	Sales of goods and services	42.27	44.97
Umenohana S&P Co.,Ltd.	Sales of goods and services	0.64	0.39
S&P International Foods (Cambodia) Co.,Ltd.	Sales of goods	-	20.13
S&P Training Co., Ltd.	Sales of goods and services	0.45	3.44
Foodhouse Catering and Services Co.,Ltd.	Sales of goods	0.27	0.52

Subsidiaries of Minor International Public Company Limited

The Minor Food Group Plc.	Sales of goods	1.04	1.11
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Subsidiaries of The Minor Food Group Public Company Limited

Minor DQ Co., Ltd.	Sales of goods	0.68	-
Swensen's (Thai) Co., Ltd.	Sales of goods	-	0.42
SLRT Limited Co., Ltd.	Sales of goods	0.18	-
The Coffee Club (Thailand) Co., Ltd.	Sales of goods	0.16	-
		-	0.13
		2.06	1.53

2. Accounts Payable

Company / Related Parties	Type of Transactions	2018	2017
S&P Global Co.,Ltd.	Purchase of goods	0.01	0.09
S&P Asset Co.,Ltd.	Rent - Building and Service	-	-
S&P International Foods Co.,Ltd.	Purchase of goods	0.31	0.25
Umenohana S&P Co.,Ltd.	Purchase of goods	0.02	0.14
S&P Training Co., Ltd.	Service Payment	0.21	7.88

Subsidiaries of Minor International Public Company Limited

The Minor Food Group Co., Ltd.	Service Payment	-	0.02
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Subsidiaries of The Minor Food Group Public Company Limited

Minor Cheese Limited	Purchase of goods	-	1.59
Minor Dairy Limited	Purchase of goods	0.06	0.04
		0.06	1.65

3. Loans to Related Parties

Company / Related Parties	Type of Transactions	2018	2017
S&P Global Co.,Ltd.	Short-Term Loan	11.00	11.00
S&P Restaurants Co.,Ltd. (3%)	Short-Term Loan	-	26.63
Patara Restaurant, Vienna GmbH (3%)	Short-Term Loan	45.95	49.97
Less: Reserve for Bad Debt		-	(25.00)
		45.95	24.97
S&P Internatioanl Food (Cambodia) Co.,Ltd. (40%)	Short-Term Loan	3.22	-
Umenohana S&P Co., Ltd. (3%)	Short-Term Loan	5.18	6.00

4. Loans from Related Parties

Company / Related Parties	Type of Transactions	2018	2017
S&P Restaurants Co., Ltd. (3.5%)	Short-Term Loan	8.57	-

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:

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.

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. 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.

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

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

6. Other risks

As the company is in the integrated food business in both a manufacturer, distributor and manage the store. Therefore, there are some risks that may occur at any time and that is a direct risk of this industry specific risk, which is both highly competitive, fluctuation of raw material prices, labor shortage, changes to the rules or standards of government agencies such as the Food and Drug Administration (FDA) or the private sector such as HACCP, GMP, including the change in consumer behavior, such as giving more health importance (Health Conscious) or using social media and digital technology in everyday life which the management team will have a system guidelines for managing and controlling these risks. If any matter is likely to significantly affect the business the Risk Management Committee will join in the consultation.

Shareholder and Management Structure

Shareholder Structure

Share Capital

The Company's securities comprise ordinary shares. As of December 31, 2018, the Company's registered capital is 490,408,365 Baht, divided into 490,408,365 ordinary shares of par value of 1 baht each. The paid-up capital amounts to 490,408,365 baht, divided into 490,408,365 ordinary shares of par value of 1 baht each. The resolution of the 2014 Annual General Meeting of Shareholders of S&P Syndicate Public Company Limited, held on April 21, 2014 approved a change in the par value of the Company's share from 5 Baht per share to 1 Baht per share. The Company has completed the registration of change in share par value with the Registrar for Public Limited Companies, the Ministry of Commerce, on May 7, 2014

Shareholders

The first 10 majority shareholders whose names appeared in the register of shareholders as of January 24, 2019 are as follows:

	Group of Shareholders	Number of Shares	Percent
1	The Sila-On and Raiva Groups	215,192,000	43.88
2	Minor International Public Company Limited	175,675,520	35.82
3	Mrs. Supapan Pichaironarongsongkram	17,345,000	3.54
4	Mr. Aryuth Charnsethikul	7,730,000	1.58
5	Bangkok Bank Public Company Limited	6,956,000	1.42
6	Mr.Chalee Valaisathien	5,556,800	1.13
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	446,711,630	91.09

Management Structure

The Company's Committee Structure

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

1) Board of Directors

As of January 9, 2019, as appeared in the Certificate of Public Company Limited Registration, the Department of Business Development, Ministry of Commerce, the Board of Directors comprises 12 members. The details of the meeting and the remuneration of each directors in the year 2018 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 (Baht)	Total Attendances /Total number of the meeting	Audit Committee Allowance (Baht)	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	735,000	-	-	-	-	-	-	-	-	735,000
2. Mr Pravesvudhi Raiva** Chairman of the Executive Committee	6/6	495,000	-	-	-	-	-	-	10/10	-	495,000
3. Ms Cattleya Saengsastra Independent Director, Chairperson of the Audit Committee	6/6	645,000	6/6	495,000	-	-	-	-	-	-	1,140,000
4. Ms Sophavadee Uttamobol Independent Director, Audit Committee	6/6	645,000	6/6	330,000	-	-	-	-	-	-	975,000

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 (Baht)	Total Attendances /Total number of the meeting	Audit Committee Allowance (Baht)	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	
5. Mr Aviruth* Wongbuddhapitak Independent Director, Chairperson of Nomination and Remuneration's Committee	5/6	620,000	-	-	2/2	45,000	-	-	-	-	665,000
6. Ms Patamavalai Ratanapol Director, Nomination and Remuneration's Committee	5/6	620,000	-	-	2/2	30,000	-	-	5/10	125,000	775,000
7. Mr Piya Sosothikul Independent Director, Audit Committee, Nomination and Remu- neration's Committee, Risk Management Committee	5/6	620,000	5/6	305,000	2/2	30,000	4/4	60,000	-	-	1,015,000
8. Mr John Scott Heinecke Director, Risk Management Committee	5/6	620,000	-	-	-	-	3/4	45,000	9/10	225,000	890,000
9. Mr Kachorndej Raiva Director	5/6	495,000	-	-	-	-	-	-	8/10	-	495,000
10. Mrs Kessuda Raiva** Chief Executive Officer, Nomination and Remuneration's Committee, Risk Management Committee	6/6	495,000	-	-	0/2	-	3/4	-	10/10	-	495,000

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 (Baht)	Total Attendances /Total number of the meeting	Audit Committee Allowance (Baht)	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. Mr Kamtorn Sila-On President Production & Finance, Risk Management Committee	6/6	495,000	-	-	-	-	3/4	-	9/10	-	495,000
12. Mr Vitoon Sila-On President Operations & Human Resource and Company Secretary, Chairperson of Risk Management Committee	6/6	495,000	-	-	-	-	4/4	-	10/10	-	495,000
Total		6,980,000		1,130,000		105,000		105,000		350,000	8,670,000

*Note 1 Director resigned from position as follows:

Director #5 (Mr. Aviruth Wongbuddhapitak) resigned from the position of Director, Independent Director and Chairperson of Nomination and Remuneration's Committee on February 1st, 2019

**Note2 Change of position for 3 Directors as follows

1. Mr. Pravesvudhi Raiva - from the original position: Chairman of the Executive Committee to the position: Vice Chairperson
2. Mrs. Kessuda Raiva - from the original position: Chief Executive Officer to the position: Chairman of the Executive Committee.
3. Mr. Vitoon Sila-on - from the original position: President Operations and Human Resource to the position: Chief of Executive Committee.

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

- Gratuity was fixed at 285,000 baht for the chairperson of the board and 195,000 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 37,500 baht per time and 25,000 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 25,000 Baht/time.
- With effective from the date of Annual General Meeting of Shareholders 2018 held on April 20th, 2018 which specified that the resolution will be effected from May 2018 onward.

Scope of Powers and Duties of the Board of Directors

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

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

Definition of “Independent Director”

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

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

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

2) Audit Committee

The Board of Directors' meeting No. 2/2017 held on February 23, 2017, has passed the resolution appointed the Audit Committee to replace the current director who are due to retire by rotation for 3 years period, to be re-elected for another 3 years, in order to oversee the quality of financial reporting and internal control systems.

Scope of Powers and Duties of the Audit Committee

The Board of Directors have agreed to redefine the Audit Committee's scope of authority and duties during the Board of Directors Meeting, No. 1/2011, held on February 23, 2011, in accordance to the current rules and regulations issued by the Board of the Stock Exchange of Thailand.

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

The Audit committee meets regularly at least 6 times per annum, and each meeting summary is directly reported to the Board of Director. In 2018, there were a total 6 Audit Committee meetings. Please see the 'Board of Director' section above for the details of the number of Audit Committee Meetings, as well as the meeting attendance by Audit Committee members.

3) Nomination and Remuneration Committee

The Board of Directors' meeting No. 2/2016 held on May 13th, 2016, has passed the resolution appointed the Nomination and Remuneration Committee to replace the current director who are due to retire by rotation for 3 years period, to be re-elected for another 3 years, in order to consider the rules and the process of nominating directors and determining the remuneration of the Board of Directors.

Nomination and Remuneration Committee's Scope of Authority and Duties

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

Nomination Duties

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

Remuneration Duties

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

4) Risk Management Committee

The Board of Directors' Meeting No. 2/2017, held on 23 February 2017, approved the appointment of the same Risk Management Committee, which is due for 3 years, to be re-appointed for another term. To perform internal risk management within the organization because the current business environment is constantly changing which the Risk Management Committee has been appointed for another term and the Board of Directors shall nominate one member of the Risk Management Committee as the Chairman of the Risk Management Committee. The Risk Management Committee will proceed to comply with the Charter of the Risk Management Committee in order to propose to the Board of Directors' meeting accordingly.

Risk Management Committee's Scope of Authority and Duties

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

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

5) Executive Committee

The Executive Committee's scope of authority and duties

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

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

6) Chairperson of the Board of Directors

Chairperson of the Board of Directors' Scope of Authority and Duties

The separation of powers in the matter of company policy and the management of separate functions clearly. Therefore, the company specified that the Chairman of the Board of Directors, Chairman of Executive Committee, Chief Executive Officer, and President are a different person. And the Chairperson of the Board of Directors has the following roles:

1. To call for the Board of Directors Meeting and to be the chairperson of the Board of Director Meeting and the shareholders meeting. The Chairperson of the Board of Directors also plays a role in determining the agenda with the Chairperson of the Executive Committee, Chief Executive Officer, and President
2. To play a role in controlling the meeting to be in efficiency in accordance with the Company's Article of Association, support and giving an opportunity to the directors to freely comment.
3. Supporting and encouraging the Board of Directors to perform their duties as fully as possible in accordance with the scope of authority, responsibility and good corporate governance
4. Supervise and follow up the management of the Board of Directors and other committees to achieve the objectives.
5. Be a casting vote, in the case where the Board of Directors Meeting have a vote, and the votes of both parties are equal.

Additional Information Relating to Directors and Executives

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 a criminal offense with the punishable by imprisonment in relation to the property that has been committed fraudulently, offenses relating to traffic discipline or petty offenses.
- 2) Adjudication by the Court whereby they shall become bankrupt or be placed in receivership;
- 3) Their management or control of companies or partnerships that have become bankrupt or be placed in receivership by the Court's order

Recruitment of Directors and Executives

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

Appointment and Removal of Board Members

The selection of persons to the office of director of the Company shall go through the Nomination and Remuneration Committee which was appointed by the Board of Directors' meeting No. 1/2011 held on February 23, 2011, to consider and select individuals having qualifications, knowledge, ability and experience regarding relevant works in the interests of efficient operation of the Company and having such qualifications as required by the pertinent law and notifications of the Securities and Exchange Commission.

- 1) Directors of the Company are elected by a meeting of shareholders and there will be at least 5 directors and at least 3 Independent directors. Not less than one third of the number of directors must be independent directors. Not less than one half of the directors must be residents of Thailand.
- 2) Directors or persons to be nominated as directors of the Company shall hold a directors positions of not more than 5 listed companies in any other listed company in the Stock Exchange of Thailand.
- 3) Members of the Board of Directors will be elected by a meeting of shareholders in accordance with the following criteria and procedures:
 - 3.1 A shareholder has one vote per share;
 - 3.2 Each shareholder must exercise her/his whole votes to elect one candidate or more as director(s) but her/his votes may not be distributed howsoever to elect the candidate(s);
 - 3.3 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.
- 4) At every annual ordinary meeting, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third must retire from office. The directors who have been longest in office must retire. A director retired by rotation is eligible for re-election.
- 5) A director to resign from office before her/his retirement by rotation must tender a letter of resignation to the Company, and her/his resignation will be effective from the date on which the letter of resignation is delivered to the Company.
- 6) 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.
- 7) A director will be retired from office before the time of her/his retirement by rotation only by resolution of a meeting of shareholders, and not less than three-fourths of the votes of the shareholders present and entitled to vote and having shares in aggregate not less than one half of the number of shares held by the shareholders present and entitled to vote will be required.

Appointment of Audit Committee Members

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

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

Company Secretary

The Board of Directors appointed a Company Secretary clearly at the Board of Directors Meeting, No. 2/2010, at which Mr. Vitoon Sila-On, who has knowledge and ability to perform her duty and comment or report on results to the Board of Directors for the purpose of compliance with principles of good corporate governance including the public limited companies law, the law governing securities and the Stock Exchange and other pertinent laws, was assigned to continue to serve as the Company Secretary with the duty to take the following actions:

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

Remuneration for Directors and Executives

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

1) Directors' Remuneration

The 2018 General Shareholders Meeting, held on April 20, 2018, resolved to approve the directors' remuneration divided into the following:

Meeting Allowance (Baht/person/time)	2018		
	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

Meeting Allowance (Baht/person/time)	2018		
	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 2018 until the Nomination and Remuneration Committee considers that the remuneration is not suitable to or consistent with the overall economic condition. It will then be proposed to the Board of Directors for consideration and approval for alterations thereto would be sought from the Meeting of Shareholders

The annual gratuity of 2018 was fixed at 285,000 baht for the Chairperson of the board and 180,000 baht each for the 11 directors of the Company. The gratuity amounts in total to 2,430,000 baht, and shall be paid in accordance to the period of holding their position.

The comparison of director's remuneration in 2018 and 2017 are as follows;

Remuneration	2018		2017	
	Person	Baht	Person	Baht
Regular Remuneration for Non-Executive Director	12	4,380,000	12	4,380,000
Meeting Allowance	6	1,860,000	6	2,065,000
Gratuity	12	2,430,000	12	2,250,000
Total		8,670,000		8,695,000

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

2) Remuneration for Executive Committee and Executives

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

The comparison of remuneration for the Executive Committee and Executives in 2018 and 2017 are as follows;

Remuneration	2018		2017	
	Person	Baht	Person	Baht
Salaries	8	38,787,000	9	41,960,000
Bonuses, special rewards and travel expenses	8	9,271,899	9	5,889,106
Total		48,058,899		47,849,106

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

3) Other Remuneration

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

4) Performance Evaluation and Consideration of Top Management Remuneration

The Company has determined the performance of the top management of the organization starting from the President by the Nomination and Remuneration Committee which the conflict director will not involve in the consideration. The evaluate will including the evaluation of the leadership performance, determining policies and strategic plans, applying financial performance indicator and the profitability of the company, relationships with the board of director and the organization or other outsiders, including the social and environmental responsibility. The focus of the evaluation is to use the evaluation result to performing better. The overall picture of the year 2018, it was seen that most of the top executives performed or action in each issue in a good manner and efficiency.

As the company has determined to evaluate the performance of the top management of the organization starting from the President upwards, the Nomination and Remuneration Committee without the conflicting director involve have been used the evaluation result to determine the remuneration of the top management which the performance of each top management and the rate of remuneration of top management of other listed companies in the same industry has been take into account in order to set the criteria.

Corporate Governance

The Board of Directors has complied with good practices for directors of a listed company by adopting the principles of good corporate governance and rules of practice of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as guidelines in setting the policy of the Company.

In addition, the Company also considers the corporate governance evaluation of the Thai listed companies (CGR) for the year 2018 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 to all company directors in order to obtain the direction to improve the corporate governance.

Moreover, the Company has appointed an Audit Committee to assist in supervising its internal control system and to ensure that the principles of good corporate governance have been observed, with such details as set out as follows:

1. Rights of Shareholders

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

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

2. Equal Treatment of Shareholders

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

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

At the 2018 Ordinary Meeting of Shareholders, the Company granted all such rights and equalities as mentioned in 1 and 2 above to its shareholders and also prepared an invitation in both Thai and English for foreign shareholders, and for the 2019 Ordinary Meeting the Company will take steps to grant these rights and equalities to its shareholders.

3. Roles of Stakeholders

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

- Shareholders: The Company is always well aware that it will conduct its business with transparency. It is determined to make its business prosper and yield good returns to the shareholders continuously in a long term.
- Customers: The Company is determined to develop the quality and standards of its products and will pay attention to friendly services for its customers to their maximum satisfaction and will also make available a working unit or personnel performing the duty to accept customers' complaints so as to take action for the customers as soon as possible and the customers' secrets will be kept.
- Suppliers: The Company will treat its suppliers fairly and equally by taking mutual benefits into consideration.
- Creditors: The Company will treat its creditors fairly by complying strictly with the terms and conditions of the agreements and with the financial commitments.
- Competitors: The Company will behave in accordance with international rules of competition and will treat its competitors fairly, avoid dishonest methods, and will not destroy the reputation of its competitors.
- Employees: The Company holds that an employee is a valuable resource and must be treated fairly in terms of opportunity, benefit in return and potential development and must be assured of her/his life quality and safety of work as well as suitable welfare and Provident Fund. In relation to the employees' remunerations, the Company has set up an employee compensation policies in line with the other company under the same industry and inflation rate.
- Society and Environment: The Company is determined to conduct economically and socially beneficial business and attaches importance to environmental care and preservation. To this, the Company has a unit performing the duty to take care and charge of society and to promote organizational cultures and evoke awareness in all individuals in the organization so that they take care of, develop and promote the environment and stakeholders in line with the sustainable growth of the Company are indicated in the heading "Social and Environment Policies".

A stakeholder can ask for details, make complaints or notify clues of an offense committed regarding financial reports, internal control systems or business ethics of the Company by means of the email address secretary@snpfood.com or audit@snpfood.com or at telephone no. 0-2785-4000, at the Company Secretary Department or the Internal Audit Office, which will consider the matters before forwarding them to the Audit Committee and the working units concerned for further action. The complaints and clues so notified will be protected and kept confidential, and steps will be taken to find ways to make to corrections or improvements.

4. Disclosure of Information and Transparency

1. Relationship with Investors

The Board of Directors attaches importance and is aware that disclosures of both financial and non-financial information of the Company will all affect the decision processes of investors and stakeholders of the Company. The Board of Directors is therefore aware of the necessity for disclosure of complete, true, reliable, regular and updated information. To disclose this information, the Board of Directors has assigned a finance and accounting support unit to communicate with institute investors, shareholders, analysts and the public sector concerned. Investors can ask information about the Company at telephone no. 0-2785-4000 or on the website www.snpfood.com or via the email address presidentoffice@snpfood.com.

2. Principles of Corporate Governance

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

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

3. Remuneration for Directors and Executives

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

5. Board's Responsibilities

1. Board Structure

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

1) Ms Cattleya	Saengsastra	Chairperson, Audit Committee
2) Ms 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 2018, 6 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 director
- 4 independent directors, equal to one-third of the whole Board

3. Combination or Separation of Positions

- The Board Chairperson is the representative of the group of majority shareholders, who, in 2018, hold in aggregate of 43.88 percent of the shares.
- The Board Chairperson is not the same person as the Vice President, but both are the representatives of the same group of majority shareholders.
- The Board of Directors comprises 4 independent directors and 2 non-executive director, who will lead to management counterbalancing and cross-examination.

4. Roles, Duties and Responsibilities of Board of Directors

4.1 Leadership and Vision

All members of the Board of Directors possess leadership, have wide visions and are free to make a decision. In addition, the Board of Directors participates in formulating or approving of visions, strategies, targets and budgets of the Company and supervises the Management so that it conduct business affairs efficiently and independently for an increase in the economic values and a sustainable growth of the business. In the past year, the Company has reviewed the Mission and Vision, and has adopted strategies that have been reviewed to perform, such as reflection in the form of activities.

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

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

4.3 Policy on Conflicts of Interests

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

4.4 Internal Control and Audit System

Internal Control

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

Internal Audit

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

4.5 Risk Management System

The company is committed to the development of risk management to increase efficiency and effectiveness. In 2012, the company has established a Risk Management Committee to responsible for the organizational risk management other than risk management team that responsible for the departmental level. In 2018, the risk management committee had 4 meetings, to identify the risk factors of all departments across the organization, risk prioritized, established the guidelines for risk management of the company, and assigned responsibility to provide the measures to control and manage the risks to an acceptable level in order to achieve the goals and strategies set forth, and build trust with shareholders and other stakeholders. The risk management committee has considered the change of risk factors and economic condition that may affect the company's operation in each quarter, evaluated major projects proposed by the executive committee to ensure the risk management and monitoring of each project is appropriate and be able to achieve its goal before propose to the Audit Committee and the Board of Directors accordingly.

4.6 Directors' Meetings

The Board of Directors holds a regular meeting at least in every quarter. And in order that directors are able to be present at a Board meeting, the Secretarial Department specifies a schedule of Board meetings in advance every year and informs all the directors of this schedule at all times before the Board meetings. The Secretarial Department will send an invitation together with supporting documents at least 7 days in advance of the meeting so that the Board of Directors may consider it and have sufficient time to study information before attending the meeting. In 2018, the Board of Directors held 5 meetings in total. The Chairperson of the board always attach importance to attend all the Board meetings. Also during the meetings the chairperson gave a chance and allocated time for directors to ask the Management and for careful, appropriate and sufficient consideration of information, and records of the meetings were kept in writing and minutes of the meetings certified by the Board of Directors were filed and made ready for examination by the directors and parties concerned.

In the year 2018, the Board of Directors has set a policy regarding the minimum quorum as at the time when the directors will vote in the meeting, the committee must have at least two-thirds of the total number of directors. Without counting the number of the directors which has a conflict of interest and that no right to attend and vote in such meeting. At every previous board meeting, the number of directors attending the meeting will be more than two-thirds of the total number of directors every time.

4.7 Reporting by Board of Directors

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

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

4.8 Performance Evaluation of the Board of Directors

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

The Board of Directors approved the performance evaluation forms mentioned above for the year 2018. The evaluation topic included the evaluation of the structure and the qualification of the directors, the role and responsibility of the directors, the meeting of the directors, the performance of the directors, the relationship with the Management, and the self-development of the directors and the Management.

The Nomination and Remuneration Meeting No.1/2019 held on 8 February 2019 has considered the summary of the performance evaluation of the directors by comparing with the past 3 years results, and proposed it to the Board of Directors Meeting No. 1/2019 held on 27 February 2019 to consider merit, demerit, and direction for improvement. The performance evaluation was aimed to obtain the result to use in improve the performance of the directors. For the year of 2019, in overall the Board of Directors agreed that the most of the operations have been done properly.

4.9 Development of Directors and Executives

1. Development of Directors' and Executives' Knowledge – The Company promotes and offers convenience for directors' and executives' training and knowledge development relating to corporate governance. The Company has made an orientation ceremony for new directors whenever a new director is appointed. To this, an overall picture will be presented regarding the Company's business and relevant information; the names of the Company's directors and managerial structure; legal documentation and handbooks; rules and regulations of working units concerned; the directors' roles, powers, duties and responsibilities; corporate governance guidelines; certificates, Memorandum and Articles of Association; the Company's rules, visions, targets, and information on the conduct of business and activities of the Company. Directors are also caused to visit businesses and attend meetings related to the setting of visions and business plans in association with high-ranking executives of the Company.
2. Work Succession Plan – The Company has prepared some personnel as replacements for high-ranking executives who are about to attain retirement age. At the same time, a guideline has been formulated for the development and enhancement of the potential of executives who would succeed to the positions.

6. Human Resources Policy

The Company recognizes the importance of human resources as a valuable resource in achieving business goals. Therefore, the Company strive to develop the staff personnel to be sustainable to the completion in food and service business in both local and international for maximum efficiency. The emphasis is on creating people with basic skills in cooking. In the year 2018, the company has organized the following courses:

- 1) Kitchen Master Course, for mentoring in cooking skills through the MSC Thai Cuisine School, which specializes in teaching Thai cooking, especially by highly qualified instructors and instructors from prestigious educational institutions. They can also pass the knowledge of cooking skills from Department of Skill Development, Ministry of Labour which passed Thai Kitchen Standard Level 1 (have 2 levels) of 100 people.
- 2) Restaurant courses and bakery shops, including drinks knowledge, sales knowledge and service knowledge.
- 3) Provide Safety, Occupational Health and Working Environment Course, and GMP quality assurance and pre-fire course to the front store, factory worker and office staff.
- 4) Provide Human Resources Management Course which including good attitude and teamwork and Pre-service Preparation for Bilateral Students and new staff.
- 5) Provide Financial Discipline Courses together with the Stock Exchange of Thailand to the staff at the management level and restaurant staff to be able to organize personal expenses, reduce and stop debt, manage the savings systematically to improve the quality of employees' life and subordinates.

In addition, the Company has developed the knowledge of directors and executives in the areas related to the corporate governance, including Role of the Chairman Program, Director Certification Program, Business Revolution and Innovation Network (BRAIN), Techsauce Global Summit 2018, Seamless Thailand 2018, Food Innovation and New Business Opportunity, Strategic Planning Program

The Company's strategy of building people has continued over the past 10 years through the performing of "S&P Learning Center" which has been approved by the Ministry of Education. S&P Learning Center opened in 2007, the course is offered at vocational certificate level for retail business, and food and nutrition major. S&P Learning Center also take the vocational students in "bilateral" system from vocational colleges all over the country, and also increased the number of employment of bachelor's degree scholarship student in line with the expansion of Company's shop. The Company's strategy of building people are the preparation and development of human resources to suit the business and sustainable corporate culture also the students who finish vocational training can work under the policy of the government to develop people through education system by private organizations.

Personnel

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

Meeting Allowance (Baht/person/time)	2019		2018	
	Number of employee	Remuneration (Million Baht)	Number of employee	Remuneration (Million Baht)
Local Offices	862	413.20	839	384.90
Branch Operation Dept	5,053	947.08	4,984	922.96
Factories.	1,760	441.33	1,732	392.14
Total	7,675	1,801.60	7,555	1,700.00

7. Internal Audit Control

The company always recognizes that internal control is an important process in order to effectively prevent and control work. A good internal control system will ensure that the company's system is accurate, transparent, and capable of reducing or preventing potential damage. As a result, the company has continuously developed the internal control system to be efficient and effective. To allow shareholders and stakeholders to have confidence in the internal control of the company. The Board of Directors therefore appointed the Audit Committee consisting of 3 independent directors who are fully qualified according to the regulations and rules of the Capital Market Supervisory Board and the Stock Exchange of Thailand is responsible for reviewing financial reports to be accurate and reliable. The connected transactions or transactions that may cause conflicts of interest to be reasonable and is the most beneficial to the business of the company including evaluating the adequacy of the risk management system, good and effective corporate governance of the company pursuant to the Securities and Exchange Act and laws related to the business of the company as proposed by the Audit Committee in the annual report.

The Board of Directors is of the opinion that the internal control system of the company is appropriate and efficient enough to enable the company to achieve efficient and effective operations, reliable financial reporting and compliance with relevant laws and regulations.

The Audit Committee has assigned the Audit Office of the Company which is an agency that is independent from the management to inspect and review the operations of various departments within the company and its subsidiaries to ensure that those units are in compliance with the internal control system set forth and evaluating the adequacy and appropriateness of the internal control system by the Board of Director. For the internal control framework, the Board of Directors including the Audit Committee and the Internal Audit Office, using the Internal Control Integrated Framework of the Committee of Sponsoring Organization of the Tread way Commission (COSO) as an idealism and reference of working, which can be described as follows:

1. Organization and Environment

The Company supports and promotes good internal control environment by stipulating the corporate governance and business ethics in writing which have been communicated to employees in all levels for acknowledgement and strict compliance including punishments in case of violation. The Company has set up the organizational structure to correspond with the business plan and continued to revise the structure to be in line with its operation. The line of command is set to correspond with the operational strategy and corporate governance to ensure that the management and employees carry out tasks with efficiency, which can be monitored, inspected and assessed. The independent internal audit agency under the Audit Committee is responsible for inspecting and reviewing the performance, encouraging good internal control environment.

In 2018, the company environment did undergo any significant changes. Business is operating with good, sufficient internal control.

2. Objective Setting

The Company has clearly defined the objectives of the internal control including the strategy for the operation, for reporting, and for complying with the policy, law, regulation and rules. This practice has been done according to the main objectives or the overall mission as well as with the acceptable risk which has been in writing and communicated to the management. The Company has also reviewed and adjusted the strategic plan and objectives to conform to the always fluctuated environment and risk factors.

This year, the Company has revised the stipulated objectives and considered the objectives to cover all business operation to ensure good efficiency.

3. Risk Management Policy

The Company has set up a risk management system by forming the Risk Management Committee responsible for stipulate the policy as well as systematically managing the risk. All agencies are assigned to assess the risks in various aspects, impact, potential risk, organization and environment and risk management plan to correspond with changing risks both internally and externally. The measure also has been applied to minimize the risk to the acceptable level and quickly and effectively manage the existing risk. The performance report of the Risk Management Committee is to be conducted every quarter for the Audit Committee to assess and elevate to the Board of Directors. Furthermore, internal audit will be monitored to ensure compliance with risk-minimizing measures to ensure the company's risk is in an acceptable and manageable level.

In 2018, risks have not been significantly changed from 2017 and have been monitored and minimized to the acceptable and satisfactory level.

4. Event identification

The Company has appropriately and systematically specified the event identification and various risk factors that will negatively affect the organizational level objectives and operational level objectives as well as the possible events that will positively benefit the objectives. This has been done by considering the sources of risk from both inside and outside the Company. Also, the monitoring has consistently done to ensure that the Company has specified the risk factors covering the change of each level, and the management team and related people have always been kept updating with the situation. This year, the risks have not significantly changed and have always been reviewed.

5. Risk assessment

The Company has placed a clear emphasis on risk assessment procedures for its operations, financial reporting and non-financial information, including legal compliance, all relevant regulations by specifying the acceptable levels of risk that affect the achievement, and also defining how to achieve the target as well as the objective of the organization. Also determined the procedure to respond the risk which the Company establishes clear risk assessment procedures at the organizational, departmental, and operational levels, as well as systematic risk assessments to determine the significance of such risk factors. It also identifies and evaluates significant changes that may have an impact on the internal control system by considering changes in laws and regulations, the economy and the environment.

This year, persons in charge of risk assessment think that the stated risk assessment procedure has been complying the measures in a sufficient and manageable way and no significant damages have occurred.

6. Controlling Activities

The Company has clear and appropriate controlling activities. The Company has a Key Performance Indicator as a tool for planning and controlling, "Work Regulations and Code of Conduct" as well as good corporate governance policy for the employees to comply. All employees will have been informed of the price since the orientation. The Company has clearly defined the duty and the responsibility of each position and can cross check to reduce the risk of corruption or inappropriate actions. The Company has stated the business authorization and approved credit line for various transactions of the executives in writing in "The Internal Control Regulations and Business Authorization". The Company has general control of the information technology system such as segregation of duties, reviewing, data access controls at each level, passwords defined and with a secure back-up system. The Company has stipulated clear procedures for connected transactions or transactions that may lead to a conflict of interest to ensure transparency for the best interest of the Company. The Audit Office is assigned to review the adequacy and suitability of the controlling system by expanding the auditing plan to cover important work procedures.

This year, the aforementioned controlling activities comply at a satisfactory level resulting in appropriate and adequate controlling of various operations to correspond with the current business environment. Intranet has been utilized as a communication channel within the Company to disclose policies, rules and regulations and other important information. The Company also has Whisteline@snpfood.com as a channel to accept employee complaints

7. Information and Communication

The Company places importance on Information and Communication, by having internal and external communication channels to ensure that the decision of the shareholders, stakeholders, directors and management of the Company is based on the correct, adequate, credible and up-to-date database. Important and general information will be disclosed in the Annual Report, Annual Registration Statement (56-1) through www.snpfood.com as well as disclosing information through the Stock Exchange of Thailand. Before any meetings, the Board of Directors will send out meeting invitations, the agenda and documents within the period prescribed by law to allow directors to have enough time to understand the information before the meeting. In every meeting, minutes, notes of directors' questions, comments or remarks of the directors regarding meeting topics are also taken. The work system is controlled by the computer system efficiently and effectively.

8. Monitoring

The Company continually monitors and evaluates the performance based on the KPI to check if it is in line with the work plan as well as analyzing the causes in case of the performance does not meet the expected plan. The Audit Office which is an independent agency is responsible for reviewing and examining the performance in accordance with the internal control system which will emphasize on covering work procedures with significant risks. Any key points will be directly reported to the Audit Committee. The Audit Office also monitors the outputs of the audited agencies. The Audit Committee will report the results to the Board of Directors in every quarter. Furthermore, the Audit Committee also discusses with the auditors to assess the adequacy and effectiveness of the internal control system.

In 2018, the Audit Committee agrees with the auditors that there are no significant errors. The Company has adequate internal control appropriate for business operation and every agency has complied with the stipulated procedures and regulations. Any found problems are improved and revised. The regulations are also monitored to make sure if they comply or there are any problems or obstacles that need remedial measures. No significant errors regarding the internal control system are found.

9. Head of the Internal Audit

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

10. Head of the Company's Compliance

Mr.Supathep Sukanjanaporn, the head of the Company's Compliance, has handled this job properly.

Details of All Directors and Executives

(As of March 8, 2018)

Name – surname / position	Age (years)	Academic qualifications	Equity stake (share number)		Family relations between Executives	Previous 5-year experience	
			Beginning of 2019	Change		Period / position	Company
Mrs Patara Sila-On Chairperson of the Board of Directors / Director	76	Honorary Degree Business Administration in Management, Rajamangala University Of Technology Isan Doctor in Letters (Honorary) Pine Manor College, Massachusetts, USA BBA Business Administration Boston University, USA	41,348,145 (equal to 8.43 %)	979,500 (equal to 0.19%)	Eldest sister	- Past 5 years / Chairperson of the Board of Directors - 1990 - Present / Chairperson of the Board of Directors - 1975 - Present / Director - 1987 - Present / Director	- S&P Syndicate Public Co., Ltd. Food and Beverage Business - S&P Global Co., Ltd. Operate Restaurant Business abroad - Triparada Co., Ltd. Consulting Service Business - SR Estate Co., Ltd. Real Estate Business
Mr Pravesvudhi Raiva Chief Executive Officer / Chairperson of the Executive Committee / Director	67	BBA Political Science University of Indiana, USA MMP - Modern Management Program MMM- Modern Marketing Management Chulalongkorn University Training Program Director Certification Program Certificate (DCP) Class of 135 th Director Accreditation Program Certificate (DAP) Role of The Chairman Program Certificate Class of 42 nd Thai Institute of Directors Association (IOD) Poom Palung Pandin Program, Class of 2nd Chulalongkorn University Top Executive Program in Commerce and Trade (TEPCoT), Class of 8 th Commerce Academy, University of the Thai Chamber of Commerce	30,524,310 (equal to 6.22%)	-	Third brother	- 2016 - Present/ Vice Chairperson - 2015 - Present/ Chairman of the Executive Committee - 2015-2016 / Chief Executive officer - 1994-2015/ President, Director - 2014 - Present / Independent Director, Chairman of Remuneration Committee - 1993 - 2013 / Director - 1990 - Present / Executive Director - 1987 - Present / Executive Director	- S&P Syndicate Public Co., Ltd. Food and Beverage Business - Charnissara Development Public Co., Ltd. Property Development Business - S&P Global Co., Ltd. Operate Restaurant Business abroad - SR Estate Co., Ltd. Real Estate Business

Name – surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5–year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mr Pravesvudhi Raiva (Continue)							<ul style="list-style-type: none"> - 2006 - Present / Executive Director - 2012 - Present / Executive Director - 2014 - Present / Executive Director - 2015 - Present / Director 	<ul style="list-style-type: none"> - S&P Delivery Co., Ltd. (Former Name: S&P Asset Co., Ltd.) Land Transportation Service Business - S&P International Food Co., Ltd. Restaurant Business - MSC Thai Cuisine Co., Ltd. Thai Culinary Scholl named “The Thai Cuisine” - S&P Development Holding Co., Ltd. Provide service support for the business of affiliated company and restaurant business
Mr Kachorndej Raiva Executive Committee Director / Director	68	BBA Accounting Chulalongkorn University Director Certification Program Certificate (DCP) Thai Institute of Directors Association (IOD)	10,275,705 (equal to 2.10%)	-	10,275,705 (equal to 2.10%)	Second brother	<ul style="list-style-type: none"> - Past 5 years / Executive Committee Director, Director - 1990 Present Executive Director - 1987 Present Executive Director 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. Food and Beverage Business - S&P Global Co., Ltd. Restaurant Business - S&P Estate Co., Ltd. Real Estate Business
Mrs Kessuda Raiva Chief Executive officer / Executive Committee Director / Nomination and Remuneration Committee / Risk Management Committee / Director	64	Honorary Doctorate Degree Business Administration in Management, Rajamangala University Of Technology Bangkok MBA Economics North Eastern University, Boston, USA BBA Business Administration, Finance and Banking	37,973,550 (equal to 7.74%)	7,700 (equal to 0.0016%)	37,973,550 (equal to 7.74%)	Spouse of Mr. Pravesvudhi Raiva	<ul style="list-style-type: none"> - 2017 - December 31, 2018 / Chief Executive officer, - 2017 - Present / Risk Management Committee - 2015 - 2016 / President - 2013 - Present / Nomination and Remuneration Committee 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. Food and Beverage Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mrs Kessuda Raiva (Continue)		Assumption University (ABAC) Director Accreditation Program Certificate (DAP) 45/2005 Role of The Chairman Program Certificate Class of 36 th Thai Institute of Directors Association (IOD) Capital Market Academy Leader Program 10/2010 Capital Market Academy Top Executive of the Country Program “Poom Palung Pandin”, Class of 1 st Chulalongkorn University Top Executive Program in Commerce and Trade, Class of 6 th (TEPCoT) 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 Business Revolution and Innovation Network Program (BRAIN), Class of 2 nd The Federation of Thai Industries Director Certification Program Certificate (DCP) Class of 251/2018 th Thai Institute of Directors Association (IOD)					<ul style="list-style-type: none"> - 2008 - 2015 / Executive Vice President - 1994 - Present / Executive Committee Director, Director - 1990 - Present/ President, Director - 1987 - Present Executive Director - 2014 - Present Executive Director - 2006 - Present Executive Director - 2013 - Present Director - 2014 - Present Director - 2015 - Present Director 	<ul style="list-style-type: none"> - S&P Global Co., Ltd. Operate Restaurant Business abroad - SR Estate Co., Ltd. Real Estate Business - S&P Delivery Co., Ltd. (Former Name: S&P Asset Co., Ltd.) Land Transportation Service Business - S&P International Foods Company Limited Restaurant Business - Umenohana S&P Co., Ltd. Restaurant Business - MSC Thai Cuisine Co., Ltd. Thai Culinary Scholl named “The Thai Cuisine” - S&P Development Holding Co., Ltd. Provide service support for the business of affiliated company and restaurant business

Name – surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5–year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mr Vitoon Sila-On Executive Committee Director and Company Secretary / President - Operation and Human Resource / Chairperson of Risk Management Committee	50	MBA Business Administration University of North Carolina Chapel Hill, NC, USA BBA Hospitality and Food Administration Boston University USA Directors Certification Program Certificate (DCP) Directors Accreditation Program Certificate (DAP) Thai Institute of Directors Association (IOD) Capital Market Academy Program Class of 23th Capital Market Academy	7,815,000 (equal to 1.59%)	-	7,815,000 (equal to 1.59%)	First Son of Mrs. Patara Sila-On	<ul style="list-style-type: none"> - 2017 - Present / President - Operation and Human Resource - 2012 - Present / Chairperson of Risk Management Committee - 2010 - Present / Executive Committee Director, Director - 2008 - 2016 / Senior Vice President Domestic Operations - 2008 - Present / Director - 2012 - Present / Director - 2013 - Present / Director - 2014 - Present / Director - November 2018 – Present / Director 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. - Food and Beverage Business - Food House Catering Services Co., Ltd. - Nutrition Service Business - S&P International Foods Company Limited Restaurant Business - Umenohana S&P Co., Ltd. Restaurant Business - Triparada Co., Ltd. Consulting Service Business - S&P Delivery Co., Ltd. (Former Name: S&P Asset Co., Ltd.)
Mr Kamtom Sila-on President – Production and Finance /Executive Committee Director / Risk Management Committee / Director	48	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)	7,386,000 (equal to 1.506%)	7,700 (equal to 0.0016%)	7,393,700 (equal to 1.507%)	2 nd Son of Mrs. Patara Sila-On	<ul style="list-style-type: none"> - 2017 - Present / President - Production and Finance - 2016 - Present / Director - 2015 - Present / Risk Management Committee - 2015 - 2016 / Senior Vice President - Production & Supply Chain - 2014 - Present / Executive Committee Director 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. - Food and Beverage Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mr Kamtorn Sila-on (Continue)		Director Certification Program Certificate (DCP) Thai Institute of Directors Association (IOD)					<ul style="list-style-type: none"> - 2014 - 2015 / Vice President - Production & Supply Chain, Director - 2011 - Present / Chairperson of Remuneration Committee, Chairperson of Audit Committee, Chairperson of Nomination Committee, Independence Director, Audit Committee - 2011 - 2014 / Deputy Managing Director, Head of Private Client Investment Management - 2004 - 2011 / Deputy Managing Director, Co-head of Investment Banking - 2014 - Present / Director - 2015 - Present / Director 	<ul style="list-style-type: none"> - Precious Shipping Public Co., Ltd. Transportation & Logistic Business - Bualuang Securities Plc. Finance & Securities - Triparada Co., Ltd. Consulting Service Business - S&P Development Holding Co., Ltd. Provide service support for the business of affiliated company and restaurant business

Name – surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mr Kamtorn Sila-on (Continue)							<ul style="list-style-type: none"> - 2015 - Present / Director - November 2018 – Present / Director 	<ul style="list-style-type: none"> - Chao Phraya Express Boat Co., Ltd. - River transportation service Business - S&P Delivery Co., Ltd. (Former Name: S&P Asset Co., Ltd.) - Land Transportation Service Business
Ms Cattleya Saengstra Independent Director / Chairperson of the Audit Committee	70	BBA Accounting (Hons.) Chulalongkorn University Controllershship Training Program Thammasat University Management Development Program – JJ Kellogg Northwestern University Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association (IOD)	60,055 (equal to 0.012%)	-	60,055 (equal to 0.012%)	None	<ul style="list-style-type: none"> - Past 5 years / Independent Director, Chairperson of the Audit committee - 1994 - Present / Director, Executive Committee Director - 2018 - Present / Company Secretary 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. - Food and Beverage Business - Dynasty Ceramic Public Co., Ltd. - Construction Materials Business - Royal Ceramic Industry Public Co., Ltd. - Construction Materials Business
Ms Sophavadee Uttamobol Independent Director / Audit Committee Director	58	MBA Business Administration Chulalongkorn University, BBA Bachelor of Law Thammasat University Director Accreditation Program Certificate (DAP) Audit Committee Program Certificate (ACP) Thai Institute of Directors Association (IOD)	-	-	-	None	<ul style="list-style-type: none"> - Past 5 years / Independent Director, Audit Committee Director - 2001 - Present / Independent Director, Audit Committee Director - 2017 - Present / Limited Partnership 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. - Food and Beverage Business - Bumrungrad Hospital Public Co., Ltd. - Health Care Services Business - Kao Pin Petch Limited Partnership Consumer Product Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mr Aviruth Wongbuddhapitak Independent Director / Chairperson of Nomination and Remuneration Committee	70	MBA New York University, U.S.A. BBA Accounting Chulalongkorn University Directors Certification Program Certificate (DCP) Thai Institute of Directors Association (IOD) Role of the Compensation Committee Certificate (RCC). Thai Institute of Directors] Association (IOD)	-	-	-	None	- 2010 - Present / Independent Director, Chairperson of Nomination and Remuneration Committee 2006 - 2015 / Independent Director, Remuneration Committee Director, Chairperson of the Audit committee - 2003 - Present / Director - 1995 - Present / Director, Chairperson of the Executive Committee	- S&P Syndicate Public Co., Ltd. Food and Beverage Business - Advanced Info Service Public Co., Ltd. Information & Communication Technology Business Thai Plastic and Chemicals Public Co., Ltd. Plastic and Chemicals Business Deves Insurance Public Co., Ltd. Insurance business
Mrs Patamawalai Ratanapol Executive Committee Director / Nomination and Remuneration Committee / Director	62	MBA Business Administration Emporia State University, U.S.A. BBA Commerce and Accountancy Chulalongkorn University Directors Certification Program Certificate (DCP) Thai Institute of Directors Association (IOD)	42,500 (equal to 0.01%)	-	42,500 (equal to 0.01%)	None	- 2010 - Present / Director, Executive Committee Director, Nomination and Remuneration Committee - 2003 - Present / Chief People Officer - 2009 - Present / Chief People Officer, Director	- S&P Syndicate Public Co., Ltd. Food and Beverage Business - Minor International Public Co., Ltd. and Subsidiaries Food and Beverage Business The Minor Food Group Plc's and Subsidiaries Food and Beverage Business

Name – surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5–year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mrs Patamawalai Ratanapol (Continue)							- 2002 - Present / Director	- Minor Corporation Public Co., Ltd. and Subsidiaries Fashion Product Business
							- 1998 - Present / Director	- Armin Systems Limited Kitchenware Clothing and Shoe Product Business
							- 1998 - Present / Director	- Esrido Fashions Limited Clothing Product Business
							- 1998 - Present / Director	- Minor Consultants & Services Limited Luggage Product Business
							- 1998 - Present / Director	- Minor Development Limited Real Estate Development Business
							- 1998 - Present / Director	- NMT Limited Manufacturing of Consumer Product Business
							- 1998 - Present / Director	- Minor Lifestyle Company Limited Kitchenware Product Business
							- 2011 - Present / Director	- Minor Fashion Ltd. Retail Business
							- 2009 - Present / Director	- Double P Consultant Co., Ltd. Business and Management Consulting Business
							- 2014 - Present Director	- MSC Thai Cuisine Co., Ltd. Thai Culinary School named “The Thai cuisine”
							- 2008 - Present Director	- The Coffee Club (Thailand) Co., Limited. Restaurant named “The Coffee Club”

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mr Piya Sosoithikul Independent Director, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee	47	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 (IOD)	-	-	-	None	- 2017 - Present Director	- Boonruksa Holding Co., Ltd.
							- 2016 - Present / Executive Committee	- Real Estate Business Gris T Co., Ltd.
							- 2015 - Present / Executive Committee	- Cosmetic Business The One Enterprise Co., Ltd.
							- 2012 - Present / Executive Committee	- Entertainment Business Siam Housing Co., Ltd.
							- 2011 - Present / Executive Committee	- Real Estate Business Taichueros Co., Ltd.
							- 2011 - Present / Executive Committee	- Food Flavor Enhancer Business Nanyang Marketing Co., Ltd.
							- 2011 - Present / Director	- Shoes Business Nanyang Industry Co., Ltd.
							- 2011 - Present / Director	- Shoes Business Seacon Development PLC
							- 2011 - Present / Consultant of Managing Director Department	- Space Rental Business Bangkok Bank PLC. Banking Business
							- 2010 - Present / Executive Committee	- Erawana Co., Ltd. Real Estate Developing Business
							- 2007 - Present / Executive Committee	- Bualuang Securities PLC.
							- 2004 - Present / Director	- Finance & Securities Seacon Co., Ltd. Construction Business

Name – surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5–year experience	
			Beginning of 2019	Change	End of 2019		Period / position	Company
Mr John Scott Heinecke Executive Committee Director / Risk Management Committee / Director	47	Washington State University, Pullman, WA, U.S.A. BA Marketing Washington State University, Pullman, WA, U.S.A. Directors Certification Program Certificate (DCP) Director Finance Program (DFP) Australian Institute of Company Directors Association	-	-	-	None	<ul style="list-style-type: none"> - 2012 - Present / Director, Risk Management Committee - 2010 - Present / Executive Committee - 2009 - Present / Director - 2002 - Present / Chief Operating Officer 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. - Food and Beverage Business - Minor Corporation Public Co., Ltd. And Subsidiaries - Fashion Product Business - The Minor Food Group Plc's and Subsidiaries - Food and Beverage Business
							<ul style="list-style-type: none"> - SLRT Co., Ltd. - Restaurant Business - Burger (Thailand) Co., Ltd. - Restaurant Business - Plu Luang Company Limited - Real Estate Business - Phuket Vessel Holding Limited - Vessel Rental Business - Pecan Deluxe (Thailand) Co., Ltd. - Food Condiment Manufacturer - Christiani & Nielsen (Thai) Public Company Limited - Construction Business 	
Mr Somjit Kittitrakul Vice President for Bakery	56	M.S. Art Ramkhamhaeng University B.S. Biotechnology Kasetsart University	-	-	-	None	<ul style="list-style-type: none"> - Past 5 years/ Vice President for Bakery 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. - Food and Beverage Business
Mr Chongchana Chantamas Vice President for Food Operations	53	B.S. Food Science and Technology Kasetsart University	-	-	-	None	<ul style="list-style-type: none"> - 2015 - Present/ Vice President for Food Operations and R&D (Packaged Food) - 2013 - 2014/ Vice President Trade - 2008 - 2014/ Vice President for Food Operations 	<ul style="list-style-type: none"> - S&P Syndicate Public Co., Ltd. - Food and Beverage 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, breads, baked goods, Thai desserts, prepared frozen foods and bakery products; provider of home delivery and outside catering services; investor and operator of Thai restaurants abroad.
Registered capital	490,408,365 Baht (Four hundred ninety million four hundred eight thousand three hundred and sixty-five Baht)
Issued and paid-up capital	490,408,365 Baht (Four hundred ninety million four hundred eight thousand three hundred and sixty-five Baht) comprising 490,408,365 ordinary shares with a par value of 1 Baht per share.
Head Office	2034/100-107, Ital Thai Tower, 23 rd - 24 th Floor, New Petchburi Road, Bangkok, Huaykwang Bangkok 10310 Thailand
Registration No.	0107537001170 (From No. Bo.Mo.Cho. 364)
Telephone	(02) 785-4000
Facsimile	(02) 785-4040
Email address	presidentoffice@snpfood.com
Homepage	www.snpfood.com
Registrar	Thailand Securities Depository Co., Ltd. (TSD) 93 The Stock Exchange of Thailand Building Rachadapisek Road, Dindaeng, Dindaeng Bangkok 10400, Thailand Tel: (02) 009-9000 Fax: (02) 009-9991
Corporate auditors	Deloitte Touche Tohmatsu Jaiyos Co., Ltd. 11/1 AIA Sathorn Tower, 23 rd – 27 th Floor South Sathon Road, Yannawa, Sathorn, Bangkok 10120 Thailand Telephone (02) 034-0000 Fax: (02) 034-0100
Legal counsel	International Legal Counsellors Thailand 18 th Floor, Sathorn City Tower 175 South Sathon Road, Bangkok 10120 Thailand Tel: (02) 679-6005 Fax: (02) 679-6041

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

HEALTHIER FAMILY HAPPIER WORLD



S&P Syndicate Public Company Limited
2034/100-107, Ital Thai Tower, 23rd - 24th Floor,
New Petchburi Road, Bangkok,
Huaykwang Bangkok 10310 Thailand
Tel 0-2785-4000

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