



ANNUAL REPORT  
2020



“ Strengthen the Core | Create the Next ”







# The Pursuit of Strength & Growth

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For 47 years, S&P has always strive to integrate our mission : “Strengthen the Core, Create the Next”, into all aspects of the company. With our core beliefs of “Quality, Value, and Virtue”, we continue to build a stable foundation with fast adapting capabilities, the “Less Fixed, More Flex” work ethics, to overcome any social or economic crisis.

We intend to meet and exceed the demands of all our existing and ‘soon to be’ customers. Working closely and amicably with all our partners and stakeholders, whilst delivering the best products and services for the company’s success, longevity and sustainability.



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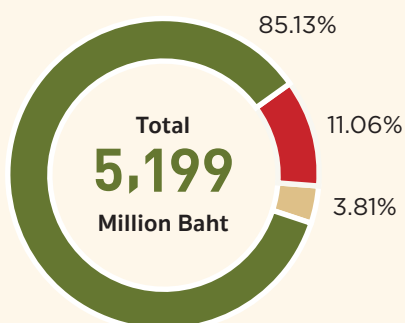
# Financial Highlight

	2020	2019	2018
<b>Statements of Profit or Loss (Million Baht)</b>			
Total Revenue	5,286	7,385	7,706
Revenues from Sales and Services	5,199	7,312	7,608
Gross Profit	2,093	3,092	3,334
Profit before Finance Costs and Income Tax Expenses (EBIT)	291	349	445
Net Profit (Attributable to Owners of the Parent)	183	314	400
<b>Statement of Financial Position (Million Baht)</b>			
Total Assets	5,389	3,891	4,040
Total Liabilities	2,994	1,355	1,450
Total Parent Shareholders' Equity and Total Minority Shareholders' Equity	2,395	2,536	2,589
Paid-up Registered Capital	490	490	490
<b>Financial Ratio</b>			
Gross Profit Margin (%)	40.26	42.28	43.82
Net Profit Margin (%)	3.46	4.25	5.19
Return on Major Holders' Equity (%)	7.55	12.55	15.89
Return on Assets (%)	6.27	8.79	11.12
Liquidity Ratio (Times)	1.20	1.75	1.59
Debt to Equity Ratio (Times)	1.27	0.54	0.58
<b>Per Share Data (Bath per Share)</b>			
Closing Price as of December 31	12.80	15.70	19.50
Par Value	1.00	1.00	1.00
Book Value per Share	4.81	5.08	5.14
Earning per Share	0.37	0.64	0.81
Dividend per Share	0.30	0.56	0.73
Dividend Payout Ratio (%)	80.38	87.35	89.45



# Revenue 2020

## Proportion of Total Revenues by Channel of Distribution 2020



Unit : Million Baht

Domestic Restaurant and Bakery Shop	4,426
Packages Food and Bakery Trading	575
Overseas Restaurant	198
<b>Total</b>	<b>5,199</b>

## Number of Domestic Branches

	2018	2019	2020
S&P Bakery Shop	342	356	335
S&P Restaurant	140	146	143
Other Brand Restaurant	27	27	24
<b>Total</b>	<b>509</b>	<b>529</b>	<b>502</b>

## Number of Overseas Restaurant

	2018	2019	2020
Asia	8	9	6
Europe	9	9	9
<b>Total</b>	<b>17</b>	<b>18</b>	<b>15</b>

## Revenue from sales and service

Unit : Million Baht

2018	7,608
2019	7,312
2020	5,199

## Net profit

Unit : Million Baht

2018	400
2019	314
2020	183

## Operating cash flow

Unit : Million Baht

2018	795
2019	650
2020	955

## Dividend

Unit : baht/share

2018	0.73
2019	0.56
2020	0.30

## Board of Director

### 1. Mrs. Patara Sila-On

Chairperson of the Board of Director

### 2. Mr. Pravesvudhi Raiva

Vice Chairperson

### 3. Mrs. Kessuda Raiva

Director /

Chairperson of the Executive Committee /

Risk Management Committee /

Nomination and Remuneration Committee

### 4. Mr. Vitoon Sila-On

Director / Chief Executive Officer /

Risk Management Committee

### 5. Ms. Cattleya Saengsastra

Independent Director /

Chairperson of the Audit Committee







6



7



8



9



10



11



12

## Board of Director

### 6. Ms. Sophavadee Uttamobol

Independent Director / Audit Committee

### 7. Mr. Piya Sosothikul

Independent Director / Chairperson of the Risk Management Committee / Audit Committee / Nomination and Remuneration Committee

### 8. Mr. Teeranun Srihong

Independent Director / Chairperson of the Nomination and Remuneration Committee

### 9. Mr. Kachorndej Raiva

Director

### 10. Mr. Kamtorn Sila-On

Director / Risk Management Committee

### 11. Mr. Matthew Kichodhan

Director

### 12. Mr. Kosin Chantikul

Director



1



2



3

## Executive Committee

**1. Mrs. Kessuda Raiva**

Chairperson of The Executive Committee

**2. Mr. Kachorndej Raiva**

Executive Committee

**3. Mr. Pravesvudhi Raiva**

Executive Committee

**4. Mr. Arth Prakhunhungsit**

Executive Committee

**5. Mr. Vitoon Sila-On**

Executive Committee

**6. Mr. Kamtorn Sila-On**

Executive Committee

**7. Mrs. Patamawalai Ratanapol**

Executive Committee



4



5



6




7





## Management Team

1. **Mr. Somjit Kititeerakul**  
Vice President – Bakery Manufacturing
2. **Mr. Chongchana Chantamas**  
Vice President – Food Manufacturing
3. **Mrs. Sathimon Tawantiang**  
Supply Chain Director
4. **Mrs. Maneesuda Sila-On**  
Sustainable & PR Director
5. **Mrs. Supawadee Hutasingh**  
Human Resource Director /  
Learning Center&Corporate  
Affair Director
6. **Mr. Thirakorn Raiva**  
Specialty & Asian Business Director
7. **Ms. Attaya Petrakard**  
Global Operation Director
8. **Mr. Poramate Sanguanchokewanich**  
Delivery Director
9. **Mr. Apichart Loapibankul**  
Information Technology Director
10. **Mr. Pipith Laohavirojana**  
Real Estate & Asset Management  
Director
11. **Mr. Pramote Pattanaprateep**  
Trade Director



We will make sure our customers receive good services and good food because **customers are our priority** ”



# Message from Chairperson

Dear shareholders,

As of S&P's 47th anniversary, the company had to face difficult challenges from the Covid-19 pandemic throughout 2020 which had devastating impacts on businesses of all kinds. Specifically, restaurants have to periodically close to prevent the spread of the virus, affecting the operations of restaurant and bakery businesses as well as the employees' wellbeing. However, as the Covid-19 crisis subsided after the middle of 2020, it was admirable that the executives and employees had joined forces to fight through this pandemic together. Despite reducing number of customers and sales, with good spirit and commitment to help reduce costs and provide good food and services to customers, we have seen an impressive outcome based on our concept and policy of "customers are our priority".

Having quickly recovered at the end of last year, S&P was able to compensate our employees with bonuses as an appreciation for their good effort, determination and dedication at work, and able to pay dividends to all of our shareholders.

However, to align with the government's campaigns on hygiene and virus prevention, the company strives to maintain our responsibilities in projects as much as we could be it waste-sorting or zero-plastic projects.

We promise that we will keep developing our business and striving for sustainable growth even though the Covid-19 situation is not likely to disappear in the near future.

On behalf of the board of directors, I would like to thank our shareholders, partners, customers, all our executives and employees who have provided support and trust to our company. In this 48<sup>th</sup> year, we will continue to maintain and improve the quality of our products and services, ensure that S&P's executives and employees will work together to maintain the quality of our restaurant and bakery business operations.



**Mrs. Patara Sila-on**  
( Chairperson )

# Message from Chief Executive Officer

Dear Shareholders,

2020 should make us see things more clearly like 20/20 vision. The past year definitely jolted us into a reality of “the age of disruption” with Covid-19 intensifying in March. We, same as many, were caught off guard with our costs fully loaded. But we immediately adopted a “Less Fix More Flex” mentality and began a swift campaign to right the ship. We came up with a nine-point Covid BCP and clawed back to healthy profitability in the second half even beating 2019.

We restructured the organization and our production to be more lean by decreasing corporate and support costs significantly. For people cost control, we adopted WFH, rest at home with government assistances, paused part timer and vocational students, and instigated an early retirement program. We aggressively closed loss making stores and negotiated for win-win rental levels, as well as closed unnecessary office space and ended leases.

On the sales side, we became more customer centric and strengthened our core Cake & Bakery Business with a variety of beautiful birthday cakes, pre-ordered Mother’s Day photo cakes, and memorable Mooncake gift design which we sold out before the season ended. We also introduced lower-priced and affordable bakery to upcountry and Bangkok perimeter areas. We had 2 very impressive new product launches namely Love Cake 98.-, and Butter Bread Stick 58.- both yielding impressive incremental sales. Our other core, the Restaurant Business introduced a new more intensely delicious dish and improved value through better ingredients while maintaining price, such as Jumbo Prawns. We aggressively marketed our 1344 delivery service as well as joined with all major food aggregators to boost convenience.

To our pride, and joy we were awarded “#1 Brand Thailand for Bakery Shop” from Marketeer in July. We continue to strive for customers top of mind in the Restaurant and Bakery arena. Our commitment to customers is to seek for the best innovative products and services, which serve the needs of the customers amidst the fast changing new normal era. And we promise to develop our leaders and successors to become able, agile, and ready to serve.

Last but not least a special thank you to our shareholders and supplier partners who stand by us through thick and thin with unwavering trust in our brand and our people.



**Vitoon Sila-On**  
( Chief Executive Officer )



Our commitment to customers is to seek for the best innovative products and services, **which serve the needs of the customers amidst the fast changing new normal era.** ””







# 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 innovation 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









# Nature of Business

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# Company History

## S&P

A small ice-cream corner was established in soi Prasanmitr. It has grown to become a restaurant and bakery chain in Thailand and abroad with more than 517 outlets.



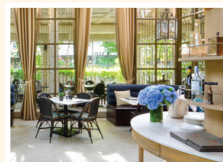
## PATARA

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



## PATIO

Home Style Cooking restaurant, Patio was opened



1973

1989

1990

1997

2001

2003



ตลาดหลักทรัพย์แห่งประเทศไทย  
สำนักงานใหญ่ อาคารรวมมิตร ถนนลาดพร้าว 101

Listed on the Stock  
Exchange of  
Thailand

Bakery factory

The Bakery factory  
was established  
at Sukhumvit 62



S&P Delivery 1344  
Started delivery food,  
drinks and bakery

Food factory

The Food factory  
was established  
at Ladkrabang  
Industrial Estate



BlueCup Coffee

BlueCup, Coffee,  
fresh quality coffee and  
beverage was established



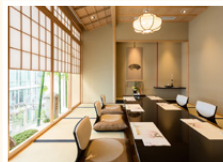
#### VANILLA

Vanilla, concept restaurant for young professional opened with its unique menu



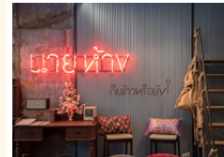
#### UMENOHANA

Kaiseki-style Japanese restaurant with its signature menu of crabs and tofu was opened



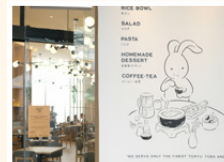
#### Nai Hang

A Thai-Chinese restaurant, with retro-Chinatown decor and Thai/Chinese menu was opened



#### Umeno Café

Japanese/Western restaurant with a Zen-Modern atmosphere was opened



2012

2016

2021

2005

2013

2017



#### MAISEN

The famous "Tonkatsu" breaded pork restaurant from Tokyo was opened in Thailand



#### SNP / HQ

A new concept restaurant with industrial style, modern decor was opened

Towards our  
**48<sup>th</sup>** year  
Strengthen the  
Core and Create  
the Next

# 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 shop, 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, 2020, the Company operates 502 domestic branches and 3 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 on 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 described in the table below:

Domestic Restaurant and Bakery Shop	Number of branch		
	Bangkok Metropolitan Region	Upcountry	Total
S&P Bakery Shop	187	148	335
S&P Restaurant & Bakery	100	43	143
BlueCup (Stand Alone)	2	-	2
Grand Seaside	-	1	1
Patio	2	-	2
Patara	1	-	1
Maisen	11	-	11
Umenohana	3	-	3
SNP HQ	1	-	1
S&P Franchise	1	2	3
<b>Total</b>	<b>308</b>	<b>194</b>	<b>502</b>

The Company also offers delivery service for food, bakery and beverages (S&P Delivery 1344), S&P Catering and Trading business/OEM



## 1.1 Business Group operated under S&P Syndicate PLC



### 1. S&P Restaurant & Bakery

S&P restaurant and bakery business is operated under S&P Syndicate PLC. Having grown from just a bakery business to a restaurant business, the company aims to develop and create an opportunity to expand its business to other new restaurant brands. S&P offers full services of food, baked goods, BlueCup coffee and various ready-meal products with meticulous eye in details and careful selection of quality ingredients, creative dishes from professional chefs and freshly-cooked dishes. 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. which is a new and important alternative in this era.



### 2. S&P Bakery Shop

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 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 ready-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 beverage. It was started up for the first time on January 21, 2002 in Siriraj Hospital, which at that time the 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 Shop, there are also stand alone “BlueCup Coffee” branches. There are currently 2 branches: The Office at Central World and Suvarnabhumi Airport.





#### 4. S&P Delivery 1344

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 the taste just as good as eating in. Customers can order through the following channels;

- **Call** : Just press “1344”
- **Website** : [www.snp1344.com](http://www.snp1344.com)
- **Mobile application** : “S&P Delivery”

With its goal to be the top-of-mind platform for Thai food and pound cake delivery service, S&P expects its customers who wish to have “good, hot and quick” meals to think of and order from S&P first. Besides, on special occasions like birthdays, customers would think of S&P as the first brand to fulfill their time of happiness. Today, leveraging more than 500 selling points across the country, S&P provides a delivery service with 100% coverage in Bangkok and other provinces and big cities – Samut Prakarn, Pathumthani, Chiang Mai, Nakhon Ratchasima, Chonburi, Phetchaburi, Songkhla and Khon Kaen.



#### 5. S&P Catering

S&P Catering provides catering services and prepares premium snack box for any needs of the customers on any special occasions, regardless of the size of the events, with various selections from menu. The services will take care of all details to provide integrated catering services for various Thai, Chinese and International food.



#### 6. Trading Business – Food, Bakery and OEM (Domestic and International)

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 Jello” and also moon cake under “Golden Dragon” brand.





## OEM

The Company also offers 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.

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. In 2020, S&P received a “Thai SELECT” symbol for its ready-to-eat food product. “Thai SELECT” is a mark of certification to guarantee the authentic



Thai cooking and taste to promote Thai food under the slogan of “Authentic Thai food by Thai SELECT”. S&P has been granted with this symbol for its 15 products.



**PATIO**  
AT TWENTY-SIX

## 7. Patio Kitchen

The international restaurant serves specific group of customers who prefer the international Home Style Cooking in the simple and relaxing atmosphere. There are currently 2 branches; Sukhumvit 26 and The EmQuartier



## patara

FINE THAI CUISINE

### 8. 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.



### 9. Grand Seaside: Seafood

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



### SNP / HQ 10. 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 where 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



## 1.2 Food and Bakery Manufacturing Business

S&P engages in the manufacturing business of food and bakery. Operating in a standard and modern facilities certified for quality, hygiene and safety, S&P is running its facilities under the awareness of efficient energy use, sustainable and reusable technology and renewable energy. The quality, hygiene and taste of our food and bakery are guaranteed, creating trust in the brand among customers.

With S&P's commitment to continue improving manufacturing performance and product distribution, the company has invested in the new warehouse and distribution hub using Warehouse Management System (WMS) and Transport Management System (TMS) which can ensure that the products can be transported from the source of production to the destination within the specified target and duration. The quality and standards of the products are maintained before reaching the hands of customers, fostering a good relationship between partners. The operation is expected to start in 2021.

We are not only producing products under the S&P brand for individual customers (B2C) but also to meet the demands of corporate customers including restaurants, hotels, agencies etc. (B2B). We also produce OEM products for other top brands. Details of our factories are below.



Food factory	Bakery factory		
Ladkrabang	Bangna-Trad (Km. 23.5)	Sukhumvit 62	Lamphun
65/4-5 Moo 4, Lad Krabang Industrial Estate, Chalongkrung Rd., Lam Plathew Subdistrict, Lad Krabang District, Bangkok	86 Moo 4, Bangna-Trad (Km. 23.5), Bang Sao Thong Subdistrict, Bang Sao Thong Minor District, Samut Prakran Province	2, 2/1 Sukhumvit 62 (Yak 3), Sukhumvit Rd., Phra Khanong Tai Subdistrict, Phra Khanong District, Bangkok	81 Moo 4, Ban Klang Subdistrict, Muang District, Lamphun Province
Standard certification			
GMP, HACCP ISO 22000:2005 ISO/IEC 17025:2017, BRC	GMP, HACCP, BRC, ISO 9001:2015, ISO 22000:2005		
Distribution hub			
31/4 Moo 3 Bangna-Trad (Km. 23.5), Bang Sao Thong Subdistrict, Bang Sao Thong Minor District, Samut Prakran Province			



## 1.3 Business Group under Subsidiary Companies

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

Established on July 27, 2012 with the paid up capital of Baht 50 million in which 99.99% of its shares are held by the Company. It currently operates franchise Japanese restaurants in Thailand, “Maisen”. As of 2020, 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, making a big step for their 48th Anniversary by consenting business alliance with S&P to open the first Tonkatsu Maisen restaurant in Thailand at B Floor of Silom Complex to introduce soft pork-deep-fried with a breadcrumb coating that spreads like a blooming flower, served with an original sauce: the dreamful soft delicious Tonkatsu, second to none.



### 2. Umenohana S&P Co.,Ltd.

Umenohana S&P Co.,Ltd. was established on June 26, 2013 to operate Japanese restaurant and food products in Thailand with the paid up capital of Baht 25 million where 60% of its shares are held by S&P Syndicate Public Company Limited and another 40% are held by Umenohana Co.,Ltd. It currently operates a franchise Japanese restaurant and sells its products under “Umenohana” brand in Thailand. As of 2020, 3 branches are in operations. A new branch of Solaria was open as of previous year.



#### 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 made of Tofu or King Crab, and
- (3) It provides customers with unforgettable experience from 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.



S&P TRAINING CO., LTD.  
บริษัท ฝึกอบรม จำกัด

### 4. S&P Training Co., Ltd.

With a paid-up capital of 1 million baht and S&P holding 99.98% of shares, S&P Training Co., Ltd. operates the training facility with the purpose of providing development training and improving skills and abilities for the employees and executives of S&P Syndicate PLC and its subsidiaries. This is to be in line with the business competitiveness nature



and changes in technology. The training also aims to create a positive attitude among employees to ensure good relationships and share accountability within the organization. New training topics are also introduced to provide digital literacy guidance to ensure that customers receive the best service in the future.

## 1.4 Business Group under Associated Companies



### 1. Foodhouse Catering Services Co.Ltd.



Paid up capital of baht 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.



Registered capital of Baht 80 million, the Company held 40% of such company's authorized share capital with Minor Food Group Plc. And Visdom Link Co.,Ltd. to operate MSC Thai culinary school. M.S.C. Thai Culinary School MSC mainly focuses on developing chefs to meet accepted standards. By doing so, the school has thus prepared courses for those who wish to be a professional chef and master in cooking Thai food. The school aims to cultivate chefs for food service industry ranging from restaurants to hotels domestically and internationally.



## 2. International Business Group

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

As of December 31<sup>st</sup>, 2020, the Company has 15 restaurants abroad in 5 countries as follows:

Restaurant abroad	England	Switzerland	Austria	Cambodia	Singapore	Total
Patara	7	1	1	-	1	10
S&P	-	-	-	5	-	5
<b>Total</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>1</b>	<b>15</b>

### 2.1 S&P Global Co.,Ltd.

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



**patara**  
FINE THAI CUISINE

**Patara Fine  
Thai Cuisine**

Authentic Thai cuisine in modern and elegant environment with the western concept. Patara has 10 branches in total; 7 branches in England and 3 branches in Switzerland, Austria and Singapore.

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



Established on April 30th, 2014 with paid-up capital of USD 1,457,500 (around 48 million baht) and 99.99% shares owned by the Company, S&P Cambodia operates restaurant business in Cambodia with 5 branches in Phnom Penh; AEON MALL, SAMDECH PAN AVENUE, EDEN GARDEN, AEON MALL SENSOK CITY, THE PARK COMMUNITY MALL











# Type of Products and Services

## Under S&P Syndicate Public Company Limited

### 1. Bakery Products

Going into the 48th year, S&P remains the leader in cake and bakery industry in Thailand thanks to its continuing effort to improve its business and products to answer the lifestyle of every group of consumers from family, teenagers and working people. S&P also improves and ensures that its cake and bakery products taste good using S&P's special recipe. The company also facilitates its customers by offering a food ordering channel through S&P 1344 Delivery and other service providers. Packaging was improved to meet the aspect of sustainability and continuous resource utilization. More branches were open to reach wider customers. Last but not least, S&P still adheres to its principles of caring about the quality of ingredients, freshness, hygiene and good taste which has been the heart of S&P business until today.

## 1.1 Cake

With dedication and care that is put into making quality cake products to respond to the needs and expectations of the customers, S&P's cakes are widely accepted and supported throughout the past 47 years. S&P's staff are proficient in maintaining the quality and standard of every step of manufacturing process whether selecting high-quality ingredients or ensuring standard procedures to make sure that the cakes are fragrant and taste good. The Company also never ceases to introduce new kinds of cakes to deliver joy to customers on special occasions such as birthdays, wedding anniversaries and other festivals. Every year, S&P designs and develops new cakes to attract customers for every occasion e.g. Valentine's Day, Mother's Day and New Year's Day. Also, for purpose of cuteness among cakes for kids, S&P has introduced more variety of cakes with license from Disney's and Doraemon.



In 2020, S&P has developed and launched new products in cake segment that can be enjoyed every day and in every occasion and can be given as a present for others. Those products (S&P Love Cake) include butter cake which is a smooth, soft and fragrant chiffon cake that comes in 3 flavors; butter, orange and coffee.



## 1.2 Puff and Pastry

S&P highlights their puff and pastry products with their “freshness, good taste and hygiene” which can be enjoyed on any part of the day be it breakfast, snacks or a quick bite during the day. Our pies and puffs are unique as our process allows us to achieve 144 layers of dough that comes with favorable stuffing such as chicken, mushroom, tuna and pineapple. Our “croissant” products include traditional butter flavor with soft dough in a French style and hot dog roll croissant filled with soft sausages that compliment the fragrant croissant dough. The “Danish product” includes almond Danish, spinach Danish, blueberry Danish and pineapple Danish to meet the demands of customers. Furthermore, S&P also has “pizza group” that includes a crab stick topping, Hawaiian topping, ham and sausage topping and carbonara topping.

In 2020, S&P has introduced a new addition to the puff and pastry group with the “butter bread stick” snack that highlights good taste and convenience in consuming for customers. It comes in beautiful and quality packages that will keep its freshness and can be given as a gift.





### 1.3 Fresh Bread and Sandwich

In 2020, in addition to the “stuffed bread” that has a soft texture with a selection of sweet and salty fillings, S&P has launched 2 new products in a fresh bread and sandwich group which are “multigrain bread” that is not only soft and delicious but is also filled with 5 nutritious grains and “brioche bread” that evokes fragrance and rich taste. The “soft bread” products are popular and very well received by the customers thanks to its good taste and concept of “soft on the outside but full of filling inside”. The fillings of Thai pandan custard and custard with salted egg are still popular among consumers.

### 1.4 Cookies

S&P maintains its focus on using real butter in its products that come in beautiful packages and offered in various collection that has been long adored by S&P customers. S&P offers cookies in many flavors such as “classic flavor”; milk, butter, pandan and coffee, “premium flavor”; white chocolate mixed with matcha green tea, almond, chocolate chips, cranberry; “fancy flavor”; chocolate, cappuccino, malt, caramel; “lava flavor”; chocolate lava, chocolate chip lava; “crispy light flavor”; almond and chocolate chip; “danish”; butter; and “cookie kids”; milk, butter, cocoa, mini cookies mix sprinkles. S&P has also highlighted the children segment. Kids S&P is the biggest manufacturer of licensed cookie in the country that has delivered happiness to children and families with cookies with Doraemon, Frozen, Mickey and Minnie Mouse, Disney’s princesses including We Bare Bears, popular characters among Thai teenagers that come in various flavors; milk flavor for panda, butter flavor for grizzly bear and mini cookie mix sprinkle for ice bear.

For this year’s New Year festival, S&P has designed a new cookie packaging for customers to buy as souvenirs and also introduced “S&P New Year Collection 2019” under the concept of “A Journey to Happiness” that aims to pass on happiness from travelling around the world in the form of beautiful and functional packages.

Furthermore, the Company also has Delio cookies and aimed to expand its customer base to external channels such as hypermarket, supermarket and convenient stores across Bangkok and other provinces.





### 1.5 Mooncake

The Company has long emphasized the Mid-Autumn Festival and remained the leader in the mooncake market under the S&P and Golden Dragon brand. In every year, mooncakes with classic style and flavor and style that reflects innovative colored skin and good taste are sold. This year, S&P has launched a new mooncake flavor to respond to target customer with “golden lotus seeds and salted egg yolk lava” that features meticulously-selected golden lotus seeds from Hong Kong and rich salted egg yolk lava to complete the flavor.

This year’s mooncakes still come in neat and beautiful packages that highlight the exquisite painting of a goddess of the moon that is complimented with meaningful and auspicious elements such as mandarin ducks and various lucky flowers. These mooncakes can be used as praying offering and a gift for relatives and friends during festivals.

### 1.6 Thai Sweet Delicacies

Thanks to positive feedback of various kinds of Thai sweet delicacies including traditional Thai sweets and applied dessert made through safe and clean production process, in 2020 the Company has increased the production capacity for Thai sweet delicacies in “Thong” group such as Thong Yip, Thong Yod, Med Kanun, Foy Thong and tapioca dumpling with pork to support the demand and growth of such product.



## 2. Food Products

### 2.1 Food Products

With a commitment to grow food product as S&P's main business, we strive to focus on single-dish meal which is the company's strength. Many of which are still popular until these days. Dishes include Pad Thai, rice with Roasted Chicken, Khao Khluk Kapi, noodle with chicken with roasted chili paste and Rice with shrimps stir fried with chili. To strengthen the food business this year, we have enhanced our products by turning "jumbo shrimps" into S&P's signature dish. Some of the customers' favorite dishes are crispy noodle with jumbo shrimps, noodle with jumbo shrimps with roasted chili paste, jumbo shrimp fried rice, quinoa rice with jumbo shrimps stir fried with fresh coconut milk etc.



S&P continues its environmentally friendly food production S&P has been committed in maintaining the quality of food in its every step from production to delivery to the hands of customers. With food products in which good taste, freshness, hygiene and safety is prioritized, S&P has selected special ingredient "eggs from happy chickens" which places importance on the wellbeing of the animals and encouraging a cage-free farming. When chickens can move freely in nature, they will be happy, healthy, strong and free of toxic from antibiotic and growth hormones and can produce fresh, new, high-quality and toxic-free eggs that can be made into breakfast dishes like "pan fried eggs", "English breakfast", "soft and fluffy omelette" and a popular dish of "rice with shrimps stir fried with chili and topped with egg" as well as other dishes made from eggs such as Khao Khluk Kapi, omelette over rice with young coconut shoots and sea bass etc.



### 2.2 Frozen Finished Food : Quick Meal

As a pioneer in the ready-to-eat frozen food industry, the Company has consistently invested in research and development of new products in order to improve the food taste to be delicious according to the customers' demands and to launch new products and packages in order to make customers more convenience and to keep the production standard. S&P frozen finished food of all menus is carefully cooked to satisfy the customers and also to provide value and nutritional safety. Our modern packaging, both inside and outside, is suitable for a hasty 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: Jelio Jelly

Ready-made carrageenan jelly, both in the forms of carrageenan jelly mixed with fruit flesh cups and ready-to-drink jelly mixed with fruit juice providing high vitamin C, 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

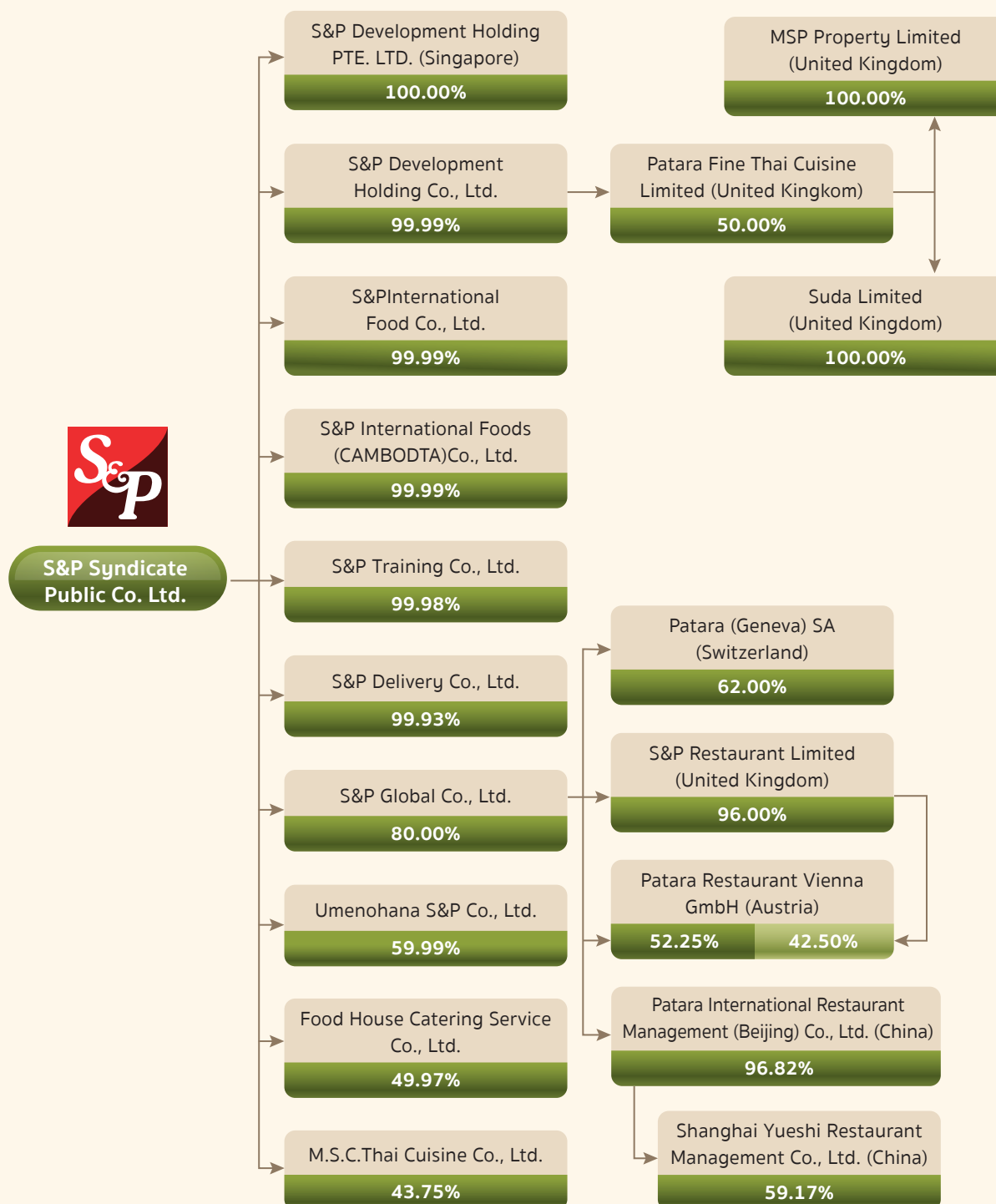


Drinks from S&P beverage bar consist of fruit juice beverage made from 100% fresh fruit juice and smoothie fruit juice providing benefit and freshness to the body. Drinks include smoothie watermelon juice, fresh orange juice, pineapple juice, longan juice, coconut juice, etc. Moreover, S&P has healthy drink of soybean milk made through the Japanese production process from Umenohana Shop called "Toniyu Beverage", to sell in both hot and cold style. For those coffee lovers within all S&P Restaurants, BlueCup Coffee operated by S&P has grown together with the expansion of S&P branches. The good taste of premium coffee comes from Arabica coffee from Thailand mixed with coffee from other sources. The company emphasizes on every step from coffee bean harvest, coffee roasting for the standard and harmonious taste and the commitment of the BlueCup baristas who focused on making fresh coffee and beverages for coffee lovers who love specific taste and smell of the BlueCup coffee.

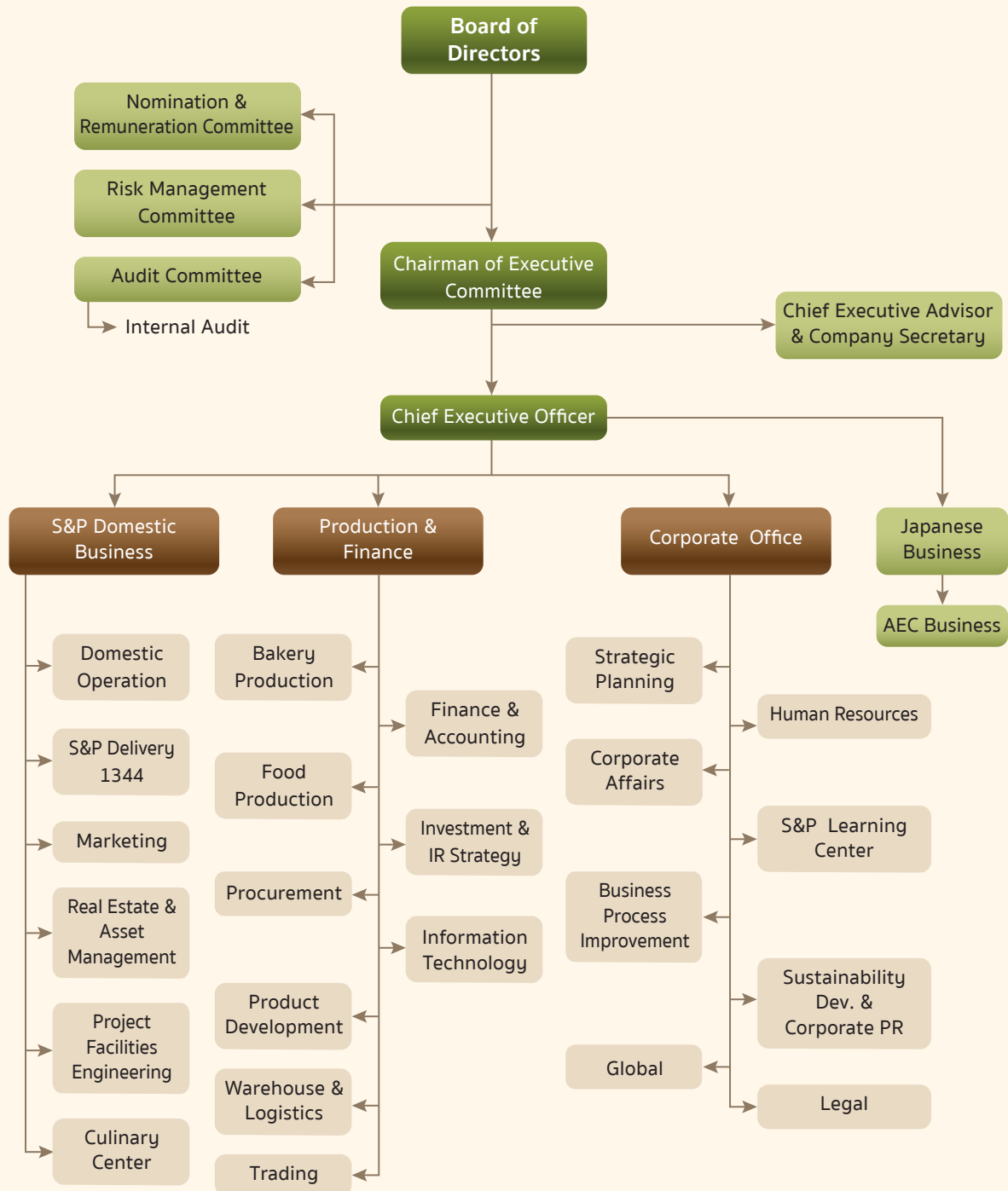
This year, BlueCup has prioritized selling takeaway coffee and delivery to meet the needs to customers who have to keep social distance. The Cold Brew coffee from BlueCup has received overwhelming popularity in the previous year as the coffee is made from 100% Arabica coffee beans originated from Thailand, Guatemala, Brazil and Indonesia and has been cold pressed. The coffee beans have also won the Golden Medal International Coffee Tasting Award from Italy. BlueCup's Cold Brew tastes and smells like caramel mixed with chocolate, has a soft but intense taste. The beans are aged in a pure cold water and freshly grounded at the store before serving in the cups. It can be perfectly enjoyed with food and baked goods.



# S&P Group Structure (2020)



# S&P Organization Chart (2020)





## Company Managerial Structure

The managerial structure of the Company comprises 5 committees, that is, the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Executive Committee. Also, there is another set of 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
3	Mrs. Kessuda Raiva	Director and Chairperson of the Executive Committee
4	Mr. Vitoon Sila-On	Director and Chief Executive Officer
5	Ms. Cattleya Saengsastra	Independent Director
6	Ms. Sophavadee Uttamobol	Independent Director
7	Mr. Piya Sosothikul	Independent Director
8	Mr. Teeranun Srihong	Director
9	Mr. Kachorndej Raiva	Director
10	Mr. Kamtorn Sila-On	Director
11	Mr. Matthew Kichodhan	Director
12	Mr. Kosin Chantikul	Director

### Company Secretary

Mrs. Patamawalai Ratanapol Company Secretary

Note: There were changes in the company director and company secretary, namely:

1. Mr. Lerssak Boonsongsup resigned from the position of the Director on August 10<sup>th</sup>, 2020
2. Mr. Chaiyapat Paitoon resigned from the position of the Director on August 10<sup>th</sup>, 2020
3. Director No. 11 (Mr. Matthew Kichodhan) became a Director on August 13<sup>rd</sup>, 2020 in the replacement of Mr. Lerssak Boonsongsup, the resigned director.
4. Director No. 12 (Kosin Chantikul) became a Director on August 13<sup>rd</sup>, 2020 in the replacement of Mr. Chaiyapat Paitoon, the resigned director.

### Audit Committee

The Audit Committee comprises 3 members.

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

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 3 members.

1	Mr. Teeranun Srihong	Chairperson of the Nomination and Remuneration Committee
2	Mr. Piya Sosothikul	Nomination and Remuneration Committee member
3	Mrs. Kessuda Raiva	Nomination and Remuneration Committee member

### Risk Management Committee

The Risk Management Committee comprises 4 members.

1	Mr. Piya Sosothikul	Chairperson of the Risk Management Committee
2	Mr. Vitoon Sila-On	Risk Management Committee
3	Mr. Kamtorn Sila-on	Risk Management Committee
4	Mr. Chaiyapat Paitoon	Risk Management Committee

Note: There were changes in the Risk Management Committee, namely:

1. Mrs. Kessuda Raiva was in a position of Risk Management Committee on November 13<sup>th</sup>, 2020
2. Mr. Chaiyapat Paitoon resigned from the position of the Risk Management Committee on August 10<sup>th</sup>, 2020

### Executive Committee

The Executive Committee comprises 7 members.

1	Mrs. Kessuda Raiva	Chairperson of the Executive Committee
2	Mr. Kachorndej Raiva	Executive Committee Director
3	Mr. Pravesvudhi Raiva	Executive Committee Director
4	Mrs. Patamawalai Ratanapol	Executive Committee Director
5	Mr. Arth Prakhunhungsit	Executive Committee Director
6	Mr. Vitoon Sila-On	Executive Committee Director
7	Mr. Kamtorn Sila-on	Executive Committee Director

### Management Team

The Management Team comprises 11 members

1	Mr. Somjit Kititeerakul	Vice President – Bakery Manufacturing
2	Mr. Chongchana Chantamas	Vice President – Food Manufacturing
3	Mrs. Sathimon Tawantiang	Supply Chain Director
4	Mrs. Maneesuda Sila-On	Sustainable & PR Director
5	Mrs. Supawadee Hutasingh	Human Resource Director / Learning Center & Corporate Affair Director
6	Mr. Thirakorn Raiva	Specialty & Asian Business Director
7	Ms. Attaya Petrakard	Global Operation Director
8	Mr. Poramate Sanguanchokewanich	Delivery Director
9	Mr. Apichart Loapibankul	Information Technology Director
10	Mr. Pipith Laohavirojana	Real Estate & Asset Management Director
11	Mr. Pramote Pattanaprateep	Trade Director

Remark: Details of all Directors and Executives appear in the Details of All Directors and Executives.





# Economic Situation and Business Competition

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Thai economy welcomed 2020 with the hopes of a stronger economic expansion than in 2019. However, with “VUCA World” (Volatility, Uncertainty, Complexity and Ambiguity) or a world where every aspect of our life is quickly changing because of technology, Thai economy has been sluggish and grown at a lower potential level due to the Covid-19 outbreak at the first month of the year in several countries especially China. Business operations and employment of private sector in the tourism industry are heavily affected by the pandemic.

The economic impact of Covid-19 on Thailand’s economy in 2020 has been severe. Due to strict Covid-19 prevention measures in the country and overseas, an economic growth mechanism has been put on hold, the lack of liquidity in the business sector causes the decrease in manufacturing and revenue, the unemployment rate has spiked and tourism industry is likely to see a slow recovery. Thailand’s economy has been severely impacted due to being heavily reliant on international tourists of around 13 percent of GDP, higher than other Asian countries. As a result, Thailand’s 2020 economy contracted at 6% with 700,00 people unemployed and an increase of a household debt from 75% to 84% of GDP. The impact of Covid-19 pandemic on the economic growth is worse than what was seen during the Tom Yum Koong crisis in 1997.



## Restaurant and Bakery Businesses

The restaurant business is one of the businesses that plays a significant role in the economy of the country and its Service Sector. Having a current value of at least 400 billion baht, the sector sees many minor and major entrepreneurs who continue to be interested in building the businesses. Furthermore, the total value of the business accounts for 4.7 percent of GDP in Service Sector. The restaurant business in 2020 reported a total value of 437-441 billion baht. With a sluggish growth due to the economic slowdown and changed Thai consumers' behaviors of avoid traveling and eating at home more, it presented a challenge for restaurant business owners to sustain and stand on their feet during more intense business environment factors. With an average revenue per restaurant likely to decline, the business owners need to adapt to reduce the pressure from all-around challenging factors including a heavy competition, pressure from costs affecting business profits, more complexed consumer behaviors and a role of technology in changing the competitive nature of the restaurant business.

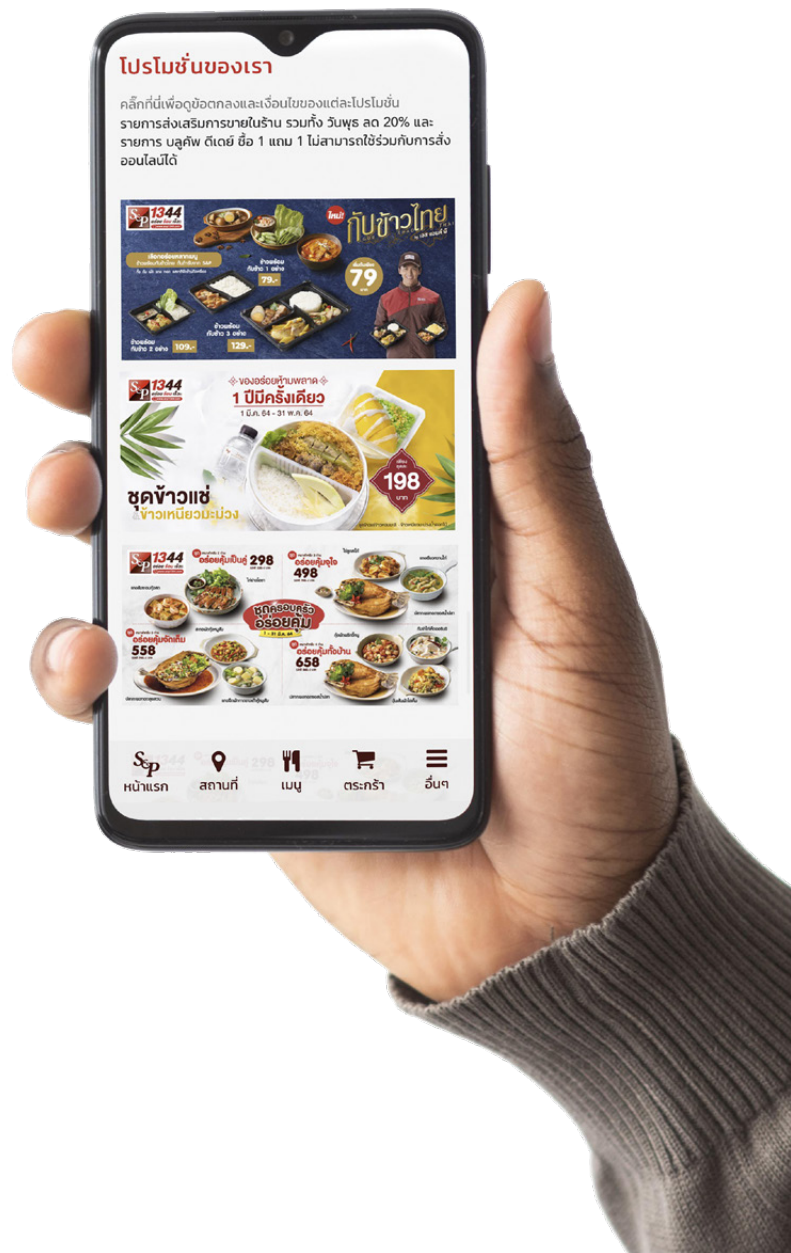


Under a pressuring business environment from an economic slowdown and changed consumer behaviors affected by the Covid-19 outbreak, “convenience + variety + affordability” has become a new standard for consumers today and restaurant businesses are urged to adapt to this standard in 2020. In addition to planning for a future expansion, S&P also restructured its organization under the Lean Management concept to focus on value, performance and quality of work process, and reducing fixed costs to ensure flexibility and adapt the strategies to changes. The Company has operated under a plan that prioritizes main product development e.g. cakes, baked goods and Thai food as well as services for customers in different segments. S&P also aimed to provide 1344 Delivery service and introduce innovations to distinguish itself through adding value to products/services and customer experiences which led to the Company’s winning “Marketeer No.1 Brand Thailand 2019-2020” in the bakery category.

## Trends in changes of technology

2020 is a year of fierce competition and changes in food delivery service. As Covid-19 pandemic prevents people from eating at restaurants, more customers opt to food delivery service and start to be familiar with ordering food through online channels in addition to ordering over the phone such as [www.snp1344.com](http://www.snp1344.com), S&P Delivery application and through various food aggregators e.g. Grab, Line Man, Foodpanda.

Recognizing such trends and wanting to improve customer experiences in the second quarter of 2021, the Company plans to launch a new digital ordering platform in which customers can use [www.snp1344.com](http://www.snp1344.com) and S&P Delivery app more easily by filtering the products based on special occasions such as birthday cakes, food boxes for meeting or snack boxes for merit-making ceremonies and enjoying a faster payment process for all payment methods. Customer information on the Joy Card will be linked to the S&P Delivery app through a big data management which gives customers exclusive offers when ordering such as discounts and points just like dining in or storefront ordering to ensure a seamless experience in online and offline order.



# Important Events in 2020



## **“Less Fixed” Cutting costs and restructuring to optimize performance**

With the impact of Covid-19, we have managed and optimized the costs for maximum performance such as restructuring, reducing management costs, closing-opening more branches etc. for a significant decrease in costs.



## **“More Flex” Quickly adapting to meet changing demand of customers**

Following the access to products that have been changed because of the lockdown measure, we shifted our focus to delivery service, improvement of application performance and curation of products that are right for customers in this situation.



## **Introducing new “value” products**

With an aim to develop new products to engage more consumers and prioritize customers' need, S&P has introduced “value” products using premium ingredients to the market such as soft cake (S&P Love Cake), butter bread stick, jumbo shrimp dishes etc.



## **Important awards**

S&P received the “No. 1 Brand Thailand for Bakery Shop” award from the Marketeer magazine and other awards and the Company is proud that our products are still on consumers' mind



## **Growing in food service business**

S&P continues to grow together with food service operators by developing new products, package food and OEM products as well as offering to be a manufacturer of quality food and bakery for customers



## Covid-19 Response and Operational Measures

The spread of Covid-19 in the past year has created a severe impact on the economy and society with people having to change their behaviors and adjusting to the new normal way of living. Extreme changes in working styles and business operations are also evidently seen as the business turnover is affected as a result of the private sector's failure to adapt to such changes. Many companies have faced continuous loss and some ended up shutting down. The tourism, hospitality and transport industry has taken the hardest hit by the pandemic. As for the restaurant businesses, the impact is also heavy due to the social-distancing measure and group gathering limits. Unlike in normal situations, the restaurants cannot allow dine-in customers. Most people have to be quarantined at home in accordance with the lockdown policy enforced by the government.

During the pandemic, S&P has raised its work safety measures to ensure that employees in every sector, including manufacturing facilities and restaurant and bakery as well as employees at all levels in every office comply with public health measures. The measures include cleaning and sanitizing equipment, frequent disinfection in the service area, social distancing, avoiding contact etc. to make sure that food and bakery products are safely delivered to consumers.



The impact of the spread of Covid-19 on the company is inevitable. To ensure the company is able to continue operating under this difficult situation, the action plan has been made in response to the impact of Covid-19 (Post-Covid Business Continuity Plan). The details of 9 action plans are as follows;



### 1. Grow Cake Sales

To grow cake sales and take the leading position in the birthday cakes and seasonal cakes market, a special committee was formed to establish sales and communication strategy. The company also aims to roll out cakes that can reach and appeal to more customers as well as introducing new “value” products to expand its cake consumption base such as soft cake (S&P Love Cake) priced at only 98 baht. The product received a good response from customers and can contribute to the overall sales of the company.



### 2. Grow Delivery Business

As consumer behaviors have shifted to an online delivery as a result of Covid-19, the company has restructured the team and working style of the delivery department to boost its competitive edge. For the convenience and fast delivery to the customers, the ramped-up service includes calling 1344 to order, ordering through the 1344 Delivery app as well as ordering via other food aggregators. New dishes, new promotions and value set menus were also introduced to meet the customers’ needs. The company also provided delivery service for its cake products via food aggregators contributing to the growth of the business.



### 3. Turnaround for S&P Restaurant

The strict regulation of the operation the restaurants has made a severe impact on the turnaround of S&P Restaurant. After a deep analysis and establishment of working measures, the company has decided to reduce the impact on its profits and loss of each branch by closing the branches that made no profits. The company also closely coordinated with the mall and its owner to cut rental fee and charges throughout the year, adjust the size the store to suit its sales and profits, reduce in-store cost and minimize cost that does not affect the quality of food and services. Having adopted all those strategies, the company is eventually able to recover its loss in the food business.



### 4. Year of Manufacturing Performance

The company has rolled out the “Boosting productivity” project to optimize work performance. The entire manufacturing process has been reviewed to reduce redundant steps and minimize unnecessary procedures which leads to the decline in work hours, number of employees, manufacturing material and production waste. Having thoroughly analyzed the production cost, allocation, adjustment of product group for the production line, the company was able to heavily minimize other costs. As a result of a consistent effort in every year, every facility has seen increasing profits.



### 5. Specialty Group

In addition to S&P Restaurant, restaurants under other brands such as Patara and PATIO have come up with a business plan to cut employee’s expenses, food cost and rental fee in order to achieve positive EBITDA before rental expenses.



## 6. Turnaround for Japanese Restaurants

Maisen and Umenohana which are the dine-in restaurants have reviewed the turnaround for each branch and shut down those that did not make profits and where the company failed to negotiate the rental fee for. The management style was changed to cut cost and redundant steps. The company also boosted its sales through delivery channel, ending the year with the achievement in profits of the Japanese restaurants in the second half.



## 7. Lean Corporate Expenses

The pandemic presented a good opportunity for the company to review the performance of its office and support units. In efforts to adopting technology and digital system to minimize work process and consumables in its workplace, the company was able to reduce the number of employees and work space. These changes contribute to a better performance of each unit and all employees could quickly support the storefront operation team.



## 8. Global Business

The global spread of Covid-19 has heavily affected the company's restaurants in the UK, Switzerland, Austria and China. With restaurants closing due to strict measures in each country, the company had to roll out measures to control expenses and allocate workforce to comply with operation policy to ensure least damages and to allow the business to keep running. Its branches in China were closed to minimize current damages and in the future.



## 9. Developing Successor

With S&P's emphasis on the development of human resources and success passed down from generation to generation, the company has developed a new generation unit to help drive the modern-day management and introduce new perspectives and work potential in the digital world in order to improve the organization. S&P also created a strategic plan in line with the changes in this era of disruption.

According to the 9 action plans above, the turnaround of the company in the second half has seen more growth than the previous year where Covid-19 did not exist, propelling the company to overcome this severe economic crisis. Despite an ongoing spread of the virus, the company still continues to develop action plans in response to possible circumstances with caution and care in order to make profits and grow in the future.



# Business Expansion and Product Development

## 1. Business expansion

From the Covid-19 situation, S&P has prioritized digging into the profit-making performance of each branch and therefore has considered closing some branches that are not profitable. However, to accommodate the target customers to access product and services, the Company is still seeking potential areas to open new branches of “restaurants” and “bakery shops” in Bangkok and other provinces. In 2020, S&P opened 5 new restaurants branches at Samyan Mitrtown, Aikchol 1 Hospital, Siam Premium Outlet, Rajavithi Hospital, Signature Silom Complex, and 9 bakery shops.

## 2. Product development and promotion

- In response to the customers’ need and to expand its cake products business, S&P has introduced products that can be enjoyed by everyone at anytime of any day in an affordable price and can be found anywhere. In August 2010, S&P started selling soft butter cake or “S&P Love Cake” that has a soft and light texture, good smell and comes in 3 flavors; butter, orange and coffee. Coming in a beautiful and colorful packages, the cake is only 98 baht and can be enjoyed by customers themselves or can be a gift for others. The product is promoted through TV, online channels, storefront, product grouping and outstanding display. The product gets a good response from customers.



- “Butter bread stick” is another product in the puff and pastry group in the form of snack. In 2020, S&P has introduced a new addition to the snack group to deliver good taste and convenience in consumption anywhere at anytime. Packed in a beautiful packaging, the product is kept fresh and can be given as a gift to others. Product awareness is created through giving free samples, online communications, storefront media, product grouping, promotion display and continuous promotional activities.



- To promote access to S&P's bakery product for a wider target group, in 2020 S&P has launched a new bakery product under the S&P Delio brand that consists of cake slices, stuffed bread and pastries with good taste, quality and affordable prices especially for those who have never tried S&P products before. The strategy of product launch under the S&P Delio brand is part of its market segmentation: Upper/Middle/Mass planning. The S&P Delio products are aimed at the mass market which is the key customers of more than 150 S&P shops in the country.

- In 2020, BlueCup has expanded its coffee and beverages sales channels through the delivery service including S&P Delivery 1344 and aggregators. Following the Covid-19 pandemic, BlueCup's delivery service has grown almost 100% compared to the previous year.

In response to the policy of environmentally-friendly packaging and sustainability in raw materials, manufacturing process and disposal, since July 2020 to present, BlueCup under S&P has started to use PBS costed two-layered paper cups that are naturally compostable thanks to 3 factors which are microorganism, humidity and suitable temperature. BlueCup also replaces normal plastic straws with paper straws and compostable plastic straws.



- The Company has adopted strategies that drive the growth of its restaurant business in the previous year by building an awareness of its brand and partnering with food delivery platforms e.g. GrabFood, Foodpanda and Line Man to quickly engage with target customers and allow them to order through applications.

## Awards and Achievements in 2020



### S&P receives “THAILAND TOP COMPANY AWARDS 2020”

S&P Syndicate PLC received “THAILAND TOP COMPANY AWARDS 2020” in the food and beverages industry category for its continuous growth, excellent turnover, and impressive results from Professor Emeritus Kasem Wattanachai, M.D. at InterContinental Hotel Bangkok.



### S&P receives “Marketeer No.1 Brand Thailand 2019-2020 for Bakery Shop”

S&P Syndicate PLC emphasizes its lead in bakery business by receiving the “Marketeer No.1 Brand Thailand 2019-2020 for Bakery Shop” award based on the marketing survey of users in Thailand organized by the Marketeer magazine. The award was handed by Mr. Pempol Popermhem, Editor and Founder of Marketeer at The Okura Prestige Hotel Bangkok.







## S&P receives environmental certificates for 2 projects

S&P Syndicate PLC received environmental certificates for 2 projects which are Carbon Footprint of Organization (CFO) Project and Carbon Footprint of Product (CFP) Project for its 5 products at the “Climate: Positive Actions – Together” event organized by Thailand Greenhouse Gas Management Organization (Public Organization). The certificates were presented by Mr. Jatuporn Buruspat, Permanent Secretary for Ministry of Natural Resources and Environment at The Berkeley Hotel Pratunam Bangkok thanks to S&P’s commitment in operating its business under sustainability and optimization of resources management.

## S&P honored with “Thai SELECT” 2020

S&P Syndicate PLC was honored with the “THAI SELECT” certificate for 2020 from Mr. Somdet Susomboon, Director General, Department of International Trade Promotion, Ministry of Commerce at the certificate-presenting ceremony. “Thai Select” is a mark of certification to guarantee Thai food with authentic cooking process and taste to promote Thai food to the world stage under the “Authentic Thai food by Thai SELECT” slogan. S&P has been granted with this symbol for its 15 dishes which include 1. Massaman Shrimp Curry, 2. Shrimp Green Curry, 3. Tom Yum Goong, 4. Baked Prawns with Glass Noodle, 5. Pad Thai with Shrimps, 6. Fired Rice with Mixed Grains, 7. Rice with Thai Basil Shrimps, 8. Taro Dumplings in Coconut Cream, 9. Sago & Black Bean in Coconut Cream, 10. Sweet Banana in Coconut Cream, 11. Glutinous Rice with Durian in Coconut Cream, 12. Sticky Rice with Custard, 13. Mango Sticky Rice, 14. Black Glutinous Rice in Coconut Rice and 15. Baked Taro Custard. S&P also set up a booth at “THAIFEX-ANUGA ASIA 2020” held at Impact Challenger Hall 2, Muang Thong Thani to show its leading position in Thai food and bakery industry and application of state-of-the-art innovations and technology in product development that allows the food to be kept for a long period while maintaining its authentic taste, answering the needs of new generation of customers.



# Marketing Activities

To deeply understand the buying decision process of connected consumers is a challenge that S&P is facing today. The Company therefore highlights on analyzing customers' data including touch points or communication channels to maximize its reach to customers. The Company aims to build a long-term relationship and connection and understand which marketing activities customers want and expect from the brand.

## 1. General Marketing Activities

Main activities in 2020 consist of activities long enjoyed by customers and special activities to give thanks to customers who have been loyal to S&P.



### Bakery : S&P Love Cake at only 98 baht

S&P has created “Love Cake” with soft and fragrant texture that comes in 3 flavors; butter, orange and coffee and can be enjoyed by the whole family. Love Cake is sold at a family-friendly price of only 98 baht.

### Food : DIY Set

With a challenging economic situation and understanding of the needs of customers, S&P introduced a “DIY Set” that combines different quality dishes in a set for 2-4 people in a special price starting 298 baht. The “jumbo shrimp” dishes start at only 155 baht.

### Joy Card

Joy Card members can enjoy a 10% discount on selected food and bakery products including other members-only benefits and promotions. Members can also collect points and enjoy special promotions on pound cakes. Additionally, the company also offers 15% discount every day for the whole year for our Joy Card members.

## BlueCup Coffee

BlueCup's marketing activities in the previous year prioritized on takeaway and delivery service. Its "BlueCup D-Day Buy 1 Get 1 Every Friday" takeaway promotion has been running for more than 10 years with the main purpose of giving happiness of drinking coffee to BlueCup and S&P customers every Friday. In addition to encouraging friends and loved ones to get together and enjoy the drinks, this promotion is



an opportunity for new customers to get to know BlueCup at special prices and to try different types of beverages such as coffee, cold brew coffee, tea, smoothie, sparkling and chocolate drinks made for everyone. BlueCup also offers a delivery service that also has a Buy 1 Get 1 promotion offered every day at limited time in the previous year.



Furthermore, at the beginning of the year, BlueCup also rolled out a promotion for AIS customers with a discount of 20 baht and for AIS Serenade members with a 50% discount for its signature beverages including, Blue Ice Coffee, Americano, Cappuccino, Latte, Green Tea and Thai Iced Tea. The promotion was very well received by BlueCup and AIS customers.

## 2. Seasonal Marketing Activities

### New Year Festival

In the happiest time of the year whether Christmas or New Year 2021, in addition to popular products that customers usually buy as gifts for their special ones be it cake, cookies or hamper/gift baskets, S&P also introduced a new "S&P New Year Collection"

under the "A Journey to Happiness" concept to maintain its position as a brand of giving. S&P is determined to pass on the happiness of traveling around the world through the beautiful and meaningful packaging designs to highlight the festival of happiness among Thai people. Consisting of products in different groups including cake, cookies and hamper/gift baskets, the collection boasted exquisite packages and usability in accordance with S&P's sustainability and global warming policy. More importantly, S&P also rolled out a special promotion for Joy Card members with a discount of 10% for cookies and hamper/gift baskets and up to 20% discount for cake products.







## Valentine's Day

S&P took part in Valentine's Day with S&P Cake designed specially for the festival of love, including heart-shaped cake and flower cupcakes as gifts to give to loved ones in February.



## Lunar New Year

S&P offers a new addition to Lunar New Year with a variety of baked goods products such as Cake of Wealth, Mini Lucky Orange, Thai Steamed Cupcakes, Mamon Cake and Ma Li Go Cake.



Promotion: A set of Thai Summer Rice (Organic Jasmine Rice) and Fresh Mango & Sticky Rice is offered at only 298 baht from 370 baht.

## Songkran - "Thai Summer Rice (Khao Chae)"

In the summer, S&P introduced a Thai dish to cool down the heat, "Traditional Thai Summer Rice", to boost an awareness of the dish and conserve it for the new generations. As this year, the Thai Summer Rice festival occurred during the Covid-19 situation, S&P has launched the dish in a box set style that tastes good just like dining at the restaurant. The Company has selected quality and high-nutritious jasmine rice from Ban Prue Organic Farming Group, Buriram Province. There are 2 dishes to choose from; Thai Summer Rice (Organic Jasmine Rice) and Thai Summer Rice (Organic Pandan Jasmine Rice), that can be enjoyed with condiments which include stuffed green peppers with crab meat, made from seasoned ground crab and chicken meat wrapped in fried sliced eggs and fried shrimp paste ball, made from sheatfish, dry shrimps mixed with Khlong Khon shrimp paste and herbs.



## Chinese Vegetarian Festival

### Vegetarian baked goods:

S&P offered alternatives to customers with delicious vegetarian pastries that are both healthy and full of merit. Some of the popular baked goods include vegetarian banana cake, macadamia cake, vegetarian brownie, chocolate cake with soft ganache, pineapple puffs and ginkgo and taro puffs etc.

## Vegetarian dishes

- Value vegetarian set: You can pair your favorite vegetarian dishes that include Vegetarian Pad Thai, Quinoa Rice-Stewed Vegetables with Mushrooms, Black Olives Fried Rice, with fruit smoothies. The 3 meal sets are only 185 baht from 220-245 baht.
- Vegetarian dishes for health and merit-conscious customers: Dishes for the new generations who are health and merit conscious include Vegetarian Larb with Mushrooms and Tofu, Vegetarian Fruit Som Tam, Quinoa Sticky Rice with Som Tam and Vegetarian Grilled Chicken and the new dish, Chicken with Cashew Nuts, and dessert at a special price of only 39 baht.



## Mother's Day

- S&P has created a special gift for everyone to give to their mothers in this special day with a tasty cake that comes with wishes. As a gift of love to mothers, when ordering Mother's Day Cake, customers will get a free Photo Cake with an edible sugar sheet photo on the cake that will create a memorable moment for mothers. Other types of cake were also rolled out to complete beautiful memories in this year's Mother's Day.
- On 8-12 August 2020, S&P has prepared a special menu to celebrate Mother's Day at S&P Restaurant with Thai and international dishes made from jumbo shrimps and other premium ingredients e.g. Crispy Noodle with Jumbo Shrimp, Quinoa Rice with Stir Fried Jumbo Shrimp with Chili and Coconut Milk, Noodle with Stir Fried Shrimp with Roasted Chili Paste, Spaghetti with Tomalley and Jumbo Shrimp, Macaroni with Jumbo Shrimp. If you bring your mother to eat at S&P Restaurant, you will get a medium-sized 3-Flavored Crispy Noodle for free.



## Mid-Autumn Festival

S&P continues to focus on Mid-Autumn Festival and maintains a leading position in the mooncake market with the S&P and Golden Dragon brands. S&P's care for customers started with the adoption of modern manufacturing technology that helps prolong the mooncakes' shelf life and keep them fresh. Every year, S&P sells mooncakes in classic and new flavors to meet the needs of customers who expect delicious, unique and different mooncakes. This year, S&P has introduced a delicious new product, "Mooncake with Golden Lotus Seeds and Salty Egg Yolk Lava", made from high-quality ingredients. More importantly, S&P's mooncakes come in gorgeous packages under the concept of "A Gift from the Moon" which conveys that S&P's mooncakes are a valuable gift from the moon that are filled with auspiciousness, luck, pride and fulfillment



of both givers and receivers. The mooncakes from S&P are perfect to be given to special ones at every time on every occasion not just during Mid-Autumn Festival. For this year's promotion, S&P has offered a 20% discount on the purchase of the first mooncake on every Wednesday during the promotional period at participating S&P shops.









# 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.

## 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 practicing the Corporate Social Responsibility (CSR) in all of the Company's main units, whether under the anti-corruption policy as effective throughout the organization, the responsibility for consumers, the environment conservation, and the improvement of operation systems to reduce energy use of the production line. The following activities have been undertaken continually:

### 2.1 Anti-corruption Policy

The Board of Directors has recognized and prioritized good corporate governance, by supporting the Company's participation for Collective Action Coalition of Thailand's private sector in anti-corruption. The Company has been certified as a member for the Collective Action Coalition of Thailand's private sector in anti-corruption, operated by Thai Institute of Director (IOD) for the third consecutive year. The Company has approved an Anti-Corruption Policy, with an emphasis for the Board and Management to act as a role model for anti-corruption practice, anti-bribery, either as gift exchanges, financial support, or donation, and for the Company's directors, employees, and those from subsidiary companies to uphold these guidelines. Information on anti-corruption has been disseminated through the Company's communication channel, and communicated to the Company's stakeholders to ensure awareness of the aforementioned issue. Setting criteria and developing guidelines, regulations and ethics to align with such policy as well as the publication of anti-corruption policy through company's communication channel and communication to stakeholders to comply with such policy. The company has insisted that the committee and executives strictly follow and comply with such policy so that employees and stakeholders are aware and collaborate in complying with such policy as well.

Apart from anti-corruption measures, reducing occurrence of corruption, the Company has also conducted evaluation measures on corruption monitoring, which help with the identification of significant corruption and prompt reporting. The Company has assigned the channel of "Whistleblower" for stakeholders, relevant personnel, directors, and employees to communicate their grievances, or share information of corruption, or unjust treatment. The Company considers such sharing as a confidential matter. Only those assigned or directly involved would be privy of such information. Information on corruption cases and sharing of grievances can be done via the following channel:

1. **By E-mail** : [whistleline@snpfood.com](mailto:whistleline@snpfood.com)
2. **By Post** : addressing to; Audit Office, S&P Syndicate PLC  
2034/100-103, 106-107 Floor 23 Ital-Thai Tower,  
New Petchburi Road Kwang Bangkapi, Khet Huaykwan, Bangkok 10310
3. **Through call center**  
Phone : 0 2785 4000 ext 386  
Mobile Phone : 08 9204 5542

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

The unprecedented Covid-19 outbreak in the previous year requires a new approach of handling the situation. Customers must be sure in every product manufactured at 2 facilities which are the company's main kitchen of the business that focuses on quality, hygiene and safety. S&P therefore exercised strict Covid-19 prevention measures at a maximum safety level to screen every factor of manufacturing including hygiene of visiting third parties, operation staff, and family. This is to ensure that everyone involved in the manufacturing process is tested negative for Covid-19 and that the products are clean and safe.

### Covid-19 Prevention Measures for Production Line



### Food Production Line

Operating under the “continuously developing and producing quality and safe products for customers’ satisfaction” policy, the Lad Krabang Factory’s food production line has built a foundation of employee development to create food safety culture and improve quality management system to be up to date, in compliance with the world standards. The optimization of work process has created a work standard for the organization, reduce production and service costs, and develop reliable corporate image and competitive opportunity for sustainable growth of the business. The factory also emphasizes on the good nutrition for consumers to ensure food stability. By controlling the entire food cycle from quality raw materials, products and application of customers, the factory also focuses on the quality and safety of the production process, in compliance with the law and international quality standards. Traceability system is also adopted to ensure customers of quality and safety. The factory is also certified with GMP, a certification in the quality of food production from the government sector and HACCP from Food and Drug Administration, Department of Agriculture and Department of Fisheries. Moreover, it has been assessed by the USFDA for its frozen ready to eat



dessert and certified by private sector – GMP, HACCP and ISO 22000:2005 from SGS (Thailand) Co., Ltd. These certification affirms that the company has placed its priority in the quality and safety of the products for the benefit of the customers.

Its food production line also applies sustainable process by controlling the waste volume at the source, optimizing waste sorting and correctly utilizing the waste before final disposal stage in accordance with the 3Rs waste disposal principle which includes Reduce, Reuse and Recycle. The company also focuses on effective use of resources in its production line, reducing waste to the minimal and maximizing the utilization of resources throughout the value chain. The employees' engagement is also highlighted from the stage from sorting, containing, transporting and disposing.



## Bakery Production Line

The quality management system of the bakery production line focuses on safety and compliance with the specified quality standard as well as adding value for consumers. Having been inspected and certified by an independent agency, S&P's operation is guaranteed to be in accordance with the standards, rules, regulations and law ensuring that its products are safe and comply with the product standard along every step until they reach the hands of consumers. Furthermore, its bakery factory has been certified with Good Manufacturing Practice (GMP) from the Food and Drug Administration and Hazard Analysis and Critical Control Point (HACCP), ISO 22000 : 2005. The final products have also been verified by the product testing laboratory certified with ISO/IEC 17025 from the Department of Medical Sciences, Ministry of Public Health.

In 2019, the project to improve the quality of the ISO/IEC 17025:2017 laboratory was initiated to build credibility of the products and depict the standard of product quality control process. Product verification result has to come from the standard and trusted lab. The ISO/IEC 17025 standard of the Bureau of Laboratory Quality Standards, Department of Medical Sciences, Ministry of Public Health is considered to be a standard system of the laboratory which can produce accurate, credible and universally-accepted results ensuring consumers that the products have been processed through quality production and verification process.

## 2.3 Environment Conservation

As the factory requires the use of large amount of water which is an important part of the production, the company has issued a policy to reduce the use of water by launching a project in which treated wastewater will be used instead of good water in parts not relating to production such as for cleaning and for watering plants. In 2020, 22,168 cubic meters of water were used.

The bakery factory has rolled out the Product Carbon Footprint Project, in compliance with the Corporate Sustainability Report on Greenhouse Gas (Topic 6.3: Energy and Greenhouse Gas Emission) (GRI 302-1, GRI 302-4, GRI 305-1, GRI 305-2, GRI 305-4 and GRI 305-5). The benefits of the Product Carbon Footprint are as follows;

1. To display the commitment in environmental responsibility by calculating the greenhouse gas in the form of CO<sub>2</sub> equivalent throughout the product life cycle (butter cakes, banana cupcakes, jelly rolls, pandan rolls, coffee rolls, mixed-flavor rolls and almond brownies);
2. To allow customers to select products with less greenhouse emission than others in the same category;
3. To express the intent of social and environmental responsibility and to create good corporate image and reduce production costs as a result of optimizing production process – cutting the use of fossil fuel, using renewable energy etc.;
4. To promote sales for environmentally-conscious customers and to offer products with carbon footprint as an alternative for public agencies in meetings or seminars;
5. To use the data to improve the effectiveness of production process and to sustainably reduce production costs;

### The carbon footprint for organization

is the display of information on the greenhouse gas emission from the organization's operation with the purpose of informing of how much the greenhouse gas is emitted in the form of the CO<sub>2</sub> equivalent and using that information to reduce the greenhouse gas for sustainable and better life.

Both bakery factories have participated in the “Carbon Footprint for Industrial Organizations Project Phase 9” project as one of the 33 factories apart from Water and Environment Institute for Sustainability, The Federation of Thai Industries.



The project is aimed at reducing the GHG volume to 290,000 tCO<sub>2</sub>, in which the whole group could produce 294,014.06 tCO<sub>2</sub>e/year.

- S&P Syndicate PLC (Sukhumvit 62 Factory) – Greenhouse gas emission of 3,250 tCO<sub>2</sub>e/year;
- S&P Syndicate PLC (Bangna Factory) – Greenhouse gas emission of 2,688 tCO<sub>2</sub>e/year;

Totalling 5,938 tCO<sub>2</sub>e/year, or 2% of the phase 9 of the project (sum of 2 S&P's Factory)

### The participation in the government's project to reduce GHG

- |             |  |
|-------------|--|
| <b>2018</b> | Requesting for a carbon label for sliced butter cake   |
| <b>2019</b> | Adding banana cake   |
| <b>2020</b> | Requesting carbon footprint for organization for almond brownies, jelly rolls, pandan rolls, coffee rolls and mixed-flavor rolls |

We will keep going to allow customers to be a part of reducing the CO<sub>2</sub> emission to the earth's atmosphere.



## S&P Learning Center

The vision of the high-ranking management regarding “human resource” stated 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 7 business establishments that is ready and have 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.

S&P Learning Center has implemented educational program in association with nationwide academic institutes and schools, including:

1. Providing scholarship for 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.



2. Collaborating with the Vocational Education Commission (VEC) in admitting vocational students in Bangkok and from provincial regions to do internship.
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 the demand of the Company. Upon their completion, the students from this program can immediately become chefs or restaurant/ bakery shop management.
4. Collaborating with the Vocational Education Commission (VEC), the objective is to develop the international standard labor in accordance with the market demand. This effort will be done in collaboration with the vocational schools nationwide. The standard operation courses are applied to prepare vocational school students collaborating with the company prior to their internship.

### 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 Suriron Raiva, whereupon Mother Dr. Siri Krinchai was invited to introduce a training course for mental development and the training had been in operation since then until the present time. The Raiva House has organized mental training and developing activities with at least 10 courses a year, to encourage mindfulness among employees to ensure emotional stability applied during daily life and work life and to allow the public to participate in the dhamma practice in association with employees of the company.



## 2.4 Corporate Social Responsibility



### Cake A Wish Make A Wish project

S&P Syndicate PLC continued its “S&P Cake A Wish Make A Wish 2020” for the 16<sup>th</sup> year to pass on happiness of the New Year Festival to the underprivileged, orphans, people with disabilities, elderly and patients in 22 foundations in Bangkok Metropolitan Region with 620-pound cake as part of the company’s encouragement and effort to return smiles to the society.

### “Creating opportunities and improving quality of life of students in region” project marks its 4<sup>th</sup> year

S&P Syndicate PLC joined the “Creating opportunities and improving quality of life of students in region” project, presided by Air Chief Marshal Prajin Juntong (Chairperson of the Committee of Higher Education, Science, Research and Innovation). The Company also presented the Sustainable Agriculture project to Charoen Wittaya School, Khlong Luang, Pathumthani to improve the wellbeing of the students and encourage sustainable development.





## “S&P Unites to Fight Covid-19” project

### S&P presents products to 14 hospitals as part of “S&P Unites to Fight Covid-19” project

On 1-9 April 2020, S&P Syndicate PLC sent encouragement to the team of doctors, nurses and healthcare workers for Covid-19 patients by delivering boxes of cookies and cakes to 14 hospitals in Bangkok and Chiang Mai under the “S&P Unites to Fight Covid-19” project. S&P took part in showing support and encouragement to the team of physicians, nurses and healthcare workers who have dedicated their time in caring for Covid-19 patients. The company sent boxes of Delio cookies and packets of butter cake and banana cake worth of 1,106,820 baht to 14 hospitals – Siriraj Hospital, Ramathibodi Hospital, Phramonhkutklao Hospital, Chulalongkorn Hospital, Rajavithi Hospital, Vajira Hospital, Thammasat University Hospital, Bamrasnaradura Infectious Diseases Institute, Hua Chiew Hospital, Panyanantaphikku Chonprathan Medical Center as well as hospitals in Chiang Mai including Maharaj Nakorn Chiang Mai Hospital, Nakhonping Hospital, and Sankamphaeng Hospital. S&P also provided 6,000 face shields to hospitals across the country as an effort to show support for medical staff and all workers and we all will get through this together.





## S&P presents cookies to Public Health Ministry as part of “S&P Unites to Fight Covid-19” project

As part of the “S&P Unites to Fight Covid-19” project, S&P Syndicate PLC presented cookies worth 2,851,305 baht to Mr. Anuthin Chanwirakun, Deputy Prime Minister and Minister of Public Health on behalf of the Ministry to show support and encouragement for healthcare workers and village health volunteers under the administration of the Ministry of Public Health on 22 April 2020. We will get through this together.



## S&P presents cookies to Bangkok as part of “S&P Unites to Fight Covid-19” project

Under the “S&P Unites to Fight Covid-19” project, Mrs. Maneesuda Sila-On, Director of Sustainable Development and Corporate Communications of S&P Syndicate PLC, presented cookies worth of 2,201,433 baht to Bangkok Metropolitan Administration (BMA) at the City Hall. The cookies were received by Police General Aswin Kwanmuang, Governor of Bangkok, and Silapasuy Raweesangsoon, Permanent Secretary for BMA, as part of the company’s effort in providing food for the survival kits given to people with living difficulties.

## 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, regarding “Presentation of Financial Statements”, which has enforced for the financial statement for the fiscal year starting from or after 1 January 2020 onward and in accordance with the Regulation of the Stock Exchange of Thailand dated October 2<sup>nd</sup>, 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 regarding “The Brief Particulars in the Financial Statements (No. 3) B.E.2562” dated December 26<sup>th</sup>, 2019, 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, regarding “Interim Financial Reporting” and generally accepted accounting practices in Thailand. The notes to the interim financial information are condensed and an additional information is disclosed in accordance with the regulations of the Securities and Exchange Commission.

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 this 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



( Vitoon Sila-on )  
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 Chairperson 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 2020, the Audit Committee met 5 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 2020. The main points are as follows.

## 1. Quarterly financial audit and 2020 fiscal budget

The Audit Committee has reviewed the quarterly financial budget and 2020 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 auditor that the aforementioned financial statement is appropriately accurate regarding its key content, reliable according to the general accounting standards.

## 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 management on a quarterly basis. This was considered and presented to the Company's Board of Directors to improve the internal control system to be more efficient and effective in order to strengthen the internal control of the company to be more concise and efficient.

## 3. Reviewing performance and developing internal audit work

The Audit Committee reviewed the audit performance according to the approved plan and supported the development of the work in accordance with the established vision, namely constructive auditing to create added value in the organization in accordance with good corporate governance principles including listening the opinions from inspected department to improve the quality of audit work. In the year 2020 found that the audit performance meet the target set and the audit results help to achieve the establishment of the measures for the organization to operate more efficiently.

## 4. Review of operations in accordance with laws and regulations

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. Review of inter-company transactions and conflicts of interest

The Audit Committee has reviewed the suitability and sufficiency of the inter-company transaction which including the connected transactions that may lead to conflicts of interest. It was found that in the year 2020, the Company entered into the inter-company transaction that was a normal trade transaction as in the past year. There were no material changes and it is reasonable and the most beneficial to the business of the company, transparent, traceable, and disclosed in an accurate and sufficient manner, as illustrated in the annual report.

## 6. Promotion of Good Corporate Governance

The Audit Committee has promoted the performance of the company in accordance with the principles of good corporate governance and to support anti-corruption policies and practices. As a result, the company has been certified by the Thai Private Sector Against Corruption for the 3 consecutive years, including promoting and encouraging all executives and employees to comply with policies, regulations, and ethics in order to operate the Company's business with transparency and ethical review. In the year 2020, the Anti-Corruption and Whistleblower have been communicated continuously to promote encourage employees to act and not neglect when encountering any non-compliance with the corporate ethics regulations.

## 7. Consideration of appointment and remuneration of the auditor

The Audit Committee considered the selection of new auditors since the former auditors have completed their term of the auditors in accordance with the rules of the SEC in order to build confidence for investors and create transparency under the principles of good corporate governance. Taking into account the reliability, auditor independence, knowledge, service capability and giving advice on accounting standards, auditing and certification of financial statements in time. The Audit Committee therefore resolved to approve the selection of certified auditor to become the Company's auditor in 2021 and will propose to the Board of Directors for approval before proposing to the ordinary meeting of shareholders.

In addition, in order to supervise the audit work to be fair and independent from the management, there was a meeting with the auditor without management one time which the auditor is of the opinion that it has been well cooperated with the management, including performing an appropriate accounting standards and consulted with the auditors on Key Audit Matters in accordance with the new auditor's report standard. The results are in accordance with the auditor report in the audit's report which provides opportunities for internal audit and auditor to meet and discuss at any time, including giving opinions on the development of the audit to be up to date more efficient, effective and standardized.



( Cattleya Saengsastra )

Chairperson of the Audit Committee

# Report of The Independent Certified Public Accountant

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, 2020, and the related consolidated and separate statements of 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, 2020, 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><b>Valuation of investment in a subsidiary in the separate financial statements and valuation of investment in a joint venture in the consolidated financial statements</b></p> <p>A domestic subsidiary and overseas joint venture have incurred material retained deficit which is an indication that the carrying amounts of investments in such the domestic subsidiary in separate financial statements and the carrying amounts of investment in overseas joint venture in the consolidated financial statements may exceed the recoverable amounts. Therefore, the investments of a domestic subsidiary and overseas joint venture may have incurred impairment.</p> <p>The consideration of impairment of investment in a subsidiary in the separate financial statements and investment in overseas joint venture 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 overseas joint venture were disclosed in Notes 3.11, 3.23 and 10, to the financial statements.</p>	<p>Our key audit procedures included :</p> <ul style="list-style-type: none"> <li>• Understanding the impairment consideration process and related internal control procedures relating to recognition of loss from impairment.</li> <li>• Reviewing the design and implementation of the internal control procedures for such matter.</li> <li>• Involving our internal specialist to assist with : <ul style="list-style-type: none"> <li>- 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.</li> <li>- Validating the assumptions used to calculate the discount rates and recalculating these rates.</li> </ul> </li> <li>• 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.</li> <li>• Subjecting the key assumptions to sensitivity analysis.</li> <li>• 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.</li> <li>• Comparing between the recoverable amounts and the carrying amounts.</li> </ul>



## Emphasis of Matters

We draw attention to Notes 2.5.2 and 2.5.3 to the financial statements, which describes the adoption of Thai Financial Reporting Standard No. 16 "Leases" and the Accounting Treatment Guidance on "The temporary relief measure for additional accounting alternatives to alleviate the impacts of the Covid-19 outbreak' issued by the Federation of Accounting Professions. Our opinion is not qualified in respect of these matters.

## Other Information

Management is responsible for the other information. The other information comprises information included in the annual report, but does not include the consolidated and separate financial statements and our auditor's report thereon, 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 consolidated and separate 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 management and those charged with governance for correction of the misstatement.

## 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 and the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company'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 consolidated and separate 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.

BANGKOK  
February 23, 2021



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

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.



## S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

### STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2020

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	577,281,733	674,337,699	478,902,962	542,549,529
Temporay investments	2.5.1 and 8	-	327,556,526	-	327,542,343
Trade and other current receivables	5 and 25	241,717,606	328,007,424	217,893,047	348,238,393
Short-term loans to related parties	6 and 25	2,824,501	2,940,541	4,000,000	9,000,000
Curent portion of loans to related parties	11	-	-	22,928,960	-
Inventories	7	224,609,120	300,396,464	213,801,878	286,467,844
Other current financial assets	8	479,410,915	-	479,396,556	-
Other current assets		22,231,566	23,348,643	15,547,161	15,916,860
Total Current Assets		1,548,075,441	1,656,587,297	1,432,470,564	1,529,714,969
NON-CURRENT ASSETS					
Deposits used as collateral	9	809,407	808,660	784,324	783,660
Investments in subsidiaries	10 and 25	-	-	220,750,669	220,750,669
Investments in joint ventures	10 and 25	200,111,174	260,200,769	35,000,000	35,000,000
Investments in an associate	10 and 25	66,570,176	67,410,118	4,997,000	4,997,000
Loans to related parties	11	-	-	46,983,330	50,951,302
Property, plant and equipment	12	1,409,657,135	1,510,473,782	1,337,500,852	1,391,831,519
Leasehold rights	13	-	28,636,218	-	18,551,312
Right-of-use asset	13	1,814,482,968	-	1,543,781,630	-
Other intangible assets other than goodwill	14	18,796,671	29,413,042	18,748,619	29,004,144
Deferred tax assets	15	55,900,754	51,478,183	53,415,531	50,181,393
Long-term deposits		270,313,501	277,994,867	251,589,754	252,171,430
Other non-current assets		4,456,176	8,398,792	2,465,981	3,654,612
Total Non-current Assets		3,841,097,962	2,234,814,431	3,516,017,690	2,057,877,041
TOTAL ASSETS		5,389,173,403	3,891,401,728	4,948,488,254	3,587,592,010

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, 2020

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
LIABILITIES AND SHAREHOLDERS EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions	16	57,032,015	-	55,000,000	-
Trade and other current payables	17 and 25	646,955,158	833,244,190	603,870,485	731,719,070
Curent portion of long-term borrowings from financial institutions	18	31,357,160	33,857,160	31,357,160	33,857,160
Curent portion of long-term borrowing from a related party	19	619,306	-	-	-
Curent portion of lease liabilities	20	472,067,614	-	428,753,431	-
Curent portion of liabilities under finance lease agreements	20	-	1,814,434	-	1,814,434
Current income tax payable		30,423,802	27,327,944	29,934,940	27,021,246
Curent provision for employee benefits	21	1,810,867	4,718,159	1,810,867	4,574,916
Other current liabilities		45,445,576	45,490,128	29,750,823	32,609,944
Total Current Liabilities		1,285,711,498	946,452,015	1,180,477,706	831,596,770
NON-CURRENT LIABILITIES					
Deferred gain from sales of fixed assets to a joint venture	32	23,870,991	25,275,167	-	
Long-term borrowings from financial institutions	18	90,535,650	121,892,810	90,535,650	121,892,810
Long-term borrowing from a related party	19	2,180,694	3,032,479	-	-
Lease liabilities	20	1,384,986,221	-	1,160,191,767	-
Liabilities under finance lease agreements	20	-	2,878,636	-	2,878,636
Non-current provision for employee benefits	21	151,893,812	199,300,742	145,933,249	184,774,839
Other non-current liabilities		54,509,192	56,503,782	45,508,388	46,399,529
Total Non-current Liabilities		1,707,976,560	408,883,616	1,442,169,054	355,945,814
TOTAL LIABILITIES		2,993,688,058	1,355,335,631	2,622,646,760	1,187,542,584

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 31,2020

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS EQUITY					
SHARE CAPITAL					
Authorized share capital					
490,408,365 ordinary shares of Baht 1 each		490,408,365	490,408,365	490,408,365	490,408,365
Issued and paid-up share capital 490,408,365 ordinary shares of Baht 1 each, fully paid		490,408,365	490,408,365	490,408,365	490,408,365
PREMIUM ON ORDINARY SHARES		689,980,549	689,980,549	689,980,549	689,980,549
SURPLUS ON GAIN FROM TRANSFER OF BUSINESS TO A JOINT VENTURE ENTITY	32	79,905,178	79,905,178	-	-
RETAINED EARNINGS					
Appropriated					
Legal reserve	22	52,343,137	52,343,137	52,343,137	52,343,137
Unappropriated		1,064,932,904	1,197,689,561	1,047,905,233	1,124,632,241
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(18,083,871)	(20,486,804)	45,204,210	42,685,134
TOTAL ATTRIBUTIONS TO OWNERS OF THE PARENT		2,359,486,262	2,489,839,986	2,325,841,494	2,400,049,426
NON-CONTROLLING INTERESTS		35,999,083	46,226,111	-	-
TOTAL SHAREHOLDERS' EQUITY		2,395,485,345	2,536,066,097	2,325,841,494	2,400,049,426
TOTAL LLABILITIES AND SHAREHOLDERS EQUITY					
		5,389,173,403	3,891,401,728	4,948,488,254	3,587,592,010

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



**S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR**  
**ENDED DECEMBER 31, 2020**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
Revenues from sales		5,198,652,171	7,312,369,387	4,879,626,638	6,670,769,445
Cost of sales		(3,105,561,360)	(4,220,422,468)	(2,983,492,483)	(3,987,972,790)
<b>Gross profit</b>		<b>2,093,090,811</b>	<b>3,091,946,919</b>	<b>1,896,134,155</b>	<b>2,682,796,655</b>
Other income		85,910,194	69,968,741	98,590,673	156,506,544
Distribution costs		(1,378,273,573)	(2,017,947,414)	(1,191,930,958)	(1,692,690,720)
Administrative expenses		(420,244,385)	(741,167,736)	(450,229,606)	(669,545,303)
Management benefit expenses	25	(47,125,824)	(56,593,563)	(47,125,824)	(56,593,563)
Impairment loss on investments in a subsidiary	10	-	-	-	(39,615,270)
Net gain (loss) on exchange rates		2,485,141	(4,565,556)	1,621,787	(2,255,818)
Share of profit from investments in an associate and joint ventures	25	(45,938,537)	4,550,868	-	-
<b>Profit from operating activities</b>		<b>289,903,827</b>	<b>346,192,259</b>	<b>307,060,227</b>	<b>378,602,525</b>
Finance income		1,036,738	2,566,959	3,858,351	4,667,142
Finance costs	24	(72,955,852)	(8,080,043)	(62,458,197)	(7,731,348)
<b>Profit before income tax expense</b>		<b>217,984,713</b>	<b>340,679,175</b>	<b>248,460,381</b>	<b>375,538,319</b>
Income tax expense	15	(36,236,151)	(36,412,585)	(35,536,026)	(26,853,417)
<b>PROFIT FOR THE YEAR</b>		<b>181,748,562</b>	<b>304,266,590</b>	<b>212,924,355</b>	<b>348,684,902</b>

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

**S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED) FOR THE YEAR**  
**ENDED DECEMBER 31, 2020**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified subsequently to profit or loss					
Actuarial gain on defined employee benefit plan - net of tax		7,656,508	13,511,118	2,519,076	16,422,423
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of financial statements		(4,888,372)	(7,926,934)	-	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR-NET OF TAX		2,768,136	5,584,184	2,519,076	16,422,423
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		184,516,698	309,850,774	215,443,431	365,107,325
PROFIT (LOSS) ATTRIBUTABLE TO :					
Owners of the Parent		183,024,792	314,399,971	212,924,355	348,684,902
Non-controlling interests		(1,276,230)	(10,133,381)		
TOTAL PROFIT FOR THE YEAR		181,748,562	304,266,590		
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :					
Owners of the Parent		185,427,725	321,601,126	215,443,431	365,107,325
Non-controlling interests		(911,027)	(11,750,352)		
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR		184,516,698	309,850,774		
BASIC EARNINGS PER SHARE (BAHT)					
		0.37	0.64	0.43	0.71
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, 2020**  
**CONSOLIDATED FINANCIAL STATEMENTS**

Equity attributable to owners of the Parent												Non-controlling interests		Total shareholders' equity
Notes	Issued and paid-up share capital	Premium on ordinary shares	Surplus on gain from transfer of business to a joint venture entity	Retain ed earnings		Other components of shareholders' equity		Total components of shareholders' equity	Total attributions to owners of the Parent	Non-controlling interests	Total shareholders' equity			
				Appropriated	Unappropriated	Other comprehensive income (loss)								
						Exchange differences on translation of financial statements	Gain on remeasurement of defined benefit plan - net of tax							
BALANCE AS AT JANUARY 1, 2019	490,408,365	689,980,549	79,905,178	52,343,137	1,236,383,613	27,351,768	(55,039,727)	(27,687,959)	2,521,332,883	67,935,609	2,589,268,492			
Profit (loss) for the year	-	-	-	-	314,399,971	-	-	-	314,399,971	(10,133,381)	304,266,590			
Other comprehensive income (loss) for the year	-	-	-	-	-	(6,293,868)	13,495,023	7,201,155	7,201,155	(1,616,971)	5,584,184			
Total comprehensive income (loss) for the year	-	-	-	-	314,399,971	(6,293,868)	13,495,023	7,201,155	321,601,126	(11,750,352)	309,850,774			
Dividends paid to the owners of the Company	23	-	-	-	(353,094,023)	-	-	-	(353,094,023)	-	(353,094,023)			
Dividends of a subsidiary paid to non-controlling interests		-	-	-	-	-	-	-	-	(9,959,146)	(9,959,146)			
BALANCE AS AT DECEMBER 31, 2019	490,408,365	689,980,549	79,905,178	52,343,137	1,197,689,561	(61,333,595)	40,846,791	(20,486,804)	2,489,839,986	46,226,111	2,536,066,097			
BALANCE AS AT JANUARY 1,2020 - before effect of a pplication of new TFRS	490,408,365	689,980,549	79,905,178	52,343,137	1,197,689,561	(61,333,595)	40,846,791	(20,486,804)	2,489,839,986	46,226,111	2,536,066,097			
Effect of initial application of new TFRS	2.5.2	-	-	-	(36,248,876)	-	-	-	(36,248,876)	(8,032,673)	(44,281,549)			
Balance as at January 1, 2020 - after effect of application of new TFRS		490,408,365	689,980,549	79,905,178	52,343,137	1,161,440,685	40,846,791	(20,486,804)	2,453,591,110	38,193,438	2,491,784,548			
Profit (loss) for the year		-	-	-	-	183,024,792	-	-	183,024,792	(1,276,230)	181,748,562			
Other comprehensive income (loss) for the year		-	-	-	-	-	6,760,609	2,402,933	2,402,933	365,203	2,768,136			
Total comprehensive income (loss) for the year		-	-	-	-	183,024,792	6,760,609	2,402,933	185,427,725	(911,027)	184,516,698			
Dividends paid to the owners of the Company	23	-	-	-	-	(279,532,573)	-	-	(279,532,573)	-	(279,532,573)			
Dividends of a subsidiary paid to non-controlling interests		-	-	-	-	-	-	-	-	(1,283,328)	(1,283,328)			
BALANCE AS AT DECEMBER 31, 2020	490,408,365	689,980,549	79,905,178	52,343,137	1,064,932,904	(65,691,271)	47,607,400	(18,083,871)	2,359,486,262	35,999,083	2,395,485,345			

UNIT : BAHT

UNIT : BAHT

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, 2020**  
**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	Other comprehensive income		
						Gain on remeasurement of defined benefit plan - net of tax		
BALANCE AS AT JANUARY 1, 2019		490,408,365	689,980,549	52,343,137	1,129,041,362	26,262,711		2,388,036,124
Profit for the year		-	-	-	348,684,902	-		348,684,902
Other comprehensive income for the year		-	-	-	-	16,422,423		16,422,423
Total comprehensive income for the year		-	-	-	348,684,902	16,422,423		365,107,325
Dividends paid	23	-	-	-	(353,094,023)	-		(353,094,023)
BALANCE AS AT DECEMBER 31, 2019		490,408,365	689,980,549	52,343,137	1,124,632,241	42,685,134		2,400,049,426
BALANCE AS AT JANUARY 1, 2020		490,408,365	689,980,549	52,343,137	1,124,632,241	42,685,134		2,400,049,426
- before effect of application of new TFRS								
Effect of initial application of new TFRS	2.5.2	-	-	-	(10,118,790)	-		(10,118,790)
Balance as at January 1, 2020		490,408,365	689,980,549	52,343,137	1,114,513,451	42,685,134		2,389,930,636
- after effect of application of new TFRS								
Profit for the year		-	-	-	212,924,355	-		212,924,355
Other comprehensive income for the year		-	-	-	-	2,519,076		2,519,076
Total comprehensive income for the year		-	-	-	212,924,355	2,519,076		215,443,431
Dividends paid	23	-	-	-	(279,532,573)	-		(279,532,573)
BALANCE AS AT DECEMBER 31, 2020		490,408,365	689,980,549	52,343,137	1,047,905,233	45,204,210		2,325,841,494

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

UNIT : BAHT

## S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

### STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2020

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the year		181,748,562	304,266,590	212,924,355	348,684,902
Adjustments :					
Income tax expense		36,236,151	36,412,585	35,536,026	26,853,417
Depreciation of fixed assets and right-of-use asset and amortization of intangible assets		696,276,866	341,802,298	627,421,798	300,355,591
Unrealized (gain) loss on exchange rates		2,128,462	3,727,106	(1,621,787)	1,878,018
Unrealized gain on revaluation of investments in financial assets		(1,148,081)	(1,355,267)	(1,148,081)	(1,355,267)
Reversal of allowance for doubtful account		-	(632,224)	-	-
Share of (profit) loss from investments in an associate and joint ventures		45,938,537	(4,550,868)	-	-
Impairment loss on fixed assets (reversal)		(957,000)	4,825,000	(6,357,000)	4,825,000
Reversal of provision for cost of dismantling, removing and restoring the site		(38,932,825)	(8,373,160)	(2,066,865)	(1,287,835)
Loss on write-off of fixed assets and intangible assets		41,408,206	15,388,714	21,202,111	10,117,070
Gain on sales of financial assets		(706,132)	(1,047,197)	(706,132)	(1,047,197)
Impairment loss on investments in a subsidiary		-	-	-	39,615,270
Gain on sales of fixed assets		(1,914,058)	(1,080,430)	(1,411,385)	(931,247)

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, 2020**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
Gain on sales of fixed assets to a joint venture entity	32	(1,404,176)	(1,404,176)	-	-
Employee benefit obligation expense		22,463,492	68,868,230	23,351,647	61,657,585
Expense from customer loyalty program		1,054,217	1,907,998	1,054,217	1,907,998
Dividend income		-	-	(23,789,240)	(62,001,964)
Finance income		(1,036,738)	(2,566,959)	(3,858,351)	(4,667,142)
Finance costs		72,955,852	8,080,043	62,458,197	7,731,348
Differences from the early termination of lease agreement		(45,305,260)	-	(10,174,094)	-
Differences from lease discount		8,171,335	-	10,234,301	-
Profit from operations before changes in operating assets and liabilities		1,016,977,410	764,268,283	943,049,717	732,335,547
Operating assets (increase) decrease					
Trade and other current receivables		82,736,601	19,897,248	88,792,482	13,701,260
Inventories		75,787,344	6,630,318	72,665,966	7,753,404
Other current assets		1,117,077	(754,279)	369,698	(519,694)
Deposits used as collateral		(747)	14,775,000	(664)	14,800,000
Long-term deposits		7,681,366	(6,978,186)	581,676	(8,616,107)
Other non-current assets		3,942,616	1,838,676	1,188,630	1,776,519

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, 2020**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Operating liabilities increase (decrease)					
Trade and other current payables		(170,023,118)	(77,356,259)	(111,884,053)	(62,618,458)
Other current liabilities		933,246	(4,514,351)	(3,913,338)	(2,621,677)
Cash paid for employee benefit obligations		(64,496,450)	(7,773,557)	(61,655,438)	(7,273,283)
Other non-current liabilities		34,971,989	1,340,107	233,036	1,340,107
Cash received from operations		989,627,334	711,373,000	929,427,712	690,057,618
Cash paid for income tax		(34,668,889)	(60,463,811)	(34,109,543)	(56,345,426)
Net cash provided by operating activities		954,958,445	650,909,189	895,318,169	633,712,192
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash repayments for loans to related parties		-	-	(17,800,000)	(6,000,000)
Cash received from short-term loans to related parties		-	-	9,000,000	3,228,480
Cash received from long-term loans to related parties		-	-	32,839,012	8,176,864
Cash payments for purchases of financial assets		(250,000,000)	(400,000,000)	(250,000,000)	(400,000,000)
Proceeds from sales of financial assets		100,000,000	280,000,000	100,000,000	280,000,000
Cash payments for purchases of fixed assets, intangible asset and leasehold rights	4.2.1	(215,068,264)	(243,528,419)	(212,529,769)	(212,988,662)
Cash received from sales of fixed assets		5,788,537	3,120,044	4,495,120	1,858,400
Interest received		53,164	1,902,439	2,874,952	4,002,496
Dividends received		14,991,000	8,994,600	23,789,240	62,001,964
Net cash used in investing activities		(344,235,563)	(349,511,336)	(307,331,445)	(259,720,458)

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, 2020**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received fom short-term borrowings from financial institutions	4.2.3	175,000,000	-	175,000,000	
Cash repayments for short-term borrowings from fnancial institutions	4.2.3	(120,000,000)	-	(120,000,000)	-
Cash repayments for long-term borrowings from fnancial institutions	4.2.3	(33,857,160)	(39,540,825)	(33,857,160)	(38,912,910)
Cash repayment for long-term borrowing from a related party	4.2.3	(232,479)	(237,784)	-	(8,572,000)
Cash repayments for lease liabilities	4.2.3	(364,779,339)	(2,643,746)	(332,827,460)	(2,643,746)
Cash repayments for interest of lease liabilities		(66,886,871)	-	(56,570,137)	-
Cash paid for interest		(6,281,402)	(7,350,450)	(5,663,500)	(7,604,285)
Dividends paid	4.2.4	(279,479,484)	(363,015,864)	(279,479,484)	(353,056,718)
Net cash used in fnancing activities		(696,516,735)	(412,788,669)	(653,397,741)	(410,789,659)
Net decrease in cash and cash equivalents before effect of exchange rate		(85,793,853)	(111,390,816)	(65,411,017)	(36,797,925)
Unrealized exchange loss of cash and cash equivalents		(2,066,847)	(1,736,716)	1,764,450	(126,513)
Exchange rate differences from transalation of financial statements		(9,195,266)	4,480,784	-	-
Decrease in cash and cash equivalents		(97,055,966)	(108,646,748)	(63,646,567)	(36,924,438)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,		674,337,699	782,984,447	542,549,529	579,473,967
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,	4.1	577,281,733	674,337,699	478,902,962	542,549,529

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

# S&P Syndicate Public Company Limited and Subsidiaries Notes to The Financial Statements for The Year Ended December 31, 2020

## 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 - 103, 106 - 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.

Details of the group's subsidiaries as at December 31, 2020 and 2019 are as follows :

Subsidiaries	Business type	Country of registration	Percentage of shareholdings (%) As at December 31,	
			2020	2019
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
S&P Delivery Co., Ltd.	Food delivery	Thailand	99.93	99.93
Umenohana S&P Co., Ltd.	Restaurant	Thailand	59.99	59.99
S&P International Foods (Cambodia) Co., Ltd.	Restaurant	Cambodia	99.99	99.99
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.	Training for employees	Thailand	99.98	99.98

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 :

Subsidiaries	Business type	Country of registration	Percentage of shareholdings (%) As at December 31,	
			2020	2019

**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 International Restaurant Management (Beijing) Co., Ltd.	Restaurant	The People's Republic of China	96.82	96.82
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
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**Indirectly invested through Patara International Restaurant Management (Beijing) Co., Ltd.**

Shanghai Yueshi Restaurant Management Limited	Restaurant	The People's Republic of China	57.29	57.29
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Significant intercompany transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

The Coronavirus disease 2019 ("Covid-19") pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group has temporarily closed their branches in some provinces in Thailand since March 22, 2020, including some branches in the United Kingdom since March 21, 2020, some branches in Switzerland since March 23, 2020. some branches in Austria since March 14, 2020 and some branches in the People's Republic of China since March 24, 2020 in accordance with the preventive measures against the Covid-19 pandemic of the Government of each country. For domestic, the Company has switched to delivery. The Group's management has continuously monitored the situation and reopened some branches in Thailand since May 9, 2020 in accordance with the government's easing nationwide lockdown measures announced on May 3, 2020, including some branches in the United Kingdom since July 1, 2020, some branches in Switzerland since May 15, 2020, and some branches in Austria since May 14, 2020. The Group's management has continuously monitored the ongoing situation and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities. The management will exercise judgement in respect of various issues as the situation evolves.



As at December 31, 2020, as the pandemic has not ceased, the Group is experiencing conditions associated with uncertainty in the estimate of the expected impact. The Group, therefore, elected to adopt the guidelines on accounting relating to the temporary relief measures for additional accounting alternatives to alleviate the impact of the Covid-19 pandemic situation on the impairment of assets.

The Group elected not to adopt the Covid-19 pandemic situation which may impact their financial forecasts in the assessment of the impairment of the investments in subsidiaries and joint ventures.

## **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 accounting practices generally accepted 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 'Presentation of Financial Statements', which was effective for financial periods beginning on or after January 1, 2019, 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. 3) B.E. 2562' dated December 26, 2019.

The accounting standards adopted by the Company may not be in conformity with accounting principles generally accepted 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.

2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).

2.4 The consolidated and separate statements of financial position for the year ended December 31, 2019, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Group and the Company for the year then ended which have been audited.

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

During the year, the Group has 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, 2020. 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 financial statements except for Thai Financial Reporting Standards No. 16 as described in Note 2.5.2.

#### 2.5.1 Group of Financial Instruments Standards

##### **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")**

TFRS 16 Hedges of a Net Investment in a Foreign Operation

TFRS 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards 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 also include stipulations regarding the presentation and disclosure of financial instruments.

In the current year, the Group has initially applied the Group of Financial Instruments Standards. The Group has elected to recognize the cumulative effects of the application of TFRS 9 as an adjustment to the opening balance of retained earnings of the reporting period.

TFRS 9 introduced new requirements for :

- Classification and measurement of financial assets and financial liabilities;
- Impairment of financial assets; and
- General hedge accounting

The Group has applied TFRS 9 in accordance with the transition provisions set out in TFRS 9 as follows:

#### (a) Classification and measurement of financial assets

The date of initial application is January 1, 2020. Accordingly, the Group has applied the requirements of TFRS 9 to the financial instruments that continue to be recognized as at January 1, 2020.

The comparative information in relation to the financial instruments that continue to be recognized as at January 1, 2020 has not been restated.

All recognized financial assets that are within the scope of TFRS 9 are required to be measured subsequently at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, especially:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of the principal and interest on the principal amount outstanding, are measured subsequently at amortized cost;
- Debt instruments that are held within a business model whose objectives are both to collect the contractual cash flows and to sell the financial assets, and that have contractual cash flows that are solely payments of the principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- All other debt investments and equity investments are measured subsequently at fair value through profit or loss (FVTPL).

The director of the Company reviewed and assessed the Group's existing financial assets as at January 1, 2020 based on the facts and circumstances that existed at that date and concluded that the initial application of TFRS 9 has had the impact on the Group's financial assets in regard to their classification as described in (c).

(b) Impairment of financial assets

In relation to the impairment of financial assets, TFRS 9 requires an expected credit loss model. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since the initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

At the date of initial application of TFRS 9, the Group assessed the effect of cumulative loss allowance for trade and other current receivables, loans to related parties and other current financial assets. The Group found that there had been no significant increase in those expected credit losses since the initial recognition of the financial assets. Therefore, there was no material impact on the cumulative loss allowance as at January 1, 2020.

(c) Disclosure of information in relation to the initial application of TFRS 9

The table below shows information relating to the financial assets that have been reclassified as a result of the transition to TFRS 9 as at January 1, 2020.

Unit : Thousand Baht

Consolidated financial statements				
	Book value as at December 31, 2019	Consequence from initial apply to TFRS 9	Book value as at January 1, 2020	Type
<b>Assets</b>				
Temporary investments	327,556	(327,556)	-	
Other current financial assets				
<b>Financial assets measured at cost</b>				
- Time deposit with maturities of more than 3 months but not more than 1 year	-	14	14	Cost
<b>Financial assets measured at fair value through profit of loss</b>				
- Fixed income open-ended funds	-	303,400	303,400	Fair value through profit of loss
- Private funds	-	24,142	24,142	Fair value through profit of loss
	<b>327,556</b>	<b>-</b>	<b>327,556</b>	

Unit : Thousand Baht

Separate financial statements				
	Book value as at December 31, 2019	Consequence from initial apply to TFRS 9	Book value as at January 1, 2020	Type
<b>Assets</b>				
Temporary investments	327,542	(327,542)	-	
Other current financial assets				
<b>Financial assets measured at fair value through profit of loss</b>				
- Fixed income open-ended funds	-	303,400	303,400	Fair value through profit of loss
- Private funds	-	24,142	24,142	Fair value through profit of loss
	<b>327,542</b>	<b>-</b>	<b>327,542</b>	



(d) General hedge accounting

The Group has not applied hedge accounting.

The initial application of TFRS 9 has had no significant impact on the consolidated financial statements of the Group and the separate financial statements of the Company.

2.5.2 Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16")

In the current year, the Group has applied TFRS 16 that is effective for periods beginning on or after January 1, 2020.

TFRS 16 introduces significant changes to lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low-value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The Group's management has applied TFRS 16 using the cumulative catch-up approach which:

- Requires the Group to recognize the cumulative effects of the initial adoption of TFRS 16 as an adjustment to the opening balance of retained earnings at the date of the initial application; and
- Requires the Group not to make retrospective adjustment to the comparative information and continues presenting the comparative information according to Thai Accounting Standard No. 17 "Leases" and Thai Financial Reporting Standard Interpretations No. 4 "Determining Whether an Arrangement Contains a Lease".

a) Impact of the New Definition of a Lease

The change in the definition of a lease mainly relates to the concept of control. TFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on "Risk and Rewards" in TAS 17 and TFRIC 4.

The Group applies the definition of a lease and related guidance set out in TFRS 16 to all lease contracts entered into or changed on or after January 1, 2020. In the preparation for the first-time application of TFRS 16, the Group has carried out an implementation project which has shown that the new definition in TFRS 16 will not significantly change the scope of contracts that meet the definition of a lease for the Group.

## b) Impact on Lessee Accounting

Former operating leases

TFRS 16 changes how the Group accounts for leases previously classified as operating leases under TAS 17, which were off the statement of financial position.

To apply TFRS 16 to all leases (except as noted below), the Group:

- 1) Recognizes right-of-use assets and lease liabilities in the consolidated and separate statements of financial position, initially measured at the present value of the future rental fee payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued lease payments in accordance with TFRS 16;
- 2) Recognizes depreciation of right-of-use assets and interest on lease liabilities in the consolidated and separate statements of profit or loss; and
- 3) Separates the total amount of cash paid into a principal portion (presented in financing activities) and interest (presented in financing activities) in the consolidated and separate statements of cash flows.

Lease incentives (e.g. rent-free periods) are a part of the measurement of the right-of-use assets and lease liabilities while under TAS 17 they are recognized as a reduction of rental expenses on a straight-line basis. Under TFRS 16, right-of-use assets are tested for impairment in accordance with Thai Accounting Standard No. 36 "Impairment of Assets".

For short-term leases (lease terms of 12 months or less) and leases of low-value assets i.e. tablets and personal computers, small items of office furniture, and telephones, the Group has recognized a lease expense on a straight-line basis as permitted by TFRS 16. This expense is presented in "other expenses" in the consolidated and separate statements of profit or loss.

The Group has used the following practical expedients when applying the cumulative catch-up approach to leases previously classified as operating leases under TAS 17:

- The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
- The Group has adjusted the right-of-use assets at the date of the initial application by the amount of provision for onerous leases recognized under Thai Accounting Standard No. 37 in the statement of financial position immediately before the date of the initial application as an alternative to performing an impairment review;
- The Group has elected not to recognize the right-of-use assets and lease liabilities for leases in which the lease terms end within 12 months after the date of the initial application;
- The Group has excluded initial direct costs from the measurement of the right-of-use assets at the date of the initial application; and
- The Group has used hindsight when the contract contains options to extend or terminate the lease.

#### Former finance leases

For leases that were classified as finance leases under TAS 17, the carrying amount of the leased assets and obligations under finance leases measured under TAS 17 is reclassified as right-of-use assets and lease liabilities, respectively, without any adjustments, except in cases where the Group has elected to apply the low-value lease recognition exemption.

#### c) Impact on Lessor Accounting

TFRS 16 does not change substantially how a lessor accounts for leases. Under TFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently.

However, TFRS 16 has changed and expanded the disclosures required particularly regarding how a lessor manages the risks arising from its residual interest in the outstanding leased assets.

#### d) Financial Impact of the Initial Application of TFRS 16

The Group recognized lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17. The right-of-use assets were measured at amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of the initial application. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. The lessee's weight average incremental borrowing rate applied to the lease liabilities recognized in the statement of financial position as at January 1, 2020 is 3.73% p.a.

The following table shows the operating lease commitments disclosed under TAS 17 as at December 31, 2019, discounted using the incremental borrowing rate at the date of the initial application and the lease liabilities recognized in the statement of financial position at the date of the initial application.

Impacts as at January 1, 2020 are as follows:

Unit : Thousand Baht		
	Consolidated financial statements	Separate financial statements
Operating lease commitments at December 31, 2019	2,165,138	1,626,851
Other commitments of the lease agreements covered by extension options that are included in the lease term and not previously included in operating lease commitments	620,785	741,316
Short-term leases and leases of low-value assets	(55,699)	(55,699)
Less Service expenses	(30,221)	(30,221)
Effect of discounting the above amounts	(259,546)	(200,306)
Finance lease liabilities recognized under TAS 17 as at December 31, 2019	4,693	4,693
Lease liabilities recognized as at January 1, 2020	<b>2,445,150</b>	<b>2,086,634</b>

Under TFRS 16, right-of-use assets are tested for impairment in accordance with TAS 36. The Group's management found that the Group already recognized the allowance for impairment loss on assets of certain branches in 2019. Therefore, the Group considered recognizing the allowance for impairment loss on the right-of-use assets of those branches on January 1, 2020 in the consolidated and separate financial statements of Baht 46.81 million and Baht 12.65 million, respectively.

The impacts on the retained earnings as at January 1, 2020 are summarized as follows:

Unit : Thousand Baht		
	Consolidated financial statements	Separate financial statements
<b>Unappropriated retained earnings</b>		
Unappropriated retained earnings as at December 31, 2019 - before application of TFRS 16	1,197,690	1,124,632
Recognized impairment loss on right-of-use assets - after tax	(36,249)	(10,119)
Unappropriated retained earnings - restated	<b>1,161,441</b>	<b>1,114,513</b>
<b>Non-controlling interests</b>		
Non-controlling interests as at December 31, 2019 - before application of TFRS 16	46,226	-
Recognized impairment loss on right-of-use assets - after tax	(8,033)	-
Non-controlling interests - restated	<b>38,193</b>	-



2.5.3 In addition, the Federation of Accounting Professions has announced Accounting Treatment Guidances, which have been announced in the Royal Gazette on April 22, 2020. The details are as follows:

Accounting Treatment Guidance on "The Temporary Relief Measures for Additional Accounting Alternatives to Alleviate the Impacts of Covid-19 Outbreak"

This accounting treatment guidance is the option for all entities applying Financial Reporting Standards for Publicly Accountable Entities. Since the preparation of financial statements during the period in which the COVID-19 situation is still highly uncertain as at the end of the reporting period which may cause the entities' management to use the critical judgment in the estimation or the measurement and recognition of accounting transactions, the objectives of this accounting treatment guidance are to alleviate some of the impacts of the application of certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation. The entities can apply this accounting treatment guidance to the preparation of financial statements with a reporting period ending between January 1, 2020 and December 31, 2020.

The Group has elected to apply the following temporary relief measures:

- Not to take into account forward- looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses;
- Not to account for any reduction in lease payments by lessors (if any) as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognized in each period reversed in proportion to the reduction, with any differences of Baht 11.37 million and Baht 10.23 million recognized in the consolidated and separate statement of profit or loss for the year ended December 31, 2020; and
- Not to consider the Covid-19 situation as an indication that an asset may be impaired in accordance with TAS 36.

## 2.6 Thai Financial Reporting Standard No. 16 "Leases"

TFRS 16 has been amended for the Rent Concessions related to Covid-19, which is effective from June 1, 2020 with earlier application permitted. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. In addition, the revised TFRS 16 also added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Group has applied such amendment.

2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective  
The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, which have been announced in the Royal Gazette and will be effective for the financial statements for the periods beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, except for the revisions of definitions and accounting requirements as follows:

### **Conceptual Framework for Financial Reporting**

The revised Conceptual Framework for Financial Reporting consisted of the revised definitions and recognition criteria of asset and liability as well as new guidance on measurement, derecognition of asset and liability, and presentation and disclosure. In addition, this Conceptual Framework for Financial Reporting clearly clarifies management's stewardship of the entity's economic resources, prudence, and measurement uncertainty of financial information.

### **Definition of Business**

The revised Thai Financial Reporting Standard No. 3 "Business Combinations" clearly clarifies the definition of business and introduces an optional concentration test. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. This revised financial reporting standard requires a prospective method for such amendment. Earlier application is permitted.

### **Definition of Materiality**

The revised definition of materiality resulted in the amendment of Thai Accounting Standards No. 1 "Presentation of Financial Statements" and Thai Accounting Standards No. 8 "Accounting Policies, Changes in Accounting Estimates and Errors", including other financial reporting standards which refer to materiality. This amendment is intended to make the definition of materiality to comply with the Conceptual Framework which requires a prospective method for such amendment. Earlier application is permitted.

### **Interest Rate Reform**

Due to the interest rate reform, there are the amendments of specific hedge accounting requirements in Thai Financial Reporting Standard No. 9 "Financial Instruments" and Thai Financial Reporting Standard No. 7 "Financial Instruments: Disclosures".

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when they become effective. The Group's management is in the process of assessing the impact

of these TFRSs on the financial statements of the Group in the period of initial application.

2.8 The English version of the consolidated and separate financial statements has been prepared from the Thai version of the consolidated and separate financial statements in accordance with the law. In the event of any conflict or different interpretation of the two different languages, the Thai version of the consolidated and separate financial statements in accordance with the law supersedes.

### 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 Basis for preparation of consolidated financial statements

The consolidated financial statements comprise the Company's and its subsidiaries' financial statements and the Group's interest in associates and joint ventures.

##### *Transactions eliminated from consolidation financial statements*

Significant intra-group balances and transactions have been eliminated in the preparation of the consolidated financial statements. The consolidated financial statements for the years ended December 31, 2020 and 2019 were prepared by using the financial statements of its subsidiaries, associates and joint ventures as of the same date.

#### 3.2 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.

#### 3.3 Temporary investments

Policies applicable prior to January 1, 2020

Temporary investments consist of investments in trading securities and 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.

Time deposits with a maturity term of over 3 months up to 12 months is presented at cost.

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.

### 3.4 Financial instruments

Policies applicable from January 1, 2020

Financial assets and financial liabilities are recognized in the Group's consolidated statement of financial position when the Group becomes a party under the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate.

On initial recognition, transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

#### Financial assets

All recognized financial assets are measured subsequently at either amortized cost or fair value, depending on the classification of the financial assets.

##### *Classification of financial assets*

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI);

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

##### (1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over the relevant period.



Interest income is recognized in profit or loss and included in the "finance income - interest income" line item.

(2) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL:

- Investments in equity instruments are classified as at FVTPL; and
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss.

*Impairment of financial assets*

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Group always recognizes lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and the forecast direction of conditions at the reporting date, including time value of money where appropriate.

(1) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, where the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. The exposure at default, for financial assets is represented by the asset's gross carrying amount as at the reporting date. For financial guarantee contracts,

the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future. The default date is determined based on the historical trend. The Group tries to understand the specific future financing needs of the debtors, and other relevant forward-looking information.

#### *Derecognition of financial assets*

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On the date of derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

### **3.5 Trade and other current receivables**

#### a) Policies applicable prior to January 1, 2020

Trade and other current receivables are stated at their invoice value less 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 its subsidiaries' collection experiences of each receivable.

#### b) Policies applicable from January 1, 2020

Trade receivables, other receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses has been disclosed in Note 3.3.

### **3.6 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 using the weighted average cost method and the other six subsidiaries' are calculated using the first-in, first-out method.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to complete and make the sale.

### 3.7 Investments in subsidiaries, an associate and joint ventures

Investments in subsidiaries, an associate 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.

**The subsidiary** is the entity under the control of the Group. The control is achieved when the Group (1) has the power over the investee; (2) is exposed, or has rights, to variable returns from its involvement with the investee; and (3) has the ability to use its power to affects its returns.

**An associate** is an entity which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

**A joint venture** is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture equals or exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

In cases where impairment of investment occurs, the impairment loss of investment is recognized as an expense charged to the statement of profit or loss and other comprehensive income.

### 3.8 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 - 10 years
Vehicles	5 years

No depreciation is provided on land and construction in progress.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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

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

### 3.9 Leasehold rights

In 2019, 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 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

In 2020, The Group has initially applied TFRS 16 (see Note 3.16).

### 3.10 Other intangible asset other than goodwill

Other 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.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.



Intangible assets with definite useful lives are tested for impairment when there is an indication that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

### 3.11 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.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized as an expense in the statements of comprehensive income unless it reverses a previous revaluation credited to equity and it is subsequently impaired in which case it is charged to the statements of comprehensive income.

#### *Calculation of recoverable 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.

#### *Reversal of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized as an expense in the statement of comprehensive income.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date to determine whether there is any indication that the impairment will decrease or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized.

### 3.12 Contract liabilities - customer loyalty programme

The Group operates a loyalty programme through which customers accumulate points on purchases of goods entitling customers to the right to purchase products at a discount or a reward that can be redeemed for free products on future purchases (customers would not receive these points without

purchasing the goods). The promise to provide a discount or reward to the customer is therefore a separate performance obligation.

The transaction price is allocated between the product and the points on a relative stand-alone selling price basis. The stand-alone selling price per point is estimated based on the discount to be given when the points are redeemed by the customer and adjusted by the likelihood of redemption, as evidenced by the Group's historical experience. A contract liability is recognized as revenue relating to the loyalty points at the time of the initial sales transaction. Revenue from the loyalty points is recognized when the points are redeemed by the customer. Revenue for points that are not expected to be redeemed is recognized in proportion to the pattern of rights exercised by customers.

### **3.13 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 32).

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 of '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 third parties.

### **3.14 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 the 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 32).

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 parties 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 third parties.

### **3.15 Employee benefit obligations**

- 3.15.1 The contributions paid by the Company and its domestic subsidiaries to the provident funds of employees are recognized as expenses in the statement of comprehensive income

when the transactions occurred.

- 3.15.2 The Company and its subsidiaries recorded 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 expenses for defined employee benefits as personnel expenses in the statement of 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.

### 3.16 Leases

The Group has applied TFRS 16 using the cumulative catch-up approach. Therefore, comparative information has not been restated and is presented under TAS 17. The details of accounting policies under both TAS 17 and TFRS 16 are as follows:

- a) Policies applicable from January 1, 2020

#### *The Group as lessee*

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets i.e. tablets and personal computers, small items of furniture, and telephones. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If the rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives

receivable;

- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented in a separate line in the consolidated and separate statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs of dismantling and removing a leased asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related



right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented in a separate line in the consolidated and separate statements of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property, Plant and Equipment" policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

b) Policies applicable prior to January 1, 2020

*Operating leases*

Long-term leases for assets which a significant portion of the risks and rewards of ownership is 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 expenses to the statement of 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 the 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 assets and recorded the 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 terms of the contracts. Financial charge and depreciation are recognized as expenses in the statement of comprehensive income.

### 3.17 Foreign currency transactions

Transactions in foreign currencies that 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 an 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 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; and
- 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.

### 3.18 Recognition of revenues and expenses

Revenue from sales of foods and beverages at restaurants and bakery shops is recognized when the control of the goods has been transferred, being at the point the customer purchases the goods at the restaurant and the bakery shop. Payment of the consideration transaction price is due immediately at the point the customer purchases the goods. Sales are presented by deducting value-added tax and trade discounts.

Revenues from sales of packed food and bakery trading business are recognized when the control of the goods has been transferred to the customer, being at the point which the goods are delivered to the customer. Sales are presented by deducting discounts, purchase volume discounts and goods returns.

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.

### 3.19 Finance costs

Finance costs comprise interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of comprehensive income using the effective interest method.

### 3.20 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 reported in the statement of comprehensive 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 the end of each 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 be applied 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 an 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.

### 3.21 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.

### 3.22 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.

### 3.23 Accounting estimates and sources 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 expenses 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 for impairment 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 3.1 1.

*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 3.15.

(2) Key sources of estimation uncertainty

The Group has accounting estimates with 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 3.22.

*Calculation of recoverable amount*

In the calculation of recoverable amount, the Group's management estimated the future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

## 4. ADDITIONAL 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	
	2020	2019	2020	2019
Cash on hand	6,909	10,832	5,562	7,970
Bank deposits - savings and current accounts	481,126	603,323	398,365	480,958
Time deposits with maturity of not more than 3 months (interest rates between 0.15 - 0.20 % per annum in 2020 and interest rates between 0.45% - 0.95% per annum in 2019)	89,247	60,183	74,976	53,622
	<b>577,282</b>	<b>674,338</b>	<b>478,903</b>	<b>542,550</b>

### 4.2 Non-cash transactions are as follows:

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

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Liabilities incurred from the acquisition of fixed assets, intangible asset and leasehold rights as at January 1,	39,514	34,605	39,395	33,348
<u>Add</u> Purchases of fixed assets, intangible asset and leasehold rights during the years	202,368	253,601	198,652	222,265
<u>Less</u> Provision for costs of dismantling, removing and restoring the site	(1,966)	(3,981)	(670)	(2,046)
Liabilities under finance lease agreements	(1,503)	(1,183)	(1,503)	(1,183)
Cash payments	(215,069)	(243,528)	(212,530)	(212,989)
Liabilities incurred from the acquisition of fixed assets, intangible asset and leasehold rights as at December 31.	<b>23,344</b>	<b>39,514</b>	<b>23,344</b>	<b>39,395</b>

4.2.2 Short-term loan to related parties in the amount of Baht 4 million has been classified from long-term loan to related party since the company has amended the repayment term of the loan (see Note 11).

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

Unit : Thousand Baht

As at December 31, 2020	Consolidated financial statements				
	Balance as at January 1, 2020	Cash flows from financial activities	Non-cash changes		Balance as at December 31, 2020
			Effect of the application of the new accounting standards	Other changes <sup>(1)</sup>	
Short-term borrowings from financial institutions	-	55,000	-	-	55,000
Long-term borrowings from financial institutions	155,750	(33,857)	-	-	121,893
Long-term borrowing from a related party	3,032	(232)	-	-	2,800
Lease liabilities	4,693	(364,779)	2,492,199	(277,565)	1,854,548
<b>Total</b>	<b>163,475</b>	<b>(343,868)</b>	<b>2,492,199</b>	<b>(277,565)</b>	<b>2,034,241</b>

(1) Such changes occurred from the reduction of lease fee.

Unit : Thousand Baht

As at December 31, 2019	Consolidated financial statements				
	Balance as at January 1, 2019	Cash flows from financial activities	Non-cash changes		Balance as at December 31, 2019
			Differences on translation of financial statements	Other changes	
Long-term borrowings from financial institutions	195,291	(39,541)	-	-	155,750
Long-term borrowing from a related party	3,270	(238)	-	-	3,032
Liabilities under finance lease agreements	6,154	(2,644)	-	1,183	4,693
<b>Total</b>	<b>204,715</b>	<b>(42,423)</b>	<b>-</b>	<b>1,183</b>	<b>163,475</b>

Unit : Thousand Baht

As at December 31, 2020	Separate financial statements				
	Balance as at January 1, 2020	Cash flows from financial activities	Non-cash changes		Balance as at December 31, 2020
			Effect of the application of the new accounting standards	Other changes <sup>(1)</sup>	
Short-term borrowings from financial institutions	-	55,000	-	-	55,000
Long-term borrowings from financial institutions	155,750	(33,857)	-	-	121,893
Lease liabilities	4,693	(332,827)	2,129,539	(212,460)	1,588,945
<b>Total</b>	<b>160,443</b>	<b>(311,684)</b>	<b>2,129,539</b>	<b>(212,460)</b>	<b>1,765,838</b>

(1) Such changes occurred from the reduction of lease fee.

Unit : Thousand Baht

As at December 31, 2019	Separate financial statements				
	Balance as at January 1, 2019	Cash flows from financial activities	Non-cash changes		Balance as at December 31, 2019
			Differences on translation of financial statements	Other changes <sup>(1)</sup>	
Long-term borrowings from financial institutions	194,663	(38,913)	-	-	155,750
Long-term borrowing from a related party	8,572	(8,572)	-	-	-
Liabilities under finance lease agreements	6,154	(2,644)	-	1,183	4,693
<b>Total</b>	<b>209,389</b>	<b>(50,129)</b>	<b>-</b>	<b>1,183</b>	<b>160,443</b>

4.2.4 Accrued dividends as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Accrued dividends as at January 1,	412	375	412	375
<u>Add</u> Dividends declared during the year	279,533	363,053	279,533	353,094
<u>Less</u> Paid during the year	(279,479)	(363,016)	(279,479)	(353,057)
Accrued dividends as at December 31,	<b>466</b>	<b>412</b>	<b>466</b>	<b>412</b>



## 5. TRADE AND OTHER CURRENT RECEIVABLES

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

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Trade receivables - other companies	175,522	257,640	165,833	238,506
Trade receivables - related parties	18,431	24,005	6,095	53,388
<b>Total trade receivables</b>	<b>193,953</b>	<b>281,645</b>	<b>171,928</b>	<b>291,894</b>
Advance payments to related parties	128	-	7,520	13,175
Other receivables - other companies	20,169	15,932	17,093	5,147
Accrued income - related parties	6,872	6,098	9,997	14,938
Prepaid expenses	20,596	24,332	11,355	23,084
<b>Total trade and other current receivables</b>	<b>241,718</b>	<b>328,007</b>	<b>217,893</b>	<b>348,238</b>

Trade receivables as at December 31, 2020 and 2019 are classified by aging as follows:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<b>Trade receivables</b>				
<b>Third parties</b>				
Current	80,960	132,335	71,271	113,201
Overdue				
3 months or less	75,920	121,763	75,920	121,763
Over 3 months up to 6 months	7,645	1,882	7,645	1,882
Over 6 months up to 12 months	6,614	1,014	6,614	1,014
Over 12 months	4,383	646	4,383	646
<b>Total</b>	<b>175,522</b>	<b>257,640</b>	<b>165,833</b>	<b>238,506</b>

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<b>Related parties</b>				
Current	2,946	7,648	5,965	6,735
Overdue				
3 months or less	60	1,253	60	10,566
Over 3 months up to 6 months	81	875	24	6,831
Over 6 months up to 12 months	729	643	1	19,988
Over 12 months	14,615	13,586	45	9,268
<b>Total</b>	<b>18,431</b>	<b>24,005</b>	<b>6,095</b>	<b>53,388</b>
<b>Trade receivables</b>	<b>193,953</b>	<b>281,645</b>	<b>171,928</b>	<b>291,894</b>

For the years ended December 31, 2020 and 2019, the credit period of sales is 30 - 60 days. No interest is charged on outstanding trade receivables.

## 6. SHORT-TERM LOANS TO RELATED PARTIES

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

Unit : Thousand Baht						
Borrower	Principal	Interest rate % per annum	Consolidated Financial Statements		Separate Financial Statements	
			2020	2021	2020	2021
Short-term loans to related parties						
Subsidiaries						
S&P Global Co., Ltd.	Baht 13.00 million	3.0	-	-	-	9,000
S&P Delivery Co., Ltd. (see Note 11)	Baht 4.00 million	3.5	-	-	4,000	-
S&P Restaurant Limited granted a loan to a joint venture						
MSP Property Limited	GBP 0.07 million	4.5	2,825	2,941	-	-
			2,825	2,941	4,000	9,000

As at December 31, 2020 and 2019, there are short-term loans to related parties which are unsecured and callable on demand.

## 7. INVENTORIES

Inventories as at December 31, consist of:

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Finished goods	77,765	123,052	77,368	122,588
Work in process	1,050	1,460	1,050	1,460
Raw materials	96,644	117,267	88,186	107,218
Packaging materials	41,292	47,912	40,941	47,329
Spare parts and supplies	7,858	10,705	6,257	7,873
<b>Total inventories</b>	<b>224,609</b>	<b>300,396</b>	<b>213,802</b>	<b>286,468</b>

For the years ended December 31, 2020 and 2019, the costs of inventories recognized as expenses during the years in the consolidated financial statements are Baht 3,106 million and Baht 4,220 million, respectively, and in the separate financial statements, Baht 2,983 million and Baht 3,988 million, respectively.

## 8. OTHER CURRENT FINANCIAL ASSETS AND TEMPORARY INVESTMENTS

Other current financial assets as at December 31, 2020 consist of:

Unit : Thousand Baht		
	Consolidated Financial Statements	Separate Financial Statements
Time deposits with maturities of more than 3 months but not more than 1 year (interest rate at 0.20 - 0.30 per annum)	14	-
Financial assets measured at fair value through profit or loss		
- Fixed income open-ended funds	455,133	455,133
- Private funds	24,264	24,264
<b>Total other current financial assets</b>	<b>479,411</b>	<b>479,397</b>

Temporary investments as at December 31, 2019 consist of (see Note 2.5.1):

Unit : Thousand Baht		
	Consolidated Financial Statements	Separate Financial Statements
Time deposits with maturities of more than 3 months but not more than 1 year (interest rate at 1 - 1.25% per annum)	14	-
Trading securities		
- Fixed income open-ended funds	303,400	303,400
- Private funds	24,142	24,142
<b>Total temporary investments</b>	<b>327,556</b>	<b>327,542</b>

As at December 31, 2020 and 2019, the Company has investments in fixed income open-ended funds and private funds of the asset management companies which are held for trading. The fair value of such investments that are held for trading is measured at FVTPL as disclosed in Notes 3.3 and 3.4.

## 9. DEPOSITS USED AS COLLATERAL

9.1 As at December 31, 2020 and 2019, cash at bank of the Company of Baht 0.58 million was used as collateral against the letters of guarantee from a bank for electricity usage.

9.2 As at December 31, 2020 and 2019, cash at banks of the Company of Baht 0.20 million and a subsidiary of Baht 0.03 million was used as collateral for online and direct sales business to Office of the Consumer Protection Board (OCPB).





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:

	Type of business	Paid-up share capital As at December 31, 2020 and 2019	Percentage of shareholding (%) As at December 31, 2020 and 2019	Balance (at cost method) As at December 31, 2020 and 2019 Thousand Baht	Balance (at equity method)	
					2020 (Thou- sand Baht)	2019 (Thou- sand Baht)
Joint ventures:						
Shares held by S&P Syndicate Public Company Limited MSC Thai Cuisine Co., Ltd.	Culinary school	Baht 80 million	43.75	35,000	23,729	25,358
Shares held by S&P Development Holding Co., Ltd. Patara Fine Thai Cuisine Limited	Restaurant	GBP 13.700	50.00	322,373	176,382	234,843
Total investments in joint ventures					200,111	260,201
An associate:						
Shares held by S&P Syndicate Public Company Limited Foodhouse Catering Services Co., Ltd.	Food services	Baht 10 million	49.97	4,997	66,570	67,410

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

	Type of business	Paid-up capital As at December 31, 2020 and 2019	Percentage of shareholding (%) As at December 31, 2020 and 2019	Balance (at cost) As at December 31,		Dividend income For the years ended December 31,	
				2020 (Thou- sand Baht)	2019 (Thou- sand Baht)	2020 (Thou- sand Baht)	2019 (Thou- sand Baht)
Shares held by S&P Syndicate Public Co., Ltd. Subsidiaries:							
S&P Global Co.. Ltd.	Investing in other companies	Baht 50 million	80.00	40,000	40,000	-	39,830
S&P Delivery Co., Ltd.	Food delivery	Baht 1 million	99.93	999	999	-	-
S&P International Foods Co., Ltd.	Restaurant	Baht 50 million	99.99	49,997	49,997	-	-
Umenohana S&P Co.. Ltd.	Restaurant	Baht 25 million	59.99	15,000	15,000	-	-
S&P International Foods (Cambodia) Co.. Ltd.	Restaurant	USD 1,457,500	99.99	48,370	48,370	-	-
S&P Development Holding Co., Ltd.	Investing in other companies	Baht 170 million	99.99	170,000	170,000	-	-
S&P Training Co., Ltd.	Training for employees	Baht 1 million	99.98	1,000	1,000	8,798	13,177
Less Allowance for impairment loss on investment in a subsidiary				325,366	325,366		
Total investments in subsidiaries				(104,615)	(104,615)		
				220,751	220,751	-	-
Shares held by S&P Syndicate Public Co., Ltd. Joint venture:							
MSC Thai Cuisine Co., Ltd.	Culinary school	Baht 80 million	43.75	35,000	35,000	-	-
Shares held by S&P Syndicate Public Co., Ltd. An associate:							
Foodhouse Catering Services Co.. Ltd.	Food services	Baht 10 million	49.97	4,997	4,997	14,991	8,994
Total dividend income						23,789	62,001

S&P Development Holding Co., Ltd., a subsidiary of the Company, has loss from operation and retained deficit. In 2019, the Company estimated the recoverable amounts by estimating the values in use and noted that the values in use of such investment are lower than the carrying amounts amounting to Baht 39.62 million, such amount is recognized as loss on impairment of investments in a subsidiary in the separate statements of comprehensive income as at December 31, 2019. Then in 2020, the company estimated the value in use and noted that the value in use did not change significantly from the estimation in 2019.

As at December 31, 2020 and 2019, the recoverable amount of investment in S&P Development Holding Co. Ltd., a subsidiary which was impacted by the investment in Patara Fine Thai Cuisine Limited, a joint venture, was determined based on value in use, calculated using cash flow projections for the next 5 years. Key assumptions applied to the calculation of value in use of the assets are summarized below.

	Percent per annum	
	2020	2019
Long-term growth rate	2.00	3.00 - 5.00
Pre-tax discount rate	7.78	7.75

The management determined the growth rate based on the historical operating results, the expected growth of such joint venture and market and the discount rate which is a pre-tax rate that reflects the specific risk of the business unit.

Details of a 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:

**PATARA FINE THAI CUISINE LIMITED**

**SUMMARIZED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31,**

Unit : Thousand Baht		
	2020	2019
<b>Current assets</b>		
Cash and cash equivalents	4,734	13,081
Other current assets (excluding cash)	53,954	66,501
Total current assets	58,688	79,582
<b>Non-current assets</b>	676,733	428,062
<b>Total assets</b>	<b>735,421</b>	<b>507,644</b>

**PATARA FINE THAI CUISINE LIMITED**  
**SUMMARIZED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, (CONTINUE )**

Unit : Thousand Baht		
	2020	2019
<b>Current liabilities</b>		
Other current liabilities (including trade payables)	(98,850)	(76,634)
Non-current liabilities	(242,918)	(38,849)
<b>Total liabilities</b>	<b>(341,768)</b>	<b>(115,483)</b>
<b>Net assets</b>	<b>393,653</b>	<b>392,161</b>

Summarized statements of comprehensive income for the years ended December 31,

Unit : Thousand Baht		
	2020	2019
<b>Revenue</b>	69,788	239,215
Cost of sale	(13,871)	(47,890)
Staff cost	(25,552)	(74,762)
<b>Administration expense</b>	<b>(146,780)</b>	<b>(152,700)</b>
<b>Loss from continuing operations</b>	<b>(116,415)</b>	<b>(36,137)</b>
Income tax refund (expense)	(507)	4,244
Post-tax loss from continuing operations	(116,922)	(31,893)
<b>Net loss</b>	<b>(116,922)</b>	<b>(31,893)</b>

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		
	2020	2019
Net assets of the joint venture	393,653	392,161
Adjustment to exchange differences on translation of financial statements	(40,889)	77,525
	352,764	469,686
Proportion of the Group's ownership interest in the joint venture (%)	50.00	50.00
<b>Carrying amount of the Group's interest in the joint venture</b>	<b>176,382</b>	<b>234,843</b>



Details of a 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**

	<b>2020</b>	<b>2019</b>
<b>As at December 31,</b>		
Assets	159,323	155,761
Liabilities	(46,478)	(48,780)

**Unit : Thousand Baht**

	<b>2020</b>	<b>2019</b>
<b>For the years ended December 31,</b>		
Revenue	437,180	476,878
Gain from continuing operations	75,438	87,280
Profit for the year	28,319	40,461

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**

	<b>2020</b>	<b>2019</b>
Net assets of the associated company	105,765	106,981
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.	52,851	53,458
The Group's share of profits for the years ended December 31,	14,151	20,218
<b>Aggregate carrying amount of the Group's interests in the associated company as at December 31,</b>	<b>66,570</b>	<b>67,410</b>

## 11. LOANS TO RELATED PARTIES

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

Unit : Thousand Baht

	Principal Million Baht	Interest rate % per annum	Consolidated Financial Statements Balance		Separate Financial Statements Balance	
			2020	2019	2020	2019
Loans to related parties						
Subsidiaries						
Patara Restaurant, Vienna GmbH.	49.97	3.0	-	-	38,712	38,712
S&P Global Co.. Ltd.	4.00	3.5	-	-	-	4,000
Umenohana S&P Co.. Ltd.	6.00	4.5	-	-	-	4,239
Umenohana S&P Co.. Ltd.	4.80	4.5	-	-	4,200	-
S&P Delivery Co., Ltd.	4.00	3.5	-	-	-	4,000
S&P Delivery Co., Ltd.	5.00	3.5	-	-	5,000	-
S&P International Foods Co., Ltd.	38.00	3.5	-	-	22,000	-
Total loans to related parties			-	-	69,912	50,951
Repayment periods						
- within 1 year - presented in current assets			-	-	22,929	-
- later than 1 year - presented in non-current assets			-	-	46,983	50,951
			-	-	69,912	50,951

- 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 is callable on demand. Subsequently, in 2019 and 2020, the Company partly received the installment from Patara Restaurant, Vienna GmbH. in the amount of Baht 11.26 million.

As at December 31, 2020 and 2019, the Company anticipated that the remaining 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 assets.

- On August 25, 2017, the Company granted a loan to S&P Global Co., Ltd. Such subsidiary issued a promissory note in the amount of Baht 2.00 million to the Company. Such loan is unsecured and is callable on demand. Subsequently, on September 16, 2019, the Company additionally granted a loan. Such subsidiary issued a promissory note in the amount of Baht 2.00 million to the Company. Such loan is unsecured and is callable on demand.

As at December 31, 2019, 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 assets. Subsequently, in 2020, the Company received the loan repayment in the amount of Baht 4.00 million.

- On November 27, 2017, the Company granted a loan to Umenohana S&P Co., Ltd. in the amount of Baht 6.00 million. Such loan is unsecured and payable on a 3-month basis, totalling 16 installments. During 2019, the Company received the installment in the amount of Baht 0.94 million. On June 30, 2019, the Company changed the payment period to 1-month basis, totalling 60 installments and the first repayment is on January 31, 2021.

On June 1, 2020, the Company has terminated the old agreement which has outstanding loan in the amount of Baht 4.24 million and entered into a new agreement in the amount of Baht 4.80 million. Such loan is unsecured and payable on a 3-month basis, totalling 14 installments. The first installment starts on September 30, 2020.

- On January 28, 2019, the Company granted a loan to S&P Delivery Co., Ltd. in the amount of Baht 4.00 million. Such loan is unsecured and payable on a 3-month basis, totalling 8 installments. On April 17, 2020, the Company has made an appendix to such loan agreement. The Company has received the repayment of principal on April 27, 2021 and the interest was paid every quarter from January 28, 2019 onwards. Therefore, the loan was presented as a short-term loan to related parties (see Notes 4.2.2 and 6).
- On April 1, 2020, the Company granted an additional loan to S&P Delivery Co., Ltd. in the amount of Baht 5 million. Such loan is unsecured and payable at the end of the contract on February 19, 2022.
- On June 1, 2020, the Company granted a loan to S&P International Foods Co., Ltd. in the amount of Baht 38 million. Such loan is unsecured and payable on a 3-month basis, totalling 17 installments. The first installment starts on August 17, 2020.

## 12. PROPERTY, PLANT AND EQUIPMENT

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

AS AT DECEMBER 31, 2020

Consolidated Financial Statements							Unit : Thousand Baht
	Balance as at January 1, 2020	Consequence from initial apply to TFRS 16 (see Note 2.5.1)	Additions	Disposals	Transfer in (Transfer out)	Differences on translation of financial statements	Balance as at December 31, 2020
Cost							
Land	474,503	-	-	-	-	-	474,503
Buildings and building improvements	85,161	-	806	-	-	1,878	87,845
Factory buildings	200,131	-	-	-	-	-	200,131
Machinery and equipment	1,195,684	-	12,512	(45,358)	4,109	3,245	1,170,192
Furniture and equipment							
- Offices and factories	969,699	-	18,056	(30,696)	12,009	-	969,068
- Restaurants and bakery shops	1,909,056	-	27,151	(137,760)	26,497	9,052	1,833,996
Vehicles	60,517	(7,739)	114	(3,498)	-	35	49,429
Total cost	4,894,751	(7,739)	58,639	(217,312)	42,615	14,210	4,785,164



AS AT DECEMBER 31, 2020

Unit : Thousand Baht						
	Consolidated Financial Statements					
	Balance as at January 1, 2020	Consequence from initial apply to TFRS 16 (see Note 2.5.1)	Additions	Disposals	Transfer in (Transfer out)	Differences on translation of financial statements
Accumulated depreciation						
Buildings and building improvements	(55,839)	-	(1,788)	-	-	(1,084)
Factory buildings	(153,748)	-	(4,023)	-	-	-
Machinery and equipment	(952,964)	-	(61,969)	41,271	-	(406)
Furniture and equipment						
- Offices and factories	(662,763)	-	(55,806)	29,515	-	-
- Restaurants and bakery shops	(1,522,866)	-	(127,981)	97,886	-	(10,380)
Vehicles	(52,060)	2,318	(2,112)	3,488	-	(35)
<b>Total accumulated depreciation</b>	<b>(3,400,240)</b>	<b>2,318</b>	<b>(253,679)</b>	<b>172,160</b>	<b>-</b>	<b>(11,905)</b>
Building improvements and equipment under construction and installation	27,098	-	141,540	-	(42,615)	(6)
Less Allowance for impairment - building improvements and equipment	(11,135)	-	(17,165)	18,122	-	-
<b>Property, plant and equipment</b>	<b>1,510,474</b>					<b>1,409,657</b>

## AS AT DECEMBER 31, 2019

		Consolidated Financial Statements						Unit : Thousand Baht	
		Balance as at January 1, 2019	Additions	Disposals	Transfer in (Transfer out)	Differences on translation of financial statements	Adjustment	Balance as at December 31, 2019	
<b>Cost</b>									
Land		474,503	-	-	-	-	-		474,503
Buildings and building improvements		86,544	925	-	-	(2,308)	-		85,161
Factory buildings		200,131	-	-	-	-	-		200,131
Machinery and equipment		1,137,767	40,495	(20,402)	42,351	(4,527)	-		1,195,684
Furniture and equipment									
- Offices and factories		965,306	21,035	(24,401)	7,759	-	-		969,699
- Restaurants and bakery shops		1,874,119	89,380	(118,981)	79,071	(14,533)	-		1,909,056
Vehicles		62,065	147	(3,290)	1,643	(48)	-		60,517
<b>Total cost</b>		<b>4,800,435</b>	<b>151,982</b>	<b>(167,074)</b>	<b>130,824</b>	<b>(21,416)</b>	<b>-</b>		<b>4,894,751</b>

## AS AT DECEMBER 31, 2019

Unit : Thousand Baht

	Consolidated Financial Statements						Balance as at December 31, 2019
	Balance as at January 1, 2019	Additions	Disposals	Transfer in (Transfer out)	Differences on translation of financial statements	Adjustment	
Accumulated depreciation							
Buildings and building improvements	(55,247)	(1,790)	-	-	1,198	-	(55,839)
Factory buildings	(149,429)	(4,319)	-	-	-	-	(153,748)
Machinery and equipment	(896,590)	(77,868)	18,880	-	2,614	-	(952,964)
Furniture and equipment							
- Offices and factories	(612,700)	(73,971)	23,908	-	-	-	(662,763)
- Restaurants and bakery shops	(1,481,826)	(152,769)	103,567	-	8,162	-	(1,522,866)
Vehicles	(51,511)	(3,887)	3,290	-	48	-	(52,060)
Total accumulated depreciation	(3,247,303)	(314,604)	149,645	-	12,022	-	(3,400,240)
Building improvements and equipment under construction and installation	69,381	95,800	-	(130,824)	(2,784)	(4,475)	27,098
Less Allowance for impairment - building improvements and equipment	(6,310)	(11,857)	7,032	-	-	-	(11,135)
Property, plant and equipment	1,616,203						1,510,474
Depreciation for the years ended December 31,							
2020						Thousand Baht	253,679
2019						Thousand Baht	314,604

## AS AT DECEMBER 31, 2020

Unit : Thousand Baht

	Separate Financial Statements					
	Balance as at January 1, 2020	Consequence from initial apply to TFRS 16 (see Note 2.5.1)	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2020
<b>Cost</b>						
Land	474,503	-	-	-	-	474,503
Buildings and building improvements	38,184	-	-	-	-	38,184
Factory buildings	200,131	-	-	-	-	200,131
Machinery and equipment	1,106,048	-	11,599	(30,184)	4,109	1,091,572
Furniture and equipment						
- Offices and factories	969,627	-	18,057	(30,696)	12,009	968,997
- Restaurants and bakery shops	1,645,435		25,142	(84,811)	26,497	1,612,263
Vehicles	59,769	(7,739)	114	(3,498)	-	48,646
Total cost	4,493,697	(7,739)	54,912	(149,189)	42,615	4,434,296
<b>Accumulated depreciation</b>						
Buildings and building improvements	(37,043)	-	(628)	-	-	(37,671)
Factory buildings	(153,749)	-	(4,024)	-	-	(157,773)
Machinery and equipment	(884,480)	-	(56,205)	28,830	2,530	(909,325)
Furniture and equipment						
- Offices and factories	(662,667)	-	(55,764)	29,554	-	(688,877)
- Restaurants and bakery shops	(1,329,506)	-	(108,720)	63,040	(2,530)	(1,377,716)
Vehicles	(51,308)	2,318	(2,113)	3,488	-	(47,615)
Total accumulated depreciation	(3,118,753)	2,318	(227,454)	124,912	-	(3,218,977)
Building improvements and equipment under construction and installation	27,078	-	141,552	-	(42,615)	126,015
<u>Lass</u> Allowance for impairment - building improvements and equipment	(10,190)	-	(243)	6,600	-	(3,833)
<b>Property, plant and equipment</b>	<b>1,391,832</b>					<b>1,337,501</b>



## AS AT DECEMBER 31, 2019

Unit : Thousand Baht

	Separate Financial Statements					
	Balance as at January 1, 2019	Additions	Disposals	Transfer in (Transfer out)	Adjustment	Balance as at December 31, 2019
<b>Cost</b>						
Land	474,503	-	-	-	-	474,503
Buildings and building improvements	38,184	-	-	-	-	38,184
Factory buildings	200,131	-	-	-	-	200,131
Machinery and equipment	1,045,741	34,330	(16,374)	42,351	-	1,106,048
Furniture and equipment						
- Offices and factories	965,219	21,010	(24,361)	7,759	-	969,627
- Restaurants and bakery shops	1,596,645	68,569	(94,905)	75,126	-	1,645,435
Vehicles	61,268	147	(3,290)	1,644	-	59,769
Total cost	4,381,691	124,056	(138,930)	126,880	-	4,493,697

## AS AT DECEMBER 31, 2019

Unit : Thousand Baht

	Separate Financial Statements					
	Balance as at January 1, 2019	Additions	Disposals	Transfer in (Transfer out)	Adjustment	Balance as at December 31, 2019
<b>Accumulated depreciation</b>						
Buildings and building improvements	(36,400)	(643)	-	-	-	(37,043)
Factory buildings	(149,430)	(4,319)	-	-	-	(153,749)
Machinery and equipment	(829,915)	(70,115)	15,461	89	-	(884,480)
Furniture and equipment						
- Offices and factories	(612,686)	(73,929)	23,948	-	-	(662,667)
- Restaurants and bakery shops	(1,292,604)	(121,999)	85,186	(89)	-	(1,329,506)
Vehicles	(50,711)	(3,887)	3,290	-	-	(51,308)
Total accumulated depreciation	(2,971,746)	(274,892)	127,885	-	-	(3,118,753)
Building improvements and equipment under construction and installation	65,726	92,707	-	(126,880)	(4,475)	27,078
<u>Less</u> Allowance for impairment - building improvements and equipment	(5,365)	(11,857)	7,032	-	-	(10,190)
<b>Property, plant and equipment</b>	<b>1,470,306</b>					<b>1,391,832</b>

Depreciation for the years ended  
December 31,

2020	Thousand Baht	227,454
2019	Thousand Baht	274,892

As at December 31, 2020 and 2019, the carrying amount of assets under financial leases are Baht 5.61 million and Baht 5.42 million, respectively.

### 13. RIGHT-OF-USE ASSETS AND LEASEHOLD RIGHT

Right-of-use assets as at December 31, 2020 are as follows:

#### AS AT DECEMBER 31, 2020

Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at January 1, 2020	Consequence from initial apply to TERS 16 (see Note 2.5.2)	Additions	Disposal	Balance as at December 31, 2020
<b>Cost</b>					
Buildings	-	2,440,457	51,742	(165,048)	2,327,151
Leasehold right	-	28,636	2,987	-	31,623
Vehicles	-	5,421	1,759	-	7,180
Total cost	-	2,474,514	56,488	(165,048)	2,365,954
<b>Accumulated depreciation</b>					
Buildings	-	-	(416,683)	-	(416,683)
Leasehold right	-	-	(10,193)	-	(10,193)
Vehicles	-	-	(1,568)	-	(1,568)
Total accumulated depreciation	-	-	(428,444)	-	(428,444)
Discount from temporary relief measures	-	-	(108,452)	-	(108,452)
Exchange differences on the translation of financial statements	-	-	(1,929)	-	(1,929)
<b>Right-of-use assets - net</b>	-	-	-	-	<b>1,827,129</b>
<u>Less</u> Allowance for impairment loss - right-of-use assets	-	(46,811)	-	34,164	(12,647)
<b>Total right-of-use assets</b>	-				<b>1,814,482</b>

Depreciation for the year ended December 31,2020

Thousand  
Baht

428,444

## AS AT DECEMBER 31, 2020

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2020	Consequence from initial apply to TERS 16 (see Note 2.5.2)	Additions	Disposal	Balance as at December 31, 2020
<b>Cost</b>					
Buildings	-	2,081,941	47,598	(116,918)	2,012,621
Leasehold right	-	18,551	2,987	-	21,538
Vehicles	-	5,421	1,759	-	7,180
Total cost	-	2,105,913	52,344	(116,918)	2,041,339
<b>Accumulated depreciation</b>					
Buildings	-	-	(375,996)	-	(375,996)
Leasehold right	-	-	(8,481)	-	(8,481)
Vehicles	-	-	(1,568)	-	(1,568)
Total accumulated depreciation	-	-	(386,045)	-	(386,045)
Discount from temporary relief measures	-	-	(98,864)	-	(98,864)
<b>Right-of-use assets - net</b>	-	-	-	-	<b>1,556,430</b>
<u>Less</u> Allowance for impairment loss - right-of-use assets	-	(12,648)	-	-	(12,648)
<b>Total right-of-use assets</b>	<b>-</b>				<b>1,543,782</b>

Depreciation for the year ended  
December 31, 2020

Thousand  
Baht 386,045

The Group leases several assets consisting of buildings, plants and IT equipment. The average lease term is 5 years.

The Group has options to purchase certain vehicle for a nominal amount at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

The maturity analysis of lease liabilities is presented in Note 20.

Unit : Thousand Baht		
	Consolidated Financial Statements	Separate Financial Statements
	2020	2020
<b>Amounts recognized in profit or loss</b>		
Depreciation on right-of-use assets	420,626	377,565
Interest expense on lease liabilities	66,825	56,356
Expense relating to short-term leases	546	546



Leasehold rights as at December 31, 2019 consist of:

Unit : Thousand Baht					
	Consolidated Financial Statements				
	Balance as at January 1, 2019	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2019
<b>Cost</b>					
Leasehold rights	214,892	-	-	(113)	214,779
Total cost	214,892	-	-	(113)	214,779
<b>Accumulated amortization</b>					
Leasehold rights	(171,188)	(14,964)	-	9	(186,143)
Total accumulated amortization	(171,188)	(14,964)	-	9	(186,143)
<b>Leasehold rights</b>	<b>43,704</b>				<b>28,636</b>

Amortization for the years ended December 31, 2019

Thousand Baht 14,964

Unit : Thousand Baht				
	Separate Financial Statements			
	Balance as at January 1, 2019	Additions	Disposals	Balance as at December 31, 2019
<b>Cost</b>				
Leasehold rights	197,473	-	-	197,473
Total cost	197,473	-	-	197,473
<b>Accumulated amortization</b>				
Leasehold rights	(165,667)	(13,255)	-	(178,922)
Total accumulated amortization	(165,667)	(13,255)	-	(178,922)
<b>Leasehold rights</b>	<b>31,806</b>			<b>18,551</b>

Amortization for the years ended  
December 31, 2019

Thousand  
Baht 13,255

## 14. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Other intangible assets other than goodwill as at December 31, consist of:

### AS AT DECEMBER 31, 2020

Unit : Thousand Baht					
	Consolidated Financial Statements				
	Balance as at January 1, 2020	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2020
<b>Cost</b>					
Computer software development costs	88,688	2,188	(183)	(5)	90,688
Total cost	88,688	2,188	(183)	(5)	90,688
<b>Accumulated amortization</b>					
Computer software development costs	(59,275)	(12,665)	52	(3)	(71,891)
Total accumulated amortization	(59,275)	(12,665)	52	(3)	(71,891)
Other intangible assets other than goodwill	<u>29,413</u>				<u>18,797</u>

### AS AT DECEMBER 31, 2019

Unit : Thousand Baht					
	Consolidated Financial Statements				
	Balance as at January 1, 2019	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2019
<b>Cost</b>					
Computer software development costs	82,931	5,819	-	(62)	88,688
Total cost	82,931	5,819	-	(62)	88,688
<b>Accumulated amortization</b>					
Computer software development costs	(46,782)	(12,234)	-	(259)	(59,275)
Total accumulated amortization	(46,782)	(12,234)	-	(259)	(59,275)
Other intangible assets other than goodwill	<u>36,149</u>				<u>29,413</u>

### Amortization for the years ended December 31,

2020	Thousand Baht	<u>12,665</u>
2019	Thousand Baht	<u>12,234</u>

**As at December 31, 2020**

Unit : Thousand Baht				
	Separate Financial Statements			
	Balance as at January 1, 2020	Additions	Disposals	Balance as at December 31, 2020
<b>Cost</b>				
Computer software development costs	87,343	2,188	(28)	89,503
Total cost	87,343	2,188	(28)	89,503
<b>Accumulated amortization</b>				
Computer software development costs	(58,339)	(12,430)	15	(70,754)
Total accumulated amortization	(58,339)	(12,430)	15	(70,754)
<b>Other intangible assets other than goodwill</b>	<b>29,004</b>			<b>18,749</b>

**As at December 31, 2019**

Unit : Thousand Baht				
	Separate Financial Statements			
	Balance as at January 1, 2019	Additions	Disposals	Balance as at December 31, 2019
<b>Cost</b>				
Computer software development costs	81,840	5,503	-	87,343
Total cost	81,840	5,503	-	87,343
<b>Accumulated amortization</b>				
Computer software development costs	(46,130)	(12,209)	-	(58,339)
Total accumulated amortization	(46,130)	(12,209)	-	(58,339)
<b>Other intangible assets other than goodwill</b>	<b>35,710</b>			<b>29,004</b>

**Amortization for the years ended December 31,**

2020	Thousand Baht	<b>12,430</b>
2019	Thousand Baht	<b>12,209</b>

## 15. DEFERRED INCOME TAX AND INCOME TAX EXPENSE

Deferred tax assets as at December 31, consist of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Deferred tax assets	55,901	51,478	53,416	50,181

The movements of deferred tax assets and liabilities for the years ended December 31, 2020 and 2019 are as follows:

### CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

	Unit : Thousand Baht			
	Balances as at January 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2020
<b>Deferred tax assets resulted from</b>				
Revaluation of financial assets	266	(443)	-	(177)
Buildings and equipment - difference of depreciation rate	2,383	585	-	2,968
Contract liabilities - customer loyalty programme	521	211	-	732
Unearned revenues	3,808	(1,320)	-	2,488
Provision for employee benefits	48,497	(7,632)	-	40,865
Actuarial gain on defined employee benefit plan	(10,628)	-	(747)	(11,375)
Provision for costs of dismantling, removing and restoring the site	6,478	648	-	7,126
Unused tax losses	153	284	-	437
Lease liabilities	-	12,070	-	12,070
Allowance for impairment fixed asset	-	767	-	767
<b>Deferred tax assets</b>	<b>51,478</b>	<b>5,170</b>	<b>(747)</b>	<b>55,901</b>

## AS AT DECEMBER 31, 2019

Unit : Thousand Baht

	Consolidated Financial Statements			
	Balances as at January 1, 2019	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2019
<b>Deferred tax assets resulted from</b>				
Revaluation of trading securities	78	188	-	266
Allowance for doubtful accounts	431	(431)	-	-
Buildings and equipment - difference of depreciation rate	968	1,451	-	2,383
Contract liabilities - customer loyalty programme	140	381	-	521
Unearned revenues	5,078	(1,270)	-	3,808
Provision for employee benefits	37,822	10,675	-	48,497
Actuarial gain on defined employee benefit plan	(6,522)	-	(4,106)	(10,628)
Provision for costs of dismantling, removing and restoring the site	5,465	1,013	-	6,478
Unused tax losses	6,492	(6,339)	-	153
<b>Deferred tax assets</b>	<b>49,952</b>	<b>5,632</b>	<b>(4,106)</b>	<b>51,478</b>



## SEPARATE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

Unit : Thousand Baht

	Separate Financial Statements			
	Balances as at January 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2020
<b>Deferred tax assets resulted from</b>				
Revaluation of financial assets	266	(443)	-	(177)
Buildings and equipment - difference of depreciation rate	1,331	910	-	2,241
Unearned revenues	3,808	(1,320)	-	2,488
Contract liabilities - customer loyalty programme	521	211	-	732
Provision for employee benefits	48,497	(7,632)	-	40,865
Actuarial gain on defined employee benefit plan	(10,628)	-	(747)	(11,375)
Provision for costs of dismantling, removing and restoring the site	6,386	668	-	7,054
Lease liabilities	-	10,821	-	10,821
Allowance for impairment fixed asset	-	767	-	767
<b>Deferred tax assets</b>	<b>50,181</b>	<b>3,982</b>	<b>(747)</b>	<b>53,416</b>

## AS AT DECEMBER 31, 2019

Unit : Thousand Baht

	Separate Financial Statements			
	Balances as at January 1, 2019	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2019
<b>Deferred tax assets resulted from</b>				
Revaluation of trading securities	78	188	-	266
Allowance for doubtful accounts	431	(431)	-	-
Buildings and equipment - difference of depreciation rate	790	541	-	1,331
Unearned revenues	5,078	(1,270)	-	3,808
Contract liabilities - customer loyalty programme	140	381	-	521
Provision for employee benefits	37,620	10,877	-	48,497
Actuarial gain on defined employee benefit plan	(6,522)	-	(4,106)	(10,628)
Provision for costs of dismantling, removing and restoring the site	5,373	1,013	-	6,386
<b>Deferred tax assets</b>	<b>42,988</b>	<b>11,299</b>	<b>(4,106)</b>	<b>50,181</b>

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

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Current tax	35,541	44,933	33,653	41,040
Prior year's adjustment to income tax	5,865	(2,888)	5,865	(2,888)
Deferred tax expenses relating to the origination and reversal of temporary differences	(5,170)	(5,632)	(3,982)	(11,299)
<b>Income tax expense per the statements of profit or loss and other comprehensive income</b>	<b>36,236</b>	<b>36,413</b>	<b>35,536</b>	<b>26,853</b>

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	
	2020	2019	2020	2019
Accounting profit before income tax	217,985	340,679	248,460	375,538
Applicable corporate income tax rate	8.5% - 25%	8.5% - 25%	20%	20%
Current income tax	49,846	84,970	49,692	75,108
Prior year's adjustment to income tax	5,865	(2,888)	5,865	(2,888)
Tax effect of non-deductible expenses (benefits)	(19,475)	(45,669)	(20,021)	(45,367)
<b>Income tax expense per the statements of profit or loss and other comprehensive income</b>	<b>36,236</b>	<b>36,413</b>	<b>35,536</b>	<b>26,853</b>

The Company and its 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%.

As at December 31, 2020 and 2019, the subsidiaries had unused tax losses totalling Baht 44.74 million and Baht 59.05 million, respectively, on which deferred tax assets had not been recognized as the Group believed future taxable profits of these subsidiaries may not be sufficient to allow utilization of the unused tax losses.

## 16. SHORT-TERM BORROWING FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at December 31, 2020 are as follows:  
(as at December 31, 2019: Nil)

Unit : Thousand Baht			
	Interest rate (% Per annum)	Consolidated Financial Statement	Separate Financial Statement
Six-month promissory notes	2.18	55,000	55,000
Short-term loan	-	2,032	-
<b>Total short-teim borrowings from financial institutions</b>		<b>57,032</b>	<b>55,000</b>

In 2020, the company has short-term borrowing in the form of promissory notes which are unsecured.

In August 2021, an oversea subsidiary received an interest-free loan of GBP 50,000 equivalent to Baht 2.03 million from a commercial bank in the United Kingdom for working capital as such subsidiary has been impacted by the coronavirus (Covid-19) pandemic. Such free interest has been supported by the Government of the United Kingdom. The subsidiary's management has intention to make a loan repayment in full amount within 2021.

## 17. TRADE AND OTHER CURRENT PAYABLES

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

Unit : Thousand Baht				
	Consolidated Financial Statement		Separate Financial Statement	
	2020	2019	2020	2019
Trade payables - other companies	320,685	434,390	296,304	403,284
Trade payables - related parties	1,507	1,234	12,525	11,052
Advance received from related parties	-	-	-	16
Accounts payable - acquisition of fixed assets	23,344	39,514	23,344	39,395
Unearned revenues	41,703	44,381	41,936	43,237
Other payables - other companies	66,423	73,309	60,374	45,639
Other payables - related parties	7,981	31,160	-	1,814
Accrued expenses	185,312	209,256	169,387	187,282
	<b>646,955</b>	<b>833,244</b>	<b>603,870</b>	<b>731,719</b>

## 18. 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,	
				2020	2019	2020	2019
S&P Syndicate Public Company Limited <sup>(1)</sup>							
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	3,500	9,500	3,500	9,500
	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	118,393	146,250	118,393	146,250
				121,893	155,750	121,893	155,750
<u>Less</u> Current portion of long-term borrowings from financial institutions				(31,357)	(33,857)	(31,357)	(33,857)
				90,536	121,893	90,536	121,893

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

## 19. 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 As at December 31,		Separate Financial Statements As at December 31,	
				2020	2019	2020	2019
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	-	3,032	-	-
	Baht 3.2 million	Bank base rate 4.5%	Repayable on a quarterly basis of Baht 200,000 per installment from September 2020 to December 2023	2,800	-	-	-
<u>Less</u> Current portion of long-term borrowing from a related party				(619)	-	-	-
				2,181	3,032	-	-

On June 1, 2020, the Company terminated the loan agreement and entered into a new loan agreement in the amount of Baht 3.20 million, in which the interest rate remains unchanged. Such loan is unsecured and repayable on a 3-month basis, totalling 14 installments. The first installment will start on September 30, 2020.

Umenohana S&P Co., Ltd. was in the process of negotiation regarding the loan repayment waiver with Umenohana Co., Ltd. which is the shareholder of such company. As of December 31, 2019, the negotiation had been finalized and is in the process of a revision of the loan repayment schedule attached in the loan agreement. Therefore, Umenohana S&P Co., Ltd. classified the outstanding loan as a long-term borrowing from a related party in the financial statements. Such loan is unsecured.

## 20. LEASE LIABILITIES

Lease liabilities as at December 31, 2020 are as follows:

Unit : Thousand Baht		
	Consolidated Financial Statements	Separate Financial Statements
<b>Maturity analysis:</b>		
Year 1	534,082	480,602
Year 2	512,929	461,536
Year 3	448,730	404,742
Year 4	277,934	240,239
Year 5	137,900	108,161
Onwards	111,949	18,625
	2,023,524	1,713,905
Less unearned interest	(166,470)	(124,960)
<b>Total</b>	<b>1,857,054</b>	<b>1,588,945</b>
<b>Classification in statement of financial position:</b>		
Non-current liabilities	1,384,986	1,160,192
Current liabilities	472,068	428,753
<b>Total</b>	<b>1,857,054</b>	<b>1,588,945</b>

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

In 2020, The Group has initially applied TFRS 16. Lease liabilities as at December 31, 2020 which increased was the resulted from the application of these financial reporting standard (see Note 2.5.2). For 2019, the balance as at December 31, 2019 was the liabilities under finance lease agreement in accordance with TAS 17.



Liabilities under finance lease agreements as at December 31, 2019 were as follows:

Unit : Thousand Baht		
	Consolidated Financial Statements Minimum lease payments in the future	Separate Financial Statements Minimum lease payments in the future
<b>Maturity analysis:</b>		
Within 1 year	2,014	2,014
Over 1 year - 5 years	3,278	3,278
	5,292	5,292
<u>Less</u> Deferred interest	(599)	(599)
<b>Total</b>	<b>4,693</b>	<b>4,693</b>
<b>Classification in statement of financial position:</b>		
Non-current liabilities	1,814	1,814
Current liabilities	2,879	2,879
<b>Total</b>	<b>4,693</b>	<b>4,693</b>

## 21. EMPLOYEE BENEFIT OBLIGATIONS

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

Amounts recognized as expenses in the statements of comprehensive income in respect of the defined benefit plans for the years ended December 31, 2020 and 2019, are as follows:

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Current service cost	20,692	25,064	21,660	20,599
Interest cost	1,771	4,205	1,691	3,488
Past service cost	-	39,599	-	37,570
<b>Expenses recorded in the statements of profit or loss and other comprehensive income</b>	<b>22,463</b>	<b>68,868</b>	<b>23,351</b>	<b>61,657</b>

Movements of the present values of the defined benefit obligations for the years ended December 31, are as follows:

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Balance of present value of defined benefit obligation as at January 1,	204,019	159,813	189,350	155,494
Current service cost	20,692	25,064	21,660	20,599
Interest cost	1,771	4,205	1,691	3,488
Past service cost	-	39,599	-	37,570
Actuarial gain on defined employee benefit plan	(8,281)	(16,889)	(3,302)	(20,528)
	218,201	211,792	209,399	196,623
<u>Less</u> Benefits paid during the year	(64,496)	(7,773)	(61,655)	(7,273)
Balance of present value of defined benefit obligation as at December 31.	153,705	204,019	147,744	189,350
<u>Less</u> Current provision for employee benefits	(1,811)	(4,718)	(1,811)	(4,575)
<b>Non-current provision for employee benefits</b>	<b>151,894</b>	<b>199,301</b>	<b>145,933</b>	<b>184,775</b>

The Labor Protection Act (No. 7) B.E. 2562 has been announced in the Royal Gazette on April 5, 2019. This 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 400 days at the employees' latest wage rate. This change is considered an amendment to the 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 consolidated and separate statements of comprehensive income for the year ended December 31, 2019 in the amounts of Baht 39.60 million and Baht 37.57 million, respectively.

For the year ended December 31, 2020, the Company recognized the actuarial gain in the consolidated and separate statements of comprehensive income in the amounts of Baht 8.28 million and Baht 3.30 million, respectively. Such actuarial gain mainly resulted from the decrease in the salary increase rate and the increase in the employee turnover rate in some ranges according to the actuarial assumption.

For the year ended December 31, 2019, the Company recognized the actuarial gain in the consolidated and separate statements of comprehensive income in the amounts of Baht 16.89 million and Baht 20.53 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.

The key actuarial assumptions used to calculate the defined benefit obligations as at December 31, 2020 and 2019 are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Discount rate (% p.a.)	1.28% - 2.73%	2.14% - 2.87%	1.36%	2.46%
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017	Thai Mortality Table 2017	Thai Mortality Table 2017
Normal retirement age	60 years	60 years	60 years	60 years
Salary increase rate	0% - 3%	0% - 3%	0% - 3%	0% - 3%
Employee turnover rate	0% - 49%	0% - 49%	0% - 41%	0% - 41%

The sensitivity analysis of the above actuarial assumptions impacting on the increase (decrease) in the present value of the employee benefit obligations as at December 31, 2020 and 2019 is as follows:

Unit : Million Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<b>Discount rate</b>				
Discount rate, decrease of 1 percent	15.66	17.21	14.92	15.70
Discount rate, increase of 1 percent	12.40	(15.08)	13.03	(13.78)
<b>Salary growth rate</b>				
Salary growth rate, increase of 1 percent	13.61	16.81	12.96	15.37
Salary growth rate, decrease of 1 percent	(12.22)	(14.26)	(11.64)	(12.99)
<b>Life expectancy</b>				
Life expectancy, increase of 1 year	0.73	0.80	0.70	0.74
Life expectancy, decrease of 1 year	(0.73)	(0.80)	(0.69)	(0.73)
<b>Employee turnover rate</b>				
Employee turnover rate, decrease of 1 percent	9.30	9.81	9.09	9.36
Employee turnover rate, increase of 1 percent	14.73	(16.27)	(14.07)	(14.88)

## 22. 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.

## 23. APPROPRIATION OF EARNINGS AND DIVIDENDS

On April 26, 2019, the Annual General Shareholders' Meeting of the Company passed a resolution to approve the dividends from the operations of the year 2018 at Baht 0.73 per share for 490,408.365 shares, totalling Baht 357.99 million and as the Company already distributed the interim dividends at Baht 0.05 per share, totalling Baht 24.52 million in September 2018, the Company paid the remaining dividends of Baht 0.68 per share, totalling Baht 333.48 million which were paid on May 13, 2019.

On August 8, 2019, the Board of Directors' Meeting of the Company passed a resolution to approve the interim dividends from the operations of the six-month period ended June 30, 2019 at Baht 0.04 per share for 490,408.365 shares, totalling Baht 19.62 million which were paid on September 6, 2019.

On February 25, 2020, the Board of Directors' Meeting of the Company passed a resolution to distribute annual dividends from the operations of the year 2019 for 490,408,365 shares at Baht 0.56 per share, totalling Baht 274.63 million. The dividends consist of interim dividends at Baht 0.04 per share, totalling Baht 19.62 million which was paid on September 6, 2019 and additional dividends of 490,408,365 shares at Baht 0.52 per share, totalling Baht 255.01 million, which will be paid on May 12, 2020. The dividends will be paid in stock dividends and cash dividends. Subsequently, the Board of Directors' Meeting of the Company passed a resolution to approve the cancellation of the payment of such stock dividends and cash dividends.

On April 14, 2020, the Board of Directors' Meeting of the Company passed a resolution to approve the interim dividends instead of the annual dividends from the operations of the year 2019 at Baht 0.52 per share for 490,408,365 shares, totalling Baht 255.01 million which were paid on May 12, 2020.

On November 13, 2020, the Board of Directors' Meeting of the Company passed a resolution to approve the interim dividends instead of the annual dividends from the operations of the nine-month period ended September 30, 2020 at Baht 0.05 per share for 490,408,365 shares, totalling Baht 24.52 million which were paid on December 9, 2020.

## 24. FINANCE COSTS

Finance costs for the years ended December 31, consist of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Interest on bank overdrafts and loans	5,918	7,795	5,888	7,446
Interest on lease liabilities	67,038	285	56,570	285
<b>Total</b>	<b>72,956</b>	<b>8,080</b>	<b>62,458</b>	<b>7,731</b>

## 25. 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 prices as stipulated in the agreements.

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

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

Accounts/Related Parties	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<b>Trade receivables</b>				
Subsidiaries	-	-	3,019	50,001
Associate	368	296	398	296
Joint ventures	15,355	20,688	-	70
Related parties	2,708	3,021	2,678	3,021
	<b>18,431</b>	<b>24,005</b>	<b>6,095</b>	<b>53,388</b>
<b>Advance payments to related parties</b>				
Subsidiaries	-	-	7,392	13,175
Joint ventures	128	-	128	-
	<b>128</b>	<b>-</b>	<b>7,520</b>	<b>13,175</b>



Unit : Thousand Baht

Accounts/Related Parties	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<b>Accrued income - related parties</b>				
Subsidiaries	-	-	3,504	8,840
Associate	171	212	171	212
Joint venture	6,701	5,886	6,322	5,886
	<b>6,872</b>	<b>6,098</b>	<b>9,997</b>	<b>14,938</b>
<b>Short-term loans to related parties</b> (Interest rate per annum)				
Subsidiaries (3.0%-3.5%)	-	-	4,000	9,000
Joint venture (4.5%)	2,825	2,941	-	-
	<b>2,825</b>	<b>2,941</b>	<b>4,000</b>	<b>9,000</b>
<b>Investments</b>				
Subsidiaries	-	-	325,366	325,366
Less Allowance for impairment loss on investment in a subsidiary	-	-	(104,615)	(104,615)
	-	-	220,751	220,751
Joint ventures	200,111	260,201	35,000	35,000
Associate	<b>66,570</b>	<b>67,410</b>	<b>4,997</b>	<b>4,997</b>
<b>Loans to related parties</b>				
Subsidiaries (See Note 11)	-	-	<b>69,912</b>	<b>50,951</b>
<b>Trade payables</b>				
Subsidiaries	-	-	11,018	9,818
Joint ventures	-	281	-	281
Related parties	1,507	953	1,507	953
	<b>1,507</b>	<b>1,234</b>	<b>12,525</b>	<b>11,052</b>
<b>Advance received from related parties</b>				
Subsidiaries	-	-	-	<b>16</b>
<b>Other payables</b>				
Subsidiaries	-	-	-	1,814
Joint ventures	7,981	31,160	-	-
	<b>7,981</b>	<b>31,160</b>	<b>-</b>	<b>1,814</b>
<b>Long-term borrowing from a related party</b>				
Related party (interest rate at 4.5% per annum)	<b>2,800</b>	<b>3,032</b>	<b>-</b>	<b>-</b>

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

Unit : Thousand Baht				
Related Parties/Accounts	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<b>Subsidiaries</b>				
Revenue from sales	-	-	28,106	41,677
Rental income - buildings and equipment	-	-	4,783	6,166
Interest income	-	-	2,653	2,008
Other income	-	-	17,382	25,642
Dividend income	-	-	8,798	53,007
Purchases of goods	-	-	1,877	3,652
Rental and other expenses	-	-	75,442	92,423
Service expenses	-	-	24,460	15,422
Interest expense	-	-	-	274
	-	-	163,501	240,271
<b>Associate</b>				
Revenue from sales	379	539	379	539
Other income	480	485	480	485
Dividend income	14,991	8,995	14,991	8,995
Share of profit from investment in an associate	14,151	20,218	-	-
	30,001	30,237	15,850	10,019
<b>Joint ventures</b>				
Rental income - buildings and equipment	875	1,900	875	1,900
Interest income	131	125	-	-
Other income	291	3,185	291	714
Purchases of goods	1,309	3,799	80	2,529
Share of loss from investments in joint ventures	(60,090)	(15,668)	-	-
	(57,484)	(6,659)	1,246	5,143
<b>Common directors</b>				
Rental and other expenses	1,083	1,487	1,083	1,487
Service expenses	5,723	7,931	5,723	7,931
	6,806	9,418	6,806	9,418
<b>Directors</b>				
Rental and other expenses	1,320	1,320	1,320	1,320

Unit : Thousand Baht				
Related Parties/Accounts	Consolidated Financial Statements		Separate Financial Statements	
	2563	2562	2563	2562
<b>Related parties</b>				
Revenue from sales	51,774	94,553	51,774	94,553
Purchases of goods	-	161	-	161
Rental and other expenses	3,408	5,948	3,408	5,948
Service expenses	2,603	4,583	2,603	4,583
Interest expense	140	134	-	-
	<b>57,925</b>	<b>105,379</b>	<b>57,785</b>	<b>105,245</b>
<b>Management benefit expenses</b>				
Short-term benefits	44,954	55,541	44,954	55,541
Long-term benefits	2,172	1,052	2,172	1,052
	<b>47,126</b>	<b>56,593</b>	<b>47,126</b>	<b>56,593</b>

## 26. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2020 and 2019 are as follows:

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Changes in inventories of finished goods and work in process - increase (decrease)	(45,697)	2,817	(45,630)	2,759
Raw materials and consumables used	1,758,097	2,494,164	1,671,974	2,316,655
Cost of finished goods purchased	71,374	85,539	70,932	84,910
Depreciation and amortization	696,277	341,802	627,422	300,356
Employee expenses	1,448,500	2,057,411	1,290,828	1,783,423
Transportation expenses	178,089	167,434	212,914	199,480
Advertising and marketing expenses	130,627	230,118	124,659	217,340
Management benefit expenses	47,126	56,594	47,126	56,594
Building and office rental expenses	304,593	445,157	266,390	360,973
Service charge expenses	311,810	487,075	293,957	458,519
Loss on impairment of fixed assets (reversal)	(957)	4,825	(6,357)	4,825
Loss on write-off of fixed assets	41,894	11,262	21,184	10,117
Doubtful debts (reversal)	-	(626)	-	-

## 27. PROVIDENT FUND

The Company and its 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, 2020 and 2019, the Company's and the subsidiaries' contributions to the provident funds which were recorded as expenses in the consolidated statements of comprehensive income were Baht 8.14 million and Baht 20.67 million, respectively.

For the years ended December 31, 2020 and 2019, the Company's contributions to the provident funds which were recorded as expenses in the separate statements of comprehensive income were Baht 7.82 million and Baht 19.72 million, respectively.

## 28. 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 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.

## 29. FINANCIAL INSTRUMENT INFORMATION

### 29.1 Financial risk management objectives

The Group's management has finance management considering liquidity risk, credit risk and market risk such as the main fluctuation of exchange rate or adjustment of interest rate. In addition, the Company has prepared the estimated financial information, management guideline, precisely monitored other standards such as ratio assets per capital, short-term assets or reserve in order to apply to manage finance risk, exchange rate risk. The investment in opening overseas branches is long-term investment, revenue and expense are in the same currency. Therefore, the Company is not necessary to enter into forward contract at this time.

The Board of risk management has considered the risk of the Company whether there are changes in any risks including the change in economy that may impact on the Company on a quarterly basis. The Board of risk management has assessed the risk of the significant project and got the consideration of the Board of management and the Audit Committee for review and propose to the Board of the Company for consideration to manage risk and closely monitor and ensure that the level of risk is acceptable. The Company can reach the determined target.

## 29.2 Credit risk

Credit risk refers to the risk that an counterparty defaults on its trading terms and conditions resulting in collection loss of the Company and subsidiaries. Concentrations of credit risk are limited since the Company and its 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. Furthermore, the Group reviews the recoverable amount of each trade debt on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts.

## 29.3 Interest rate risk

Interest rate risk represents the risk arising from the fluctuation of interest rate in future market that has affected the operations and cash flow of the Group as the entities in the Group borrow funds for working capital at fixed interest rates and has lease liabilities at floating interest rates. The risk is managed by the Group to ensure that there is the proper to its business operations.

## 29.4 Foreign exchange risk

Foreign exchange risk arises from the potential for a change in a 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 the financial assets and liabilities of the overseas subsidiaries. The Company and its subsidiaries do not use any financial instrument to manage such risk.



## 29.5 Liquidity risk management

The Group manages liquidity risk by maintaining adequate cash and cash equivalents for operation of the Group to reduce the impact on the fluctuation of cash flow. The following table has shown the remaining aging of agreement of the Group for finance liabilities including the repayment period as agreed. This table has been prepared based on undiscounted cash flows of finance liabilities as fastest as the Group has to make a payment.

Unit : Thousand Baht					
	Consolidated Financial Statements				
	Less than 1 year	1- 2 years	2-5 years	Over 5 years	Total
<b>As at December 31, 2020</b>					
Short-term borrowings from financial institutions	57,032	-	-	-	57,032
Trade and other current payables	646,955	-	-	-	646,955
Lease liabilities	472,068	888,065	496,921	-	1,857,054
Long-term borrowings from financial institutions	31,357	55,714	34,822	-	121,893
Long-term borrowings from related parties	619	2,181	-	-	2,800

Unit : Thousand Baht					
	Consolidated Financial Statements				
	Less than 1 year	1- 2 years	2-5 years	Over 5 years	Total
<b>As at December 31, 2019</b>					
Trade and other current payables	833,244	-	-	-	833,244
Liabilities under finance lease agreements	1,814	2,248	631	-	4,693
Long-term borrowings from financial institutions	33,857	77,786	44,107	-	155,750
Long-term borrowings from related parties	-	2,001	1,031	-	3,032

## 29.6 Fair value of financial assets and liabilities

For the fair value disclosures, considerable judgement is necessarily required in the estimation of the 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 the estimation of the fair value of the financial instrument.

### Financial assets and liabilities measured at fair value

Certain financial assets of the Company and its 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 (Thousand Baht)		Fair value (Thousand Baht)			
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2020		
Trading securities	<div>- Fixed income open-ended funds = 455,133</div> <div>- Private funds = 24,264</div>	<div>- Fixed income open-ended funds = 303,400</div> <div>- Private funds = 24,142</div>	<div>- Fixed income open-ended funds = 455,133</div> <div>- Private funds = 24,264</div>	<div>- Fixed income open-ended funds = 303,400</div> <div>- Private funds = 24,142</div>	Level 2	Fair valued measured using a Net Asset Valuation ("NAV") approach as at period end date. The data is publicly available on the Thai Bond Market Association, which is calculated by the fund manager of the mutual fund.

### Financial assets and liabilities not measured at fair value

For 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, and other current liabilities, the carrying values approximate their fair values due to the relatively short periods to maturity.

Most of 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 of the financial assets and liabilities recognized in the consolidated and separate financial statements are different from their fair values.

Unit : Thousand Baht			
	Carrying amount	Fair value	Fair value hierarchy
<b>As at December 31, 2020</b>			
<b>Separate financial statements</b>			
<b>Financial assets</b>			
Loans to related parties	69,912	71,022	Level 3
	<b>69,912</b>	<b>71,022</b>	

	Carrying amount	Fair value	Fair value hierarchy
<b>As at December 31, 2019</b>			
<b>Separate financial statements</b>			
<b>Financial assets</b>			
Loans to related parties	59,951	62,340	Level 3
	<b>59,951</b>	<b>62,340</b>	

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 the capital of the S&P Syndicate Public Co., Ltd. Group.

### 30. 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, 2020 and 2019 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
Consolidated statement of comprehensive income						
For the year ended December 31, 2020						
Segment revenues	4,438,283	574,787	198,032	118,703	5,329,805	(131,153)
Segment profit from external customers	567,183	74,325	23,689	563	665,760	(28,826)
Unallocated income (expenses):						
Other income						85,910
Central selling and administrative expenses						(342,361)
Management benefits						(47,126)
Net gain on exchange rates						2,485
Finance income						1,037
Finance costs						(72,956)
Share of profit from investment in an associate and joint ventures						(45,939)
Profit before income tax expense						217,984
Income tax expense						(36,236)
Profit for the year						181,748
Total other comprehensive income for the year - net of tax						2,768
<b>Total comprehensive income for the year</b>						<b>184,516</b>

Unit : Thousand Baht						
	Domestic restaurants and bakery shops	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter-segment
Consolidated statement of comprehensive income						
For the year ended December 31, 2019						
Segment revenues	6,060,239	809,631	455,046	141,166	7,466,082	(153,713)
Segment profit (loss) from external customers	901,899	102,239	5,378	497	1,010,013	(66,664)
Unallocated income (expenses):						
Other income						69,969
Central selling and administrative expenses						(610,516)
Management benefits						(56,594)
Net loss on exchange rates						(4,566)
Finance income						2,567
Finance costs						(8,080)
Share of profit from investment in an associate and joint ventures						4,551
Profit before income tax expense						340,680
Income tax expense						(36,413)
Profit for the year						304,267
Total other comprehensive income for the year - net of tax						5,584
<b>Total comprehensive income and other comprehensive income for the year</b>						<b>309,851</b>



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, 2020						
Trade and other current receivables	56,404	126,845	187,428	-	370,677	(181,398)
Inventories	59,281	16,568	6,132	1,600	83,581	-
Property, plant and equipment	428,372	445	63,953	2,134	494,904	(4,122)
Right-of-use assets	1,470,126	-	201,938	-	1,672,064	-
Assets under common use						
- Trade and other current receivables					52,439	
- Inventories					141,028	
- Property, plant and equipment					918,875	
- Right-of-use assets					142,419	
- Others					1,698,706	
<b>Total assets</b>					<b>5,389,173</b>	

Unit : Thousand Baht						
	Domestic restaurants and bakery shops	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter- segment
						Total
<b>Statements of financial position</b>						
<b>As at December 31, 2019</b>						
Trade and other current receivables	72,496	172,674	192,835	4,560	442,565	(229,716)
Inventories	106,096	21,748	7,986	1,784	137,614	-
Property, plant and equipment	511,285	863	96,136	3,375	611,659	(4,933)
Leasehold rights	25,598	-	2,403	-	28,001	-
<b>Assets under common use</b>						
- Trade and other current receivables						115,158
- Inventories						162,782
- Property, plant and equipment						903,748
- Leasehold rights						635
- Others						1,723,889
<b>Total assets</b>						<b>3,891,402</b>

### 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
<b>Revenues</b>			
<b>For the year ended December 31, 2020</b>			
Revenue from external customers	4,947,117	198,032	5,145,149
<b>Segment assets</b>			
<b>As at December 31, 2020</b>			
Non-current assets	3,572,048	269,050	3,841,098
<b>Revenues</b>			
<b>For the year ended December 31, 2019</b>			
Revenue from external customers	6,762,230	455,046	7,217,276
<b>Segment assets</b>			
<b>As at December 31, 2019</b>			
Non-current assets	2,125,252	114,037	2,239,289

## 31. COMMITMENTS AND LETTERS OF GUARANTEE

As at December 31, 2020 and 2019, the Company and its subsidiaries had commitments and letters of guarantee as follows:

31.1 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	2020	2019
Not later than 1 year	1,255	550,978
Later than 1 year but not later than 5 years	-	1,193,887
Later than 5 years	-	49,152

### Overseas subsidiary rental and service expenses

Unit : Thousand Baht		
Payment period	2020	2019
Not later than 1 year	-	63,009
Later than 1 year but not later than 5 years	-	173,927
Later than 5 years	-	98,622

Since January 1, 2020, the Group has recognized the right-of-use assets under the lease contracts, except short-term leases and leases for low-value underlying assets.

For the years ended December 31, 2020 and 2019, the Company paid rental expenses under space lease and service agreements and recorded as expenses in the consolidated statements of comprehensive income amounting to Baht 616.40 million and Baht 932.23 million, respectively.

For the years ended December 31, 2020 and 2019, the Company paid rental expenses under space lease and service agreements and recorded as expenses in the separate statements of comprehensive income amounting to Baht 560.35 million and Baht 819.49 million, respectively.

- 31.2 As at December 31, 2020 and 2019, the Company and its subsidiaries have outstanding capital commitments relating to the construction of the new branches, shops and information technology system of Baht 212.61 million and Baht 45.42 million,
- 31.3 As at December 31, 2020 and 2019, the Company and its subsidiaries have letters of guarantee issued by a bank to guarantee the electricity usage of the Company and its subsidiaries of Baht 72.40 million and Baht 79.45 million, respectively. Such amount included the letters of guarantee of Baht 0.81 million which a deposit at bank of the Company was used as collateral.
- 31.4 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 the trademark and production know-how.

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

## 32. TRANSFER OF A SUBSIDIARY'S BUSINESS TO A JOINT VENTURE

On November 20, 2017, S&P Restaurant Limited has transferred the business by selling all ordinary shares of SUDA Limited to Patara Fine Thai Cuisine Limited, a joint venture, at the price of GBP 4.1 million (equivalent to Baht 179.20 million). 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 of "Surplus on gain from transfer of business to a joint venture" under shareholders' equity in the consolidated statement of financial position as at December 31, 2017. The Company

will realize such "Suplus on gain from transfer of business to a joint venture" into retained earnings when the Company reduces the percentage of shareholding in a joint venture or such joint venture sells the transferred business to 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, at the price of GBP 2.9 million (equivalent to Baht 126.51 million). The Company recognized such gain on sales of fixed assets to a joint venture 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 of "Deferred gain on sales of fixed assets to a joint venture" as at December 31, 2017. The Company will realize such "Deferred gain on sales of fixed assets to a joint venture" as income when the Company reduces the percentage of shareholding in such joint venture and when such joint venture calculates depreciation or sells such transferred assets to third parties.

For the years ended December 31, 2020 and 2019, the Company recognized deferred gain from sales of fixed assets to a joint venture amounting to Baht 1.40 million as income in the consolidated statements of profit or loss and comprehensive income. As a result, deferred gain from sales of fixed assets to a joint venture remaining as at December 31, 2020 and 2019 amounted Baht 23.87 million and Baht 25.28 million, respectively.

### 33. RECLASSIFICATIONS

Certain reclassifications have been made in the consolidated and separate financial statements for the year ended December 31, 2019, to conform to the classifications used in the current period's consolidated and separate financial statements. Such reclassifications have no effect on the previously reported net profit, total comprehensive income and shareholders' equity. The reclassifications are as follows:

Unit : Thousand Baht				
Account	Previous presentation	Current presentation	Consolidated financial statements	Separate financial statements
Prepaid expense	Property, plant and equipment	Trade and other current receivables	4,475	4,475
Liabilities under finance lease agreements	Other current liabilities	Current portion of lease liabilities	1,814	1,814
Liabilities under finance lease agreements	Other non-current liabilities	Lease liabilities	2,879	2,879



### 34. EVENT AFTER THE REPORTING PERIOD

On February 23, 2021, the Board of Directors' Meeting of the Company passed a resolution to distribute annual dividends from the operations of the year 2020 for 490,408,365 shares at Baht 0.30 per share, totalling Baht 147.12 million. The dividends consist of interim dividends at Baht 0.05 per share, totalling Baht 24.52 million which was paid on December 9, 2020 and additional dividends of 490,408,365 shares at Baht 0.25 per share, totalling Baht 122.60 million, which will be paid on May 19, 2021. In addition, the Board of Directors approve the issuance of warrants to purchase ordinary shares of S&P Syndicate Public Company Limited No.2 (SNP-W2) in the amount not exceeding than 24,520,419 units to allocate to the existing shareholders of the Company according to their shareholding ratio (Right Issue) in the ratio of 20 ordinary shares per 1 unit of warrant. Any fraction of shares will be disregarded, and the allocation will be free of charge. The exercise price is equal to THB 1.

The Board of Directors will propose to the shareholders at the Annual General Shareholders' Meeting to obtain an approval for the dividends payment issuance of warrants.

### 35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issue by the Board of Directors of the Company on February 23, 2021.

# Management Discussion and Analysis

## Summary of 2020 Operating Performance

### Revenue from Sales and Services

Since the outbreak of the Coronavirus disease 2019 (Covid-19) in Thailand has continued to spread rapidly and widely, the government has requested cooperation from all sectors to refrain from organizing activities involving large gatherings of people which may pose the risk of spreading the disease. In addition, the Bangkok Metropolitan Administration has issued an announcement, imposing a temporary closure of certain premises including the restaurants which are allowed to sell take-away only effective from Mar 22, 2020. As a result, The Company and its subsidiaries generated revenues of THB 5,199 million from the sales and services, which decreased from the previous year in the amount of THB 2,114 million or equivalent to a decrease of 28.9 percent of the operating results of Domestic restaurant and bakery business and overseas restaurant business that the company has opened a total of 517 branches.

The revenue from domestic restaurant and bakery business decreased by 27.2 percent or 1,649 million baht, with the Same-Store-Sales of domestic restaurant and bakery under the S&P brand 450 branches out of a total of 481 branches decreased by 26.1 percent. However, company had opened 15 new branches in strategic locations in 2020 to drive sales.

Food and Bakery wholesales business revenue was 575 million baht, a decrease of 193 million baht or 25.2 percent due to the decrease of sales of the ready to eat foods in convenience stores and modern trade channels, and Food Service channel due to closures of airline industry

For the overseas restaurant business, revenues from the sales and services decreased from the same period of the previous year in the amount of THB 257 million or equivalent to the decrease of 56.5 percent, mostly impacted by the Outbreak of Covid-19 and temporary closure of stores.

Revenues Classified by Distribution Channels	2020		2019		Increase/ (Decrease) %
	Amount	%	Amount	%	
Domestic Restaurant and Bakery Business	4,407	84.8	6,056	82.8	(27.2)
Food and Bakery Wholesales Business	575	11.1	768	10.5	(25.2)
Overseas Restaurant Business	198	3.4	455	6.2	(56.5)
Others	19	0.4	33	0.5	(42.5)
<b>Total</b>	<b>5,199</b>	<b>100.0</b>	<b>7,312</b>	<b>100.0</b>	<b>(28.9)</b>

Due to the crisis of coronavirus in 2020 and temporary closure of stores both domestically and internationally, the Company has revenue from bakery products accounted for 2,738 Million Baht, which decreased by 662 Million Baht from previous year. Revenue from domestic food and beverage accounted for 1,575 Million Baht or decreased by 36.21 percent.

Revenues Classified by Products	2020		2019		Increase/ (Decrease) %
	Amount	%	Amount	%	
Bakery	2,738	52.66	3,400	46.50	(19.47)
Domestic Food and Beverage	1,575	30.29	2,469	33.77	(36.21)
Overseas Restaurant	198	3.81	455	6.22	(56.48)
Food Products **	514	9.89	716	9.79	(28.21)
Other Products ***	174	3.35	272	3.72	(36.03)
<b>Total</b>	<b>5,199</b>	<b>100.00</b>	<b>7,312</b>	<b>100.00</b>	<b>(28.90)</b>

\*\* 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

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

In 2020, the Company has earnings before interest payable, tax, and depreciation (EBITDA) pursuant to the Financial Statements in the amount of THB 987 million, which increased 43.0 percent comparing to last year mainly due to the adoption of TFRS16. However, the company has cost of sales and cost of services in the amount of THB 3,106 million, which decreased 26.4 percent, representing 59.7 percent of sales revenue and 2.0 percent higher than last year. Although, the Company and subsidiaries have initiated the cost efficiency projects to optimize the production cost, waste management and tighter control of purchasing raw material, it was not sufficient to offset lower revenue from sales. The selling and administration expenses consisting of employee benefits, rental, depreciation and marketing expenses were THB 1,799 million decreased by THB 961 million or 34.8 percent from last year from the cost saving initiatives put in place across the Company, particularly in 2020

In 2020, the Company and subsidiaries has changed in recognition of depreciation of right-of-use asset pursuant Thai Financial Reporting Standards No. 16 “Leases”. As a result, the Company's EBITDA margin to total revenues significantly increased from 9.4 percent to 18.7 percent.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	12 Months 2020	12 Months 2019	Variation THB	%
EBITDA pursuant to the Financial Statements	987	691	296	43.0
EBITDA Profit Margin per Total Revenues (percentage)	18.7	9.4	-	9.3

## Financial Cost

The Company and subsidiaries recorded the financial cost totally Baht 73 million for the year 2020, which was the interest expenses from the lease liabilities of Baht 67 million, due to the adoption of TFRS16, effective for periods beginning on or after January 1, 2020

## Net Profit

As a result of the various factors which affected the operating results of the Company and its subsidiaries as mentioned above. In 2020, the Company and its subsidiaries earn the net profit pursuant to the financial statements in the amount of THB 183 million, which is decreased from the previous year by THB 131 million, equivalent to 41.8 percent. The Company's net profit margin to total revenue decreased from 4.3 percent last year to 3.5 percent this year.

Net Profit	12 Months 2020	12 Months 2019	Variation THB	%
Net Profit pursuant to the Financial Statements	183	314	(131)	(41.8)
Net Profit Margin to Total Revenues (percentage)	3.5	4.3	-	(0.8)

## Statements of Financial Position and Statements of Cash Flows

At the end of 2020, the Company and its subsidiaries have the total assets in the amount of THB 5,389 million, which increased from the previous year by THB 1,489 million from decreasing of current assets THB 109 million, while the non-current assets were increased THB 1,606 million, which were mainly caused by:

1. Trade and other current receivables were decreased by 86 million in relation to sales decreased.
2. Inventories were decreased by 76 million mainly from efficient inventory management amidst challenging market and the Covid-19 pandemic situation.
3. Property, plant, and equipment was decreased by 101 million mainly from land property disposal and depreciation of the year
4. Investments in joint venture was decreased by 60 million from share of profit from investments in joint ventures.
5. Other current financial assets were increased by 152 million from purchased of fixed income open-ended funds
6. Right-of-use asset was increased by 1,814 million due to the adoption of TFRS16.

Total liabilities in 2020 was THB 2,994 million, increased by 1,638 MB compared to the end of the prior year. As a result of, current liabilities increased THB 339 million, and non-current liabilities increased THB 1,299 million which mainly came from:

1. Decrease of Trade and Other Current Payable THB 186 million
2. Decrease of Long-term borrowings from financial institutions THB 34 million
3. Decrease of Non-current provision for employee benefits THB 47 million
4. Increase of Lease liabilities THB 1,857 million (including current portion of lease liabilities) from the adoption of TFRS16

The shareholders' equity of the company decreased in the amount of THB 141 million from THB 2,536 million at the end of the year 2019 to THB 2,395 million at the end of the year 2020, which mainly resulted from the dividend payment in the amount of THB 280 million and annual profit of THB 183 million

For the year of 2020, the Company and its subsidiaries have the cash flow from operating activities in the amount of THB 955 million, which increased by THB 304 million from the previous year resulting from Operating profit before changes in operating assets and liabilities increased THB 253 million, decreased of account receivable amount of THB 63 million, decreased of inventory amount of THB 69 million and decreased of account payable amount of THB 93 million.

The Company and its subsidiaries have the net cash used in investing activities in the amount of THB 344 million and cash paid for purchasing fixed assets, intangible assets, and leasehold rights in the amount of THB 215 million. and net cash paid for short term investment of THB 150 million.

The Company and its subsidiaries have the net cash used in financing activities in the amount of THB 697 million, mainly from repayment from Financial lease amount of THB 432 million, dividend payment amount of THB 280 million, cash paid for long-term borrowings from a Financial institution amount of THB 34 million and net cash received from short-term borrowings from Financial institution amount of THB 55 million

## Financial Ratio Analysis

Financial Ratio	December 31, 2020	December 31, 2019
<b>Profitability ratio</b>		
Gross Profit Margin (%)	40.3	42.3
Net Profit Margin (%)	3.5	4.3
<b>Activity Ratio</b>		
Return on Asset (%)	6.3	8.8
Return on Equity (%)	7.5	12.5
Account Receivable Turnover (Times)	18.2	23.7
Average Collection Period (Days)	20.0	15.4
Inventory Turnover (Times)	11.8	13.9
Average Sale (Inventory) Period	30.9	26.3
Fixed Asset Turnover (Times)	3.6	4.6
Total Asset Turnover (Times)	1.1	1.9
Account Payable Turnover (Times)	4.2	6.4
Average Payment Period (Days)	87.0	56.9
<b>Liquidity ratio</b>		
Current Ratio (Times) *	1.2	1.8
Quick Ratio (Times)	1.0	1.4
<b>Leverage Ratio</b>		
Debt to Equity Ratio (Times) *	1.3	0.5
Interest Coverage Ratio (Times) *	4.0	43.2

\* Including the adoption of TFRS 16  
If excluded, the adoption of TFRS 16 :

Current Ratio (Times)	1.9
Debt to Equity Ratio (Times)	0.5
Interest Coverage Ratio (Times)	49.2

In 2020 the company has the gross profits decreased from 42.3 percent in 2019 to 40.3 percent due mainly to softer revenue of restaurant businesses both domestic and overseas, primarily in 1H20 from the Covid-19 impact, despite the stringent cost saving measures. Consequently, the net profit rate from financial statement was decreased from 4.3 percent to 3.5 percent.

The return on equity for full year comparison decreased from 12.3 percent in 2019 to 7.5 percent in 2020 as a result of core loss in the first six months of the year. Correspondingly, the return on assets decreased from 7.9 percent in 2019 to 6.3 percent in 2020.

The current ratio in 2020 has improved at 1.2 times from the previous year at 1.7 times, due to the impact of current portion of finance lease liabilities due to the adoption of TFRS16. The liabilities versus the shareholders' equity decreased from 0.5 times in 2019 to 1.3 times in 2020. This mainly resulted from due to lower equity base from net loss in the first six months of the year and the impact of TFRS16.



## Company's Operation Plans for 2021

From the new wave of outbreak of Covid-19 in mid of December 2020, Thailand found the cases of Coronavirus infection again. As a result, Authorities in some provinces have raised the level of COVID control and prevention measures, which had the unforeseen impact on the continuation of the recovery of the restaurant business. Even though, the restaurant business has benefited from government policies that focus on stimulating domestic consumer spending, and the good news about the vaccine, it's wide adoption will still take time.

However, the company has adapted and prepared for the situation continuously. In order to ensure the utmost safety to our customers and hygiene of our products and service staffs, the company is taking precautions of the highest standard from our production facilities down to all our stores. The company continues to develop the sustainable future growth for Thai restaurant and Bakery with the highest standard and largest network in Thailand aiming to be in high potential areas. With our determination to improve product quality and response to various customer needs, the company strives to develop new products enhance customer experiences including superior ambience and services. The company has planned to invest in the Delivery and Takeaway (DelTa) form at restaurants. In order to expand the delivery services across Bangkok and perimeter area and focusing on speed of delivery and customer satisfaction. The company is currently revamping the online food ordering application, which will facilitate and be more responsive to the customers. It will be available in the second quarter of 2021. This is to enhance the challenging competitiveness in the overall food and bakery business.

In addition, the company still focuses on building good relationships with customers through the Joy Card membership program to create the engagement, based on the customers' lifestyles and encourage the repeat purchase. It is also used in the strategy of retaining our existing customers and adding new customers in the future.

In the part of trading business, the Company plans to develop new products to penetrate in retail channels such as convenience stores, modern trade and supermarkets, and restaurant chain, which grow constantly.

The company is investing in a new warehouse and smart distribution center on Bangna-Trad road Km.23, adjacent to the Company's main bakery factory, and expected to be operational in the second quarter of 2021. This is to enhance the quality management and logistic supply chain management.

Due to the first crisis of coronavirus in 2020, the Company has restructured and increased work efficiency, as well as reduced fixed costs. As a result, this cost structure will be the new benchmark going forward. In respect of the importance of human resources, the company has developed the 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 to compete in dynamic business situation both domestic and international. We will also focus on improving the work efficiency by automation and technology.

The company has driven the business forward in parallel with social, community, economy and environmental responsibility policy in order to ensure the sustainable growth for S&P Brand and other affiliate companies, **“To be the Most Preferred Thai Restaurant and Bakery shop in Thailand” by creating value with quality and integrity to provide the best experience for customers.**

## Dividend payment policy

The Company will declare dividends every year at the rate of approximately 60 percent of the net profit after tax according to the consolidated financial statement provided that the amount to be declared shall not exceed the retained earnings in the Company's financial statements. In the event that the Company's financial statements have retained loss, no dividend will be declared. For this purpose, the Company will take such action as prescribed by the Public Limited Companies Law and take into consideration whereby the Company will be able to pay dividends without causing significant effects on its business. The dividend payment policy of the Company's subsidiaries likewise takes into consideration the economic outlook and business operating performance.

The Board of Directors' Meeting no 1/2021 held on February 23, 2021 had passed resolution to proposed to the Annual General Meeting of Shareholders 2021 which will be scheduled on April 30th, 2021, to adopt the interim dividend payment of 0.05 baht per share paid on December 9th, 2020, and to approve the dividend payment for 2020's operating result of 0.30 baht per share, or the remaining dividend payment of 0.25 baht per share.

In case that the Meeting of Shareholders approves the dividend payment as proposed, the dividend payout ratio of the Company shall be 80.40 % of the net profit.

## Details of dividend payment for operating year 2020 compared with previous year.

Dividend Details	2020	2019
1. Net Profit (Million Baht)	183.02	314.40
2. Number of Shares (Shares)	490,408,365	490,408,365
3. Dividend Paid per Share (Baht/Shares)	0.30	0.56
3.1 Interim Dividend (Baht/Shares)	0.05	0.04
3.2 Additional Dividend (Baht/Shares)	* 0.25	0.52
4. Total Dividend Paid (Million Baht)	147.12	274.63
4.1 Interim Dividend (Million Baht)	24.52	19.62
4.2 Additional Dividend (Million Baht)	122.60	255.01
5 Dividend Payout Ratio (%)	80.40	87.35

\* Will propose for approval from the Annual General Meeting of Shareholders 2021 on April 30, 2021.

## 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	
<b>S&amp;P Syndicate Public Company Limited</b> 2034/100-103,106-107, Ital Thai Tower, 23 <sup>rd</sup> – 24 <sup>th</sup> Floor, New Petchburi Road, Bangkapi, Huaykwang Bangkok 10310 Tel : +66 (0) 2785-4000 Fax : +66 (0) 2785-4040	Operating restaurant branches and bakery outlets, produce cake, bread, bakery products, Thai desserts, frozen foods and bakery, provide delivery and catering services, Invest and manage overseas restaurant business			
<b>S&amp;P Development Holding Pte. Ltd.</b> 80 Robinson Road # 02-00 Singapore (068898) Tel : - Fax : -	Operating Thai restaurant domestically and internationally, also hold shares in other companies.	1	1	100
<b>S&amp;P Development Holding Co., Ltd.</b> Ital Thai Tower, 23 <sup>rd</sup> Floor, No. 2034/100, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785-4000 Fax : -	Operating Thai restaurant abroad, Provide service support for affiliated business or branch both domestic and abroad.	2,000,000	1,999,997	99.99
<b>S&amp;P International Foods Company Limited</b> Ital Thai Tower, 23rd Floor, No. 2034/100, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785-4000 Fax : +66 (0) 2785-4506	Operating Japanese Restaurant under “Maisen” brand	500,000	499,970	99.99
<b>S&amp;P International Foods (Cambodia) Company Limited</b> Villa No. 21, Street 214, Village 2, Sangkat Beoung Raing, Khan Daun Penh, Phnom Penh, Cambodia Tel : +85 639-988 Fax : -	Operating Restaurant Business under “S&P” 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	
<b>S&amp;P Training Co., Ltd.</b> 1/2 Soi Attakravi1, Sukhumvit 26 Rd, Klongtan, Klongtoei, Bangkok Tel : +66 (0) 2664-6260 Fax : -	Engaging in the training of skill development for employees of S&P Syndicate Public Company Limited and its subsidiaries.	10,000	9,998	99.98
<b>S&amp;P Delivery Co., Ltd.</b> Ital Thai Tower, 23rd Floor, No. 2034/100, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785-4000 Fax : -	Operating a business of land transportation service.	10,000	9,993	99.93
<b>S&amp;P Global Co., Ltd.</b> Ital Thai Tower, 23rd Floor, No. 2034/100, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785-4000 Fax : +66 (0) 2785-4507	Operating Thai restaurants in overseas	500,000	400,000	80.00
<b>Umenohana S&amp;P Co., Ltd.</b> Ital Thai Tower, 23rd Floor, No. 2034/100 New Petchburi Road, Bangkapi, Huay kwang, Bangkok Tel : +66 (0) 2785-4000 Fax : +66 (0) 2785-4506	Operating Japanese restaurant and food product under “Umenohana” brand	250,000	149,997	59.99
<b>Foodhouse Catering Services Co., Ltd.</b> 234 Soi Sukhuvit 101 (Punnavithi), Sukhumvit Rd., Bangchak, Prakanong, Bangkok Tel : +66 (0) 2741-8800 Fax : +66 (0) 2741-8260	Operating business to provide a variety of nutrition services in kind of canteen or sets of dishes to any organizations such as hospital, factory 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	
<b>M.S.C Thai Cuisine Co., Ltd.</b> (Former Names “Thai Cuisine Academy Co., Ltd.” / “The Thai Cuisine Co., Ltd.”) No. 99 Berli Jucker House 16th Floor, Soi Rubia, Sukhumvit 42 Road, Phrakonong, Klongtoey, Bangkok Tel : +66 (0) 2636-6901 Fax : +66 (0) 2636-7660	Operating Cooking School under the name " M.S.C. Thai Culinary School "	800,000	350,000	43.75
<b>S&amp;P Restaurant Company Limited *</b> Sutherland House, 1759 London Road, Leigh on Sea, Essex SS9 2RZ, UK Tel : +44(0) 20 8874 6503 Fax : -	Operating Thai restaurants under “Patara” and “Suda” brand in England	1,000,000	960,000	96.00
<b>Patara (Geneva) SA *</b> No.94, Rue des Eaux-Vives CH-1207, Geneva Switzerland Tel : +41(0)22 735 0517 Fax : +41(0)22 735 0538	Operating Thai restaurants under "Patara" brand in Geneva, Switzerland	200	124	62.00
<b>Patara International Restaurant Management (Beijing) Co., Ltd. *</b> Room 238, Floor 2, Building 2, No. 100 Yanle Hutong, Dongcheng District Beijing Tel : - Fax : -	Operating Thai restaurants under "Patara" brand in Beijing, China	11,000,000	10,650,200	96.82
<b>Patara Restaurant, Vienna GmbH **</b> Petersplatz 1 / Goldschmiedgass 9 / Graben 27-28/ Top-No.7 1010 Vienna, Austria Tel : +43 199 719 38 Fax : -	Operating Thai restaurants under "Patara" brand in Vienna, Austria	1,200,000	1,137,000	94.75

Names / Location	Type of business	No. of common share		Holding (%)
		Total Share	No. of Shares held by S&P Group	
<b>Shanghai Yueshi Restaurant Management Co., Ltd. ***</b> 407-409 Shops, No. 5001 Dushi Road, Minghang, Shanghai, the People's Republic of China Tel : (8610) 021-3468-7591 Fax : -	Operating restaurants under "Vanilla" brand in Shanghai, China	9,600,000	5,680,000	59.17
<b>Patara Fine Thai Cuisine Limited ****</b> Sutherland House, 1795 London Road, Leigh on Sea, Essex SS9 2RZ, UK Tel : +44(0) 20 8874 6503 Fax : -	Operating Thai restaurant under "Patara" and "Suda" brands in England	13,700,000	6,850,000	50.00
<b>Suda Limited *****</b> Sutherland House, 1795 London Road, Leigh on Sea, Essex SS9 2RZ, UK Tel : +44(0) 20 8874 6503 Fax : -	Operating Thai restaurant under "Patara" and "Suda" brands in England	4,100,000	2,050,000	50.00
<b>MSP Property Limited *****</b> Sutherland House, 1795 London Road, Leigh on Sea, Essex SS9 2RZ, UK Tel : +44(0) 20 8874 6503 Fax : -	Operating real estate business	2,900,000	1,450,000	50.00

<b>Remarks</b>	* Indicates a company in which shares are owned by S&P Global Co., Ltd. in Thailand.
	** Indicates a company in which shares are owned by S&P Global Co., Ltd. and a company in which S&P Global Co., Ltd. owns shares through S&P Restaurant Co. Ltd. in the UK.
	*** Indicates a company in which S&P Global Co., Ltd. owns shares through Patara International Restaurant Management (Beijing) Co., Ltd. in China
	**** Indicates a company in which share are owned by S&P Development Holding Co., Ltd. in Thailand.
	***** Indicates a company in which S&P Development Holding Co., Ltd. owns shares through Patara Fine Thai Cuisine Limited in UK.



# Connected Transactions

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

### REVENUES

Company/Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2020	2019
S&P Global Co., Ltd.	Subsidiary	Rental income - Building and Equipment	0.41	0.68
		Revenue from services	1.20	2.40
		Revenue from sales	-	0.12
		Interest Income	0.28	0.35
		Dividend income	-	39.83
Patara Reataurant, Vienna GmbH	Subsidiary of S&P Global Co.Ltd.	Interest Income	1.16	1.30
S&P International Foods Co., Ltd.	Subsidiary	Revenue from services	1.80	1.19
		Rental income - Building and Equipment	0.45	0.79
		Revenues form sales	26.19	39.62
		Interest Income	0.68	-
S&P Delivery Co., Ltd.	Subsidiary	Revenue from services	1.20	1.20
		Revenues form sales	5.52	6.53
		Rental income - Building and Equipment	0.09	-
		Interest Income	0.29	0.13
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	Revenue from services	2.44	3.70
		Interest Income	-	0.01
Umenohana S&P Co., Ltd.	Subsidiary	Revenue form services	1.20	0.92
		Rental income - Building and Equipment	0.20	0.30
		Revenue form sales	2.06	2.82
		Interest Income	0.24	0.21

Company/Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2020	2019
S&P Development Holding Co., Ltd.	Subsidiary	Revenue from services	0.02	0.02
Patara Fine Thai Cuisine Limited	Shares held by S&P Developmen Co.,Ltd.	Franchise fee	0.27	0.24
S&P Training Co., Ltd.	Subsidiary	Revenue form services	1.20	2.40
		Rental income - Building and Equipment	3.64	4.39
		Revenue form sales	2.65	6.16
		Dividend income	8.80	13.18
Foodhouse Catering Services Co., Ltd.	Associate	Revenue form sales	0.38	0.54
		Revenue form services	0.48	0.49
		Dividend income	14.99	8.99
MSC Thai Cuisine Co., Ltd.	Joint ventur	Rental income - Building and Equipment	0.88	1.90
		Revenue form sales	0.02	0.48
The Minor Food Group PCL.	Subsidiary of Minor International Plc.	Revenue form sales	24.21	23.58
Minor DQ Co., Ltd.	Subsidiary of The Minor Food Group Plc.	Revenue form sales	4.04	24.41
Swensen's (Thai) Co., Ltd.		Revenue form sales	21.28	36.56
SLRT Co., Ltd.		Revenue form sales	1.92	2.43
The Coffee Club (Thailand) Co., Ltd.		Revenue form sales	0.33	0.96
Select Service Partner Co., Ltd.		Revenue form sales	1.35	6.62
			53.13	94.56

## PURCHASES OF GOODS AND SERVICES

Company/ Related Parties	Relationship	Type of Transactions	Amount (Million Baht)	
			2020	2019
S&P Restaurant Co., Ltd.	Subsidiary of S&P Global Co.Ltd.	Interest Expense	-	0.27
S&P Delivery Co., Ltd.	Subsidiary	Delivery and Service expenses	66.47	55.48
S&P International Foods Co., Ltd.	Subsidiary	Purchase of goods.	1.55	2.71
Umenohana S&P Co., Ltd.	Subsidiary	Purchase of goods.	0.33	1.19
		Services expenses	0.40	-
S&P Training Co., Ltd.	Subsidiary	Services expenses	33.03	52.12
MSC Thai Cuisine Co., Ltd.	Joint ventur	Services expenses	0.08	2.53
The Company Director	The Company Director	Rental payment for office and warehouse	1.32	1.32
Seacon Development Co., Ltd.	The Company Director	Rental payment for building and service	6.81	9.42
Royal Garden Plaza Co., Ltd.	Subsidiary of Minor International Plc.	Rental payment for building and service	1.05	3.67
Chao Phraya Resort Co., Ltd.		Rental payment for building and service	3.09	3.83
The Minor Food Group PCL.		Services expenses	1.87	3.03
Minor Cheese Co., Ltd.	Subsidiary of The Minor Food Group Plc.	Purchase of goods.	-	-
Minor Dairy Co., Ltd.		Purchase of goods.	-	0.16
			6.01	10.69

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

Company / Rerated Parties	Relationship	Type of Transaction	Amount (Million Baht)	
			2020	2019
Accounts Receivables				
S&P Global Co., Ltd.	Subsidiary	Sales of goods and services	0.37	0.91
Patara Restaurant, Vienna GmbH	S&P Global's subsidiary	Interest Income	2.16	1.00
S&P International Foods Co., Ltd.	Subsidiary	Sales of goods and services	2.77	51.07
Umenohana S&P Co., Ltd.	Subsidiary	Sales of goods and services	0.54	4.71
S&P Delivery Co., Ltd.	Subsidiary	Sales of goods and services	6.90	6.55
S&P International Foods (Cambodia) Co., Ltd.	Subsidiary	Sales of goods and services	0.50	5.14
S&P Training Co., Ltd.	Subsidiary	Sales of goods and services	0.48	2.53
S&P Development Holding Co., Ltd.	Subsidiary	Sales of goods and services	0.20	-
Patara Fine Thai Cuisine Limited	Shares held by S&P Development Co., Ltd.	Franchise fee	6.32	5.89
Foodhouse Catering Services Co., Ltd.	Associate	Sales of goods	0.54	0.51
MSC Thai Cuisine Co., Ltd.	Joint ventur	Service Fee	0.13	0.07
The Minor Food Group PCL.	Subsidiary of Minor International Plc.	Sales of goods	2.43	1.03
Minor DQ Co., Ltd.	Subsidiary of The Minor Food Group Plc.	Sales of goods	-	1.63
Swensen's (Thai) Co., Ltd.		Sales of goods	0.15	0.20
SLRT Co., Ltd.		Sales of goods	0.12	0.11
The Coffee Club (Thailand) Co., Ltd.		Sales of goods	-	0.05
			2.70	3.02

Company / Related Parties	Relationship	Type of Transaction	Amount (Million Baht)	
			2020	2019
Accounts Payable				
S&P Delivery Co., Ltd.	Subsidiary	Delivery and Service expenses	7.16	2.72
S&P international Foods Co., Ltd.	Subsidiary	Purchase of goods	-	0.51
Umenohana S&P Co., Ltd.	Subsidiary	Purchase of goods	0.11	1.45
S&P Training Co., Ltd.	Subsidiary	Service Fee	3.75	5.15
MSC Thai Cuisine Co., Ltd.	Joint ventur	Service Fee	-	0.28
The Minor Food Group PCL.	Subsidiary of Minor International Plc.	Service Fee	0.46	0.93
Minor DQ Co., Ltd.	Subsidiary of The Minor Food Group Plc.	Purchase of goods	1.03	-
Minor Dairy Co., Ltd.		Purchase of goods	0.02	0.02
			1.51	0.95
Loans to Related Parties				
S&P Global Co., Ltd.	Subsidiary	Short-Term Loan	-	13.00
Patara Restaurant, Vienna GmbH (3%)	S&P Global's subsidiary	Long-Term Loan	38.71	38.71
S&P international Foods Co., Ltd. (3.50 %)	Subsidiary	Short-Term Loan	22.00	-
Umenohana S&P Co., Ltd. (4.50%)	Subsidiary	Short-Term Loan	4.20	4.24
S&P Delivery Co., Ltd. (3.50%)	Subsidiary	Short-Term Loan	4.00	4.00
		Long-Term Loan	5.00	-

# Risk Factors

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 before proposing to the Board of Director.

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 changed customer behavior, the rapid technology development, the local and international economic environment (especially the countries where the company operates its business), the industrial environment, and the competition, as well as the opportunity to expand its business overseas are analyzed. At present, the company has established a strategy office with duties to direct responsibility. The Risk Management Committee is responsible for considering and making recommendations to the strategy office as a whole.

## 2. Operational Risk

In the real operations, how each work unit proceeds their work assignments is a crucial factor 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, 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, Risk Management Committee has the duty to consider the operational risk of both 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 expands its business, such as the increase of 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 to prevent the cyber attack, 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.

In addition, the change and the development of digital technology or other social media cause the company to make changes in a timely manner and take this opportunity to enhance the efficiency of the services and the communication to the customers, and the increase of the business expansion channels by using the technology as well as securing the personal data of the customers pursuant to Personal Data Protection Act B.E. 2562.

#### **5. Natural Catastrophe and Political Risk**

The company is aware of natural catastrophe which may cause negative effect to the normal business, such as epidemic disease, flood and political instability. In 2020, due to the Covid-19 pandemic, the company has strictly adhered to the prevention guidelines of the Ministry of Public Health and announced policies, guidelines for all employees to be aware of, and to monitor employees' practices while in the area from such events which are uncontrollable risks. 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 needs 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 management the store, 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 where 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, 2020, 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 February 17, 2021 are as follows:

	Group of Shareholders	Number of Shares	Percent
1	The Sila-On and Raiva Groups	217,636,300	44.38
2	Minor International Public Company Limited	176,219,720	35.93
3	Mrs. Supapan Pichaironarongsongkram	17,345,000	3.54
4	Mr. Aryuth Charnsethikul	10,000,000	2.04
5	Bangkok Bank Public Company Limited	6,956,000	1.42
6	Mrs. Parinya Khancharoensuk	5,212,310	1.06
7	Mr. Phithak Phisethsith	4,150,000	0.85
8	Prospect International Co.Ltd.	4,093,500	0.83
9	CREDIT SUISSE AG, SINGAPORE BRANCH	3,000,000	0.61
10	Mrs. Virunsri Taifayongvichit	2,790,000	0.57
	<b>Total</b>	<b>447,402,830</b>	<b>91.23</b>

# 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 18, 2021, 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 2020 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 Allowance (Baht)	Total Attendances / Total number of the meeting	Risk Management Committee* Allowance (Baht)	Total Attendances / Total number of the meeting	Executive Committee Allowance (Baht)	
1. Mrs. Patara Sila-On Chairperson of the Board of Directors	5/6	406,250	-	-	-	-	-	-	-	-	406,250
2. Mr. Pravesvudhi Raiva Vice Chairperson of the Board of Directors, Executive Committee	6/6	277,500	-	-	-	-	-	-	8/11	-	277,500
3. Mrs. Kessuda Raiva** Chairperson of the Executive Committee, Nomination and Remuneration's Committee, Risk Management Committee	6/6	277,500	-	-	3/3	-	-	-	8/11	-	277,500
4. Mr. Vitoon Sila-On ** Chief Executive Officer, Executive Committee, Risk Management Committee	6/6	277,500	-	-	-	-	4/4	-	8/11	-	277,500

[illegible]

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 Allowance (Baht)	Total Attendances / Total number of the meeting	Risk Management Committee* Allowance (Baht)	Total Attendances / Total number of the meeting	Executive Committee Allowance (Baht)	
Lerssak Boonsongsup * Director	3/4	217,277	-	-	-	-	-	-	-	-	217,277
Mr. Chaiyapat Paitoon * ** Director Risk Management Committee	4/4	174,777	-	-	-	-	2/2	30,000	-	-	204,777
Mr. John Scott Heinecke * ** Director	-	70,000	-	-	-	-	-	-	-	-	70,000
Mrs. Patamawalai Ratanapol * ** Director Executive Committee	-	70,000	-	-	-	-	-	-	11/11	-	70,000
Mr. Arth Prakhunhungsit ** Executive Committee	-	-	-	-	-	-	-	-	11/11	-	-
<b>Total</b>		<b>4,235,804</b>		<b>726,250</b>		<b>112,500</b>		<b>120,000</b>		<b>-</b>	<b>5,194,554</b>

\* Note 1 Directors hold positions and resigned from the position as follows:

- Mrs. Patamawalai Ratanapol resigned from the position of the Director, Nomination and Remuneration's Committee and Executive Committee on November 1<sup>st</sup>, 2019
- Mr. John Scott Heinecke resigned from the position of the Director, Chairperson of the Risk Committee and Executive Committee on November 1<sup>st</sup>, 2019.
- Mr. Lerssak Boonsongsup resigned from the position of the Director on August 10<sup>th</sup>, 2020.
- Mr. Chaiyapat Paitoon resigned from the position of the Director and Risk Management Committee on August 10<sup>th</sup>, 2020.
- Director No. 11 (Mr. Matthew Kichodhan) became a Director on August 13<sup>rd</sup>, 2020 in the replacement of Mr. Lerssak Boonsongsup, the resigned director.
- Director No. 12 (Kosin Chantikul) became a Director on August 13<sup>rd</sup>, 2020 in the replacement of Mr. Chaiyapat Paitoon, the resigned director.

\*\* Note 2 There were changes of director in subcommittee and position of subcommittee as follows:

1. Risk Management Committee
  - 1.1 Director No. 3 (Mrs. Kessuda Raiva) was in the position of Risk Management Committee on November 13<sup>rd</sup>, 2020.
  - 1.2 Mr. Chaiyapat Paitoon resigned from the position of Risk Management Committee on August 10<sup>th</sup>, 2020.
2. Executive Committee
  - 2.1 Mrs. Patamawalai Ratanapol resigned from the position of Executive Committee on November 1<sup>st</sup>, 2019 and back to the position of the Executive Committee on November 8<sup>th</sup>, 2019.
  - 2.2 Mr. John Scott Heinecke resigned from the position of the Executive Committee on November 1<sup>st</sup>, 2019.
  - 2.3 Mr. Arth Prakhunhungsit became an Executive Committee on November 8<sup>th</sup>, 2019.

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

- Gratuity was fixed at 200,000 baht for the chairperson of the board and 140,000 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 of the Board of Director 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 2020 held on July 1st, 2020 which specified that the resolution will be effected from July 2020 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 4 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. 4/2020 held on August 13<sup>th</sup>, 2020, 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<sup>rd</sup>, 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 2020, 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. 2/2019 held on May 13<sup>rd</sup>, 2019, 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. 4/2020 held on August 13<sup>rd</sup>, 2020, 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 Chairperson 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 Chairperson of the Board of Directors, Chairperson 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 the directors and executives is as follows:

The Company's directors and executives have 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 23rd, 2011, to consider and select individuals having qualifications, knowledge, ability and experience regarding relevant works in the interests of efficient operation of the Company and having such qualifications as required by the pertinent law and notifications of the Securities and Exchange Commission.

1. Directors of the Company are elected by a meeting of shareholders and there will be at least 5 directors and not less than one third of the number of directors must be independent directors and not fewer than 3 persons. 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 director position 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. 4/2019, on November 8th, 2019 appointed Mrs. Patamawalai Ratanapol, 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. Remuneration for the Director

The 2020 General Shareholders Meeting, held on July 1<sup>st</sup>, 2020, resolved to approve the directors' remuneration divided into the following:

Meeting Allowance (Baht/person/time)	2020		
	Chairperson (Non-Executive)	Executive Director	Non-Executive Director
Board of Directors	37,500	-	25,000
Audit Committee	37,500	-	25,000
Nomination and Remuneration Committee	22,500	-	15,000
Risk Management Committee	22,500	-	15,000
Executive Committee	37,500	-	25,000

Fixed Remuneration (Baht/person/time)	2020		
	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 July 2020 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 2020 was fixed at 200,000 baht for the Chairperson of the board, and 140,000 baht each for the 11 directors of the Company. The gratuity amounts in total to 1,740,000 baht, and shall be paid in accordance to the period of holding their position.

The comparison of director's remuneration in 2020 and 2019 are as follows;

Remuneration	2020		2019	
	Person	Baht	Person	Baht
Regular Remuneration for Non-Executive Director	14	1,387,083	15	4,345,000
Meeting Allowance	8	1,520,000	8	1,592,500
Gratuity	12	1,594,554	13	2,107,890
<b>Total</b>		<b>4,501,637</b>		<b>8,045,390</b>

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 2020 and 2019 are as follows;

Remuneration	2020		2019	
	Person	Baht	Person	Baht
Salaries	9	37,892,886	9	43,204,667
Bonuses, special rewards and travel expenses	9	4,921,346	9	8,530,594
<b>Total</b>		<b>42,814,232</b>		<b>51,735,260</b>

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 evaluation will include 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 perform better. For the overall picture of the year 2018, it was seen that most of the top executives performed or took action in each issue in a good manner and efficiency.

As the company has been 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, the company have used the evaluation result to determine the remuneration of the top management where the performance of each top management and the rate of remuneration of top management of other listed companies in the same industry has been taken 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 2020 by comparing the past-3-year 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 the appointment of auditor 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 is the most convenient for the shareholders to be present at the meeting;

6. The Company accords an opportunity for its shareholders to propose a meeting agenda in advance and to send questions in advance for the meeting of shareholders through the Company's website at least 5 months in advance before the meeting of shareholders;
7. The Company encourages all of its directors to attend meetings of shareholders continuously and regularly every year. In particular, the Chairperson of the Board of Directors, the Chairperson of the Audit Committee and the President are present at every meeting of shareholders.



## 2. Equal Treatment towards Shareholders

The Director 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 2020 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 2021 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.

- Investors and shareholders The Company is always aware of transparent business operations, and dedicated to continuous growth and good returns for shareholders in the long run.
- Government Organizations and Regulatory Agencies The Company strictly complies with the rules, regulations, laws and social framework and national. Including studying the concepts of good and innovative nutrition at the United Nations level to be adopted act as a leader in the Thai food and bakery business.
- Customers / Consumer: The Company is determined to develop the quality and standard of the products to be tasty, safe and with good nutrition. To be suitable as it is trusted as a product for the family, the company and strives to create responsible marketing through sales channels of products and services at S&P stores, online media and applications, as well as attentive, friendly customer service for the maximum satisfaction of customers, including an agency that is responsible for receiving customer complaints in order to expedite the process for customers as soon as possible and to maintain the privacy of customers.
- 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.

- Suppliers: The Company will treat its suppliers fairly and equally by taking mutual benefits into consideration.
- 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.
- Independent organization: They are stakeholders in creating value for the economy and society by helping to publicize news and facts including transparent information disclosure.

## 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](http://www.snpfood.com) or via the email address [presidentoffice@snpfood.com](mailto: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) Miss Cattleya Saengsastra | Chairperson, Audit Committee |
| 2) Miss Sophavadee Uttamobol | Member, Audit Committee      |
| 3) Mr. Piya Sosothikul       | Member, Audit Committee      |
| 4) Mrs. Chirley Sawangkong   | Secretary, Audit Committee   |

The purpose is to be in charge of the quality of financial reports and internal control systems. In 2020, 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 2020, hold in aggregate of 44.38 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 Visions

All members of the Board of Directors possess leadership, have wide visions and are free to make a decision. In addition, the Board of Directors participates in formulating or approving of visions, strategies, targets and budgets of the Company and supervises the Management so that it conduct

business affairs efficiently and independently for an increase in the economic values and a sustainable growth of the business. 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 Company Director has also formulated guidelines for the process of submitting each director’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**

S&P's core business principles are quality, value, morality and a vision to be a leader in the Thai restaurant business bakery and food products that has been loved all over the world by paying attention to controlling quality products and services at every step, aiming to create value for customers and society to achieve maximum satisfaction and future sustainability, including cultivating a good culture within the organization for all employees at all levels to behave morally on the right, both for themselves, customers, business partners, communities, society and the environment.

Therefore, the company has paid attention to the internal control system that is suitable for the business operation and has reviewed the operations at both the management and operation levels for efficiency and effectiveness. The Audit Committee is responsible for overseeing an operations, internal control and internal audits in accordance with the standards of modern and international operation. There is a clearly written of the obligation, authority of the operator, executives as well as continuous evaluation of internal control. There is also an internal control related to the financial system, with the company having a financial reporting system that has accurate, complete and sufficient information to propose to the responsible line manager. including requiring employees to evaluate of

Control Self-Assessment (CSA) proposes to the department supervisors for using it as a guideline for regularly self-assessment in order to prevent or reduce defects of not knowing, unintentional, or fraud.

- **Internal Audit**

The Audit Committee supervises the operation of the internal audit office by adhering to professional internal auditing practices in accordance with international standards. There is independence, fairness and ethics by having a charter of The Audit Committee and the office of internal audit which established the mission, scope of operation, authority and duty, responsibility, including clearly operating guidelines, in consistent with the vision, mission, strategy, and annual plan, reviewed annually to be suitable. Apart from the risk based audit planning, the office of internal audit has developed audit work with emphasis on the creation of preventive systems aside from providing confidence and give advice, including the assessment of fraud risk in accordance with the policy on clues, offenses and fraud. In order for the investigation and protection of informants to be efficient and effective, the internal quality assurance has been established by the inspection department to compare the assessments of the office of internal auditors in order to consider the differences and analyze the causes which will take the opinions of the auditing agencies into consideration as appropriate.

#### 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 2020, 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 monitored took action each project to be appropriate and be able to achieve its goal before proposing to the Audit Committee and the Board of Directors accordingly.

#### 4.6 Meetings of Directors

The Board of Directors holds a regular meeting at least in every quarter. And in order that directors are able to be present at a Board meeting, the Secretarial Department specifies a schedule of Board meetings in advance every year and informs all the directors of this schedule at all times before the Board meetings. The Secretarial Department will send an invitation together with supporting documents at least 7 days in advance of the meeting so that the Board of Directors may consider it and have sufficient time to study information before attending the meeting. In 2020, the Board of Directors held 5 meetings in total. The Chairperson of the board always considers an importance to the participation of the Board of Directors at all times but because of illness, the chairperson has absent in 1 meeting. 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 2020, 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 was 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 The Performance Evaluation of the Board of Directors

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

The Board of Directors approved the performance evaluation forms mentioned above for the year 2020. 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.1/2021 held on February 17<sup>th</sup>, 2021 has considered the summary of the performance evaluation of the directors by comparing with the results in the past 3 years, and proposed it to the Board of Directors Meeting No. 1/2021 held on February 23<sup>rd</sup>, 2021 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 2020, in overall the Board of Directors agreed that the most of the operations have been done properly.

#### 4.9 Development of Directors and Executives

4.9.1 Development of Directors’ and Executives’ Knowledge – The Company promotes and offers convenience for directors’ and executives’ training and knowledge development relating to

corporate governance. The Company has made an orientation ceremony for new directors whenever a new director is appointed. To this, an overall picture will be presented regarding the Company's business and relevant information; the names of the Company's directors and managerial structure; legal documentation and handbooks; rules and regulations of working units concerned; the directors' roles, powers, duties and responsibilities; corporate governance guidelines; certificates, Memorandum and Articles of Association; the Company's rules, visions, targets, and information on the conduct of business and activities of the Company. Directors are also to visit businesses and attend meetings related to the setting of visions and business plans in association with high-ranking executives of the Company.

- 4.9.2 Work Succession Plan – The Company has prepared some personnel as replacements for high-ranking executives who are about to attain retirement age. At the same time, a guideline has been formulated for the development and enhancement of the potential of executives who would succeed to the positions.

## 6. Internal Audit Control



### Opinions of the Board of Directors on the Company's internal control system

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 who are responsible for reviewing financial reports to be accurate and reliable. The connected transactions or transactions 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 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, use 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:

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



## 1. Organization and Environment

The company promotes and supports a good internal control environment by specifying the corporate governance policy and business ethics in writing. There is communication for employees at all levels to be aware and strictly comply, including penalties for violations. And the organization structure is in line with the business plan and is constantly updated to be suitable for the operations. There is a chain of command separated according to the line of work in accordance with the strategy of operation and corporate governance so that the management and operation of employees can be efficiently monitored and evaluated the operation clearly. There is an internal audit department that is independent and directly to the audit committee to inspect and review the operation to support a good internal control environment.

In this year 2020, there is no significant change in the company environment. There is still a suitable business operation to have a good and sufficient internal control system.

## 2. Objective Setting

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

This year, the objectives have been reviewed. There is an opinion that the said objective has covered the business operations appropriately enough to achieve good efficiency.

## 3. Risk Management Policy

The company has established a risk management system with the Risk Management Committee working group responsible for determining the policy framework including systematic risk management having all departments assess risk factors in various aspects, impacts, opportunities for organization and the environment, risk management plan to be in line with changes in both internal and external risks including the determination of risk management measures to remain at a clearly acceptable level, as to manage the risks faced quickly and effectively every quarter, the risk management committee's performance will be reported to the audit committee for evaluation and comments to the board of directors. In addition, internal auditors have followed up to ensure that risk mitigation measures are implemented to ensure that the company's risks are at an acceptable and manageable level.

In 2020, various risk factors have not changed significantly from 2019. Risks affecting operations are monitored and mitigated to be acceptable at satisfactory levels.

#### 4. Event Identification

The company has identified various indicators of events or risk factors which may cause damages to objectives at the organization level and the operational level of the company according to the plan, including specifying potential events that are sufficiently favorable for the positive and negative objectives by considering external and internal risk factors and with regular follow to ensure that the company has specified. Risk factors that cover sufficient and appropriate changes in each level include reporting to executives or related persons for acknowledgment to be correct, complete and continuous.

This year, there are still no significant changes in various risk factors and is constantly updated.

#### 5. Risk assessment

The company gives importance to risk management by requiring all departments to assess internal and external risk factors that have a direct and indirect impact on the company including the determination of risk management measures to remain at an acceptable level including the management of the risks facing quickly and efficiently. There is a report on the operations of the Risk Management Committee to the Board of Directors. In addition, the internal auditor follows up and reviews to ensure that risk mitigation measures are implemented to ensure that the company's risks are at an acceptable and manageable level including specifying and evaluating significant changes that may cause an impact on the internal control system with consideration of changes in laws and regulations, economy and environment.

This year, the responsible person for risk assessment is of the opinion that the specified risk management has implemented sufficient measures and well managed. No important factor of damages is found.

#### 6. Controlling Activities

The company has clear and appropriate internal control activities with performance indicators as a tool for planning and control. There are "Work Regulations and Ethics" as well as good corporate governance policies for employees to follow. All employees will be informed of the guidelines from the orientation for new employees. The company has separated the duties and responsibilities of various tasks clearly and can verify the accuracy between each other to reduce the risk of fraud or inappropriate behavior by having the authority to conduct business and the level of approval for various types of transactions of executives in writing in "The Internal Control Regulations and Business Authorization" including information technology systems. There is a separate function for controlling access to information at each level, assigning passwords and storing data that can be retroactively validated. The company has clear procedures for making connected transactions or transactions that may cause conflicts of interest being transparent and taking into account the best interests of the company. The internal audit department was assigned to inspect and review the adequacy and appropriateness of the control system on a regular basis by specifying that the audit plan covers important operational processes.

This year, the controlled activities mentioned above is still a satisfactory practice, resulting in various operations having an appropriate controls suitable for today's business environment.

## 7. Information and Communication System

The company gives importance to information and communication systems by having both internal and external communication channels in order to make a decision of shareholders, stakeholders, directors, and management of the company. The systems are based on information that is accurate, sufficient, reliable, and timely. The important and general information will be disclosed in the annual report, annual information disclosure form (56-1), via website [www.snpfood.com](http://www.snpfood.com), as well as information disclosure through the Stock Exchange of Thailand including the intranet system for communicating to employees to understand the company's policies, regulations and orders and important information clearly. [Whistleline@snpfood.com](mailto:Whistleline@snpfood.com) is also a way to receive complaints from employees. As well in the Board of Directors meeting, a meeting invitation letter, the agenda and supporting documents will be sent in advance within the period specified by law so that the directors have sufficient time to consider the information before attending the meeting. And in each meeting, a meeting minutes was prepared record questions of directors, opinions or observations of the directors regarding the matters completely considered, and the various systems that are efficiency and effectiveness controlled by a computer system.

## 8. Monitoring

The company has continuously followed up the performance from the operational performance indicators, whether it was in accordance with the plan or not, and analyzed the cause in the event that the operations did not go according to the plan by having the internal audit office, which is an independent unit, review and inspect the operation under the internal control system, This was done by emphasizing the audit to cover the operational process with significant risks, various issues detected will report the audit results directly to the Audit Committee as well as following up on the corrective actions from the agencies that have been continuously inspected. The Audit Committee submits the report to the Board of Directors every quarter. In addition, the Audit Committee also has a meeting with the auditor to assess the adequacy and effectiveness of the internal control system.

In the year 2020, the Audit Committee agreed with the auditor that no significant defects were found. The company has an internal control system that is sufficient for business operations and all departments following up with the established procedures and regulations and the inspected issues have been improved and amended. There is a follow-up to see whether they can be practiced or there are problems or obstacles that need to be formulated and revised. There were no significant defects in the internal control system.

## 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

Ms. Sajeemas Apichyodom, the head of the Company's Compliance, has handled this job properly.

## 7. Human Resources Policy

Human resource development is a key factor in helping organizations drive development and grow their business in the face of challenges and rapid change.



The human development policy is designed in line with the business vision, "Strengthen the Core, Create the Next", which is the management of self-learning and self-development through curriculum and methods that encourage people to be able to think, having skills and expertise to be able to effectively perform for the assigned work in the constantly changing of competitive and business environment. The company therefore, established a framework, guidelines and policies for human resource development and management as follows:

### 1. "Strengthen the Core" Building strength in knowledge standards core competence



#### 1.1

Developing organizational structure, designing job line and career position (Organization Design and Development) to be changed continuously and updated all the time. in order to respond to businesses condition that has adapted rapidly so that every employee can work with agility and manage change quickly.



#### 1.2

Focusing on improving the development of skills, knowledge, abilities, including behaviors (Competency) to allow employees to be able to adapt to the work styles that are changing in the New Normal, such as focusing on working as a team, flexibility and the challenge of change and innovation, etc.



#### 1.3

Setting up a training course structure for the main job (Career Roadmap) in Operation and Production as the main unit of the organization in order for employees to strengthen their knowledge and expertise, enhance their expertise, abilities, including foreseeing growth in position and career.

**STRENGTHEN  
THE CORE,  
CREATE THE  
NEXT**



### 1.4

Creating a leadership development course in the digital age, designing and developing courses to increase the skills and competencies of leaders in all levels with a focus on leadership styles in work processes and methods of work, and mindset for working in the digital age



### 1.5

Establishing an effective performance management system to measure the success of the supervisory work, and to track the working behavior that has been defined to be efficient and able to be put into practice to increase efficiency, measure effectiveness and create fairness of which introducing the Online System to increase convenience and speed of work.



### 1.6

Creating a career management development plan for employees to see advance opportunities in their careers, and also an Individual Development Program which emphasizes the personnel to have continuous learning and self-development.

**CREATE  
THE  
NEXT**

## 2. "Create the Next" to create new dimensions of organizational capacity to create success in the future

### 2.1

Preparing talent management projects and skilled people, namely Talent: Successor: Master (TSM), which is a project to analyze, plan, seek and develop personnel with high potential or skill to transfer of knowledge from generation to generation, system to support the growth of the business and creating sustainable success.

### 2.2

Initiating the Next Generation Leader (NGL) project to develop the new generation to have skills, ideas, knowledge, abilities and working methods, of "New way of life" or New Normal that must be flexible, fast, brave, use digital in work.

### 2.3

Creating a new normal way of working for employees to have a wide range of aptitudes, focus on one-team, cross-departmental work, reduce and tighten work processes and decision-making, build agility

### 2.4

Cultivating a mindset of employees to have belief and attitudes that must take into account that "Customer Centric Mindset" is the center of everything in the work, to lay the strong foundation in creating maximum customer satisfaction to meet all expectations impressively.

### 2.5

Creating new skills (Reskill) needed to work in the digital age and upgrading the original skills (Upskill) to better support new businesses and future growth such as Delivery, E-Commerce, etc.

### 3. Prepare people to support future expansion and growth of the business (Future Workforce)

Modernizing and efficient of S&P Learning Center to be the teaching and learning in the New Normal era.



Learning Center of S&P Syndicate Public Company Limited, first opened in the academic year 2007 according to the National Education Act 1999 Section 12 has been certified by the Ministry of Education. Open teaching is given at the vocational certificate level (vocational certificate) in retail business and branches of food and nutrition with the objective of being an educational institution in an establishment that gives knowledge and develops academic skills which are a basic education needed for employees and or underprivileged education. Therefore the education initiated in the form of a learning center. Section 12 can be considered as the first generation of schools in the workplace. The institution offers teaching and learning in line with the bilateral teaching of vocational education enrolling students from other provinces that lack funds to receive scholarships at the level of vocational certificate in order to expand the organization's intention to support the creation of good people to have a career and produce quality people into the Thai society sustainably.

During the recent Covid-19 situation, there is a modification of methods of creating and training young people to become skilled workers in the future who can adjust to the environment. In collaboration with vocational colleges which is a network of the company, bilateral projects are implemented to organize and improve learning curriculum in theoretical manner and practice teaching in the New Normal way by training students to be professional and encouraging them practice in the school according to the company's standard work before going into the restaurant for practical training which allows the company to have staff to serve customers effectively in order to urge them to come back to use the service from the shop.

#### Personnel

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

Working Units	2020		2019	
	Number of employee	Remuneration (Million Baht)	Number of employee	Remuneration (Million Baht)
Local Offices	563	314.21	807	436.19
Branch Operation Dept.	3,751	725.50	5,017	968.71
Factories	1,380	335.42	1,769	411.28
<b>Total</b>	<b>5,694</b>	<b>1,375.12</b>	<b>7,593</b>	<b>1,816.18</b>



# Details of All Directors and Executives

(As of December 31, 2020)

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)		Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change		Period / position	Company
<b>Mrs. Patara Sila-On</b> Chairperson of the Board of Directors	78	<ul style="list-style-type: none"> <li>- Honorary Degree Business Administration in Management Rajamangala University Of Technology Isan</li> <li>- Doctor of Letters (Honorary) Pine Manor College, Massachusetts, USA</li> <li>- BBA Business Administration Boston University, USA</li> </ul>	42,327,645 (equal to 8.63 %)	-	Eldest sister	<ul style="list-style-type: none"> <li>- Past 5 years / Chairperson of the Board of Directors</li> <li>- 1990 - Present / Chairperson of the Board of Directors</li> <li>- 1975 - Present / Director</li> <li>- 1987 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- S&amp;P Global Co., Ltd. / Operate Restaurant Business abroad</li> <li>- Triparada Co., Ltd. / Consulting Service Business</li> <li>- SR Estate Co., Ltd. / Real Estate Business</li> </ul>
<b>Mr. Pravesvudhi Raiva</b> Vice Chairperson / Chairman of the Executive Committee	69	<ul style="list-style-type: none"> <li>- BBA Political Science University of Indiana, USA</li> <li>- Modern Managers Program (MMP)</li> <li>- Modern Marketing Management (MMM) (Chulalongkorn University Training Program)</li> <li>- Director Certification Program</li> <li>- Certificate (DCP) Class of 135<sup>th</sup></li> <li>- Director Accreditation Program</li> <li>- Certificate (DAP)</li> <li>- Role of The Chairman Program</li> <li>- Certificate Class of 42<sup>nd</sup></li> <li>- Thai Institute of Directors Association (IOD)</li> <li>- Poom Palung Pandin Program, Class of 2<sup>nd</sup> Chulalongkorn University</li> <li>- Top Executive Program in Commerce and Trade (TEPCoT), Class of 8<sup>th</sup> Commerce Academy, University of the Thai Chamber of Commerce</li> </ul>	30,524,310 (equal to 6.22%)	-	Third brother	<ul style="list-style-type: none"> <li>- 2016 - Present / Vice Chairperson</li> <li>- 2015 - December 31, 2018 / Chairman of the Executive Committee</li> <li>- 2015 - 2016 / Chief Executive officer</li> <li>- 1994 - 2015 / President, Director</li> <li>- 2014 - Present Independent Director, Chairman of Remuneration Committee</li> <li>- 1993 - 2013 / Director</li> <li>- 1990 - Present / Executive Director</li> <li>- 1987 - Present / Executive Director</li> <li>- 2006 - Present / Executive Director</li> <li>- 2012 - Present / Executive Director</li> <li>- 2014 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- Charlssara Development Public Co., Ltd. / Property Development Business</li> <li>- S&amp;P Global Co., Ltd. / Operate Restaurant Business abroad</li> <li>- SR Estate Co., Ltd. / Real Estate Business</li> <li>- S&amp;P Delivery Co., Ltd. / LandTransportation Service Business</li> <li>- S&amp;P International Food Co., Ltd. / Restaurant Business</li> <li>- MSC Thai Cuisine Co., Ltd. / Thai Culinary School named "The Thai Cuisine"</li> </ul>

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
Mr. Pravesvudhi Raiva (continued)							<ul style="list-style-type: none"> <li>- 2015 - Present / Director</li> <li>- 2017 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Development Holding Co., Ltd. / Provide service support for the business of affiliated company and restaurant business</li> <li>- S&amp;P Training Co., Ltd. / Training business for skill development for employees of S&amp;P Syndicate PLC and affiliates</li> </ul>
Mr. Kachorndej Raiva Executive Committee Director	70	<ul style="list-style-type: none"> <li>- BBA Accounting Chulalongkorn University</li> <li>- Director Certification Program Certificate (DCP)</li> <li>- Thai Institute of Directors Association (IOD)</li> </ul>	10,275,705 (equal to 2.10%)	-	10,275,705 (equal to 2.10%)	Second brother	<ul style="list-style-type: none"> <li>- Past 5 years / Executive Committee Director</li> <li>- 1990 - Present / Executive Director</li> <li>- 1987 - Present / Executive Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- S&amp;P Global Co., Ltd. / Operate Restaurant Business abroad</li> <li>- SR Estate Co., Ltd. / Real Estate Business</li> </ul>
Mrs. Kessuda Raiva Chairperson of the Executive Committee/ Nomination and Remuneration Committee	66	<ul style="list-style-type: none"> <li>- Honorary Doctorate Degree Business Administration in Management, Rajamangala University Of Technology Bangkok</li> <li>- MBA Economics North Eastern University, Boston, USA</li> <li>- BBA Business Administration, Finance and Banking Assumption University (ABAC)</li> <li>- Director Accreditation Program Certificate (DAP) 45/2005</li> <li>- Director Certification Program Certificate (DCP) Class of 251/2018<sup>th</sup></li> <li>- Role of The Chairman Program Certificate Class of 36<sup>th</sup></li> <li>- Thai Institute of Directors Association (IOD)</li> <li>- Capital Market Academy Leader Program 10/2010</li> <li>- Capital Market Academy</li> <li>- Top Executive of the Country Program “Poom Palung Pandin”, Class of 1<sup>st</sup></li> <li>- Chulalongkorn University</li> </ul>	37,973,550 (equal to 7.74%)	-	37,973,550 (equal to 7.74%)	Spouse of Mr. Pravesvudhi Raiva	<ul style="list-style-type: none"> <li>- 2019 - Present / Chairperson of the Executive Committee</li> <li>- 2017 - December 31, 2018 Chief Executive officer</li> <li>- 2017 - 2019 / Risk Management Committee</li> <li>- 2015 - 2016 / President</li> <li>- 2013 - Present / Nomination and Remuneration Committee</li> <li>- 2008 - 2015 / Executive Vice President</li> <li>- 1994 - Present / Executive Committee Director</li> <li>- 1990 - Present / President, Director</li> <li>- 1987 - Present / Executive Director</li> <li>- 2014 - Present / Executive Director</li> <li>- 2006 - Present / Executive Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- S&amp;P Global Co., Ltd. / Operate Restaurant Business abroad</li> <li>- SR Estate Co., Ltd. / Real Estate Business</li> <li>- S&amp;P Delivery Co., Ltd. / Land Transportation Service Business</li> <li>- S&amp;P International Foods Company Limited / Restaurant Business</li> </ul>

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
Mrs. Kessuda Raiva (continued)		<ul style="list-style-type: none"> <li>- Top Executive Program in Commerce and Trade, Class of 6th (TEPCoT) Commerce Academy, University of the Thai Chamber of Commerce</li> <li>- Top Executive Program in Energy Technology, Class of 6<sup>th</sup> Thailand Energy Academy</li> <li>- Top Executive Program in Industrial Business Development and Investment, Class of 1<sup>st</sup> Institute of Business and Industrial Development</li> <li>- Business Revolution and Innovation Network Program (BRAIN), Class of 2<sup>nd</sup> The Federation of Thai Industries</li> <li>- Diploma of Directors Certification Program (DCP) 251/2018</li> <li>- Thai Institute of Directors Association (IOD)</li> <li>- Health Ambassador Certificate Class 1 Chulabhorn Royal Academy</li> </ul>					<ul style="list-style-type: none"> <li>- 2013 - Present / Director</li> <li>- 2014 - Present / Director</li> <li>- 2015 - Present / Director</li> <li>- 2017 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- Umenohana S&amp;P Co., Ltd. / Restaurant Business</li> <li>- MSC Thai Cuisine Co., Ltd. / Thai Culinary School named "The Thai Cuisine"</li> <li>- S&amp;P Development Holding Co., Ltd. / Provide service support for the business of affiliated company and restaurant business</li> <li>- S&amp;P Training Co., Ltd. / Training business for skill development for employees of S&amp;P Syndicate PLC and affiliates</li> </ul>
Mr. Vitoon Sila-On Chief Executive Officer / Executive Committee / Risk Management Committee	52	<ul style="list-style-type: none"> <li>- MBA Business Administration University of North Carolina Chapel Hill, NC, USA</li> <li>- BBA Hospitality and Food Administration Boston University USA</li> <li>- Directors Certification Program Certificate (DCP)</li> <li>- Directors Accreditation Program Certificate (DAP)</li> <li>- Thai Institute of Directors Association (IOD)</li> <li>- Capital Market Academy Program Class of 23<sup>th</sup> Capital Market Academy</li> <li>- Thai-Chinese Leadership Studies (WorTodor.) Class 2</li> <li>- Huachiew Chalemprakit University</li> </ul>	7,815,000 (equal to 1.59%)	333,300 (equal to 0.0679%)	8,148,300 (equal to 1.6615%)	First Son of Mrs. Patara Sila-On	<ul style="list-style-type: none"> <li>- 2019 - Present / Chief Executive Officer</li> <li>- 2019 - Present / Risk Management Committee</li> <li>- 2012 - 2019 / Chairperson of Risk Management Committee</li> <li>- 2017 - December 31, 2018 Operation and Human Resource</li> <li>- 2010 - Present / Executive Committee Director, Director</li> <li>- 2008 - 2016 / Senior Vice President Domestic Operations</li> <li>- 2008 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- Food House Catering Services Co., Ltd. / Nutrition Service Business</li> </ul>

ชื่อ-สกุล/ตำแหน่ง	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
Mr. Vitoon Sila-On (continued)							<ul style="list-style-type: none"> <li>- 2012 - Present / Director</li> <li>- 2013 - Present / Director</li> <li>- 2014 - Present / Director</li> <li>- November 2018 - Present / Director</li> <li>- 2017 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P International Foods Company Limited / Restaurant Business</li> <li>- Umenohana S&amp;P Co., Ltd. / Restaurant Business</li> <li>- Triparada Co., Ltd. / Consulting Service Business</li> <li>- S&amp;P Delivery Co., Ltd. / Land Transportation Service Business</li> <li>- S&amp;P Training Co., Ltd. / Training business for skill development for employees of S&amp;P Syndicate PLC and affiliates</li> </ul>
Mr. Kamtorn Sila-on President – Production and Finance / Executive Committee Director / Risk Management Committee	50	<ul style="list-style-type: none"> <li>- MBA Financial Engineering, MIT Sloan School of Management Massachusetts, USA</li> <li>- MEng Chemical Engineering; Associate of the City and Guilds Institute Upper Second Class Honours Imperial College of Science Technology and Medicine, London, England</li> <li>- Audit Committee Program Certificate (ACP)</li> <li>- Director Certification Program Certificate (DCP)</li> <li>- Thai Institute of Directors Association (IOD)</li> <li>- TLCA Executive Development Program (EDP) Class 2</li> <li>- Thai Listed Companies Association</li> <li>- Top Executive Program in Commerce and Trade (TEPCOT)</li> <li>- Commerce Academy, University of the Thai Chamber of Commerce</li> </ul>	7,393,700 (equal to 1.507%)	428,000 (equal to 0.0872%)	7,821,700 (equal to 1.594%)	2 <sup>nd</sup> Son of Mrs. Patara Sila-On	<ul style="list-style-type: none"> <li>- 2017 - Present / President - Production and Finance</li> <li>- 2016 - Present / Director</li> <li>- 2015 - Present / Risk Management Committee</li> <li>- 2015 - 2016 / Senior Vice President Production &amp; Supply Chain</li> <li>- 2014 - Present / Executive Committee Director</li> <li>- 2014 - 2015 / Vice President - Production &amp; Supply Chain</li> <li>- 2011 - Present / Chairperson of Remuneration Committee, Chairperson of Audit Committee, Nomination Committee, Independence Director</li> <li>- 2011 - 2014 / Deputy Managing Director, Head of Private Client Investment Management</li> <li>- 2014 - Present / Director</li> <li>- 2015 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- Precious Shipping Public Co., Ltd. / Transportation &amp; Logistic Business</li> <li>- Bualuang Securities Plc. / Finance &amp; Securities Business</li> <li>- Triparada Co., Ltd. / Consulting Service Business</li> <li>- S&amp;P Development Holding Co., Ltd. / Provide service support for the business of affiliated company and restaurant business</li> </ul>

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
Mr. Kamtorn Sila-on (continued)							<ul style="list-style-type: none"> <li>- 2015 - Present / Director</li> <li>- November 2018 - Present / Director</li> <li>- 2017 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- Chao Phraya Express Boat Co., Ltd. / River transportation service Business</li> <li>- S&amp;P Delivery Co., Ltd.</li> <li>- Land Transportation Service Business</li> <li>- S&amp;P Training Co., Ltd. / Training business for skill development for employees of S&amp;P Syndicate PLC and affiliates</li> </ul>
Ms. Cattleya Saengsastra Independent Director / Chairperson of the Audit Committee	72	<ul style="list-style-type: none"> <li>- BBA Accounting (Hons.) Chulalongkorn University</li> <li>- Controllership Training Program Thammasat University</li> <li>- Management Development Program JI Kellogg Northwestern University</li> <li>- Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association (IOD)</li> </ul>	60,055 (equal to 0.012%)	-	60,055 (equal to 0.012%)	- None -	<ul style="list-style-type: none"> <li>- Past 5 years / Independent Director, Chairperson of the Audit committee</li> <li>- 1994 - Present / Director and Company Secretary</li> <li>- 2018 - Present / Company Secretary</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- Dynasty Ceramic Public Co., Ltd. / Construction Material Business</li> <li>- Royal Ceramic Industry Public Co., Ltd. / Construction Materials Business</li> </ul>
Ms. Sophavadee Uthamobol Independent Director / Audit Committee Director	60	<ul style="list-style-type: none"> <li>- MBA Business Administration Chulalongkorn University</li> <li>- BBA Bachelor of Law Thammasat University</li> <li>- Director Accreditation Program Certificate (DAP) (ACP) Thai Institute of Directors Association (IOD)</li> </ul>	-	-	-	- None -	<ul style="list-style-type: none"> <li>- Past 5 years / Independent Director, Audit Committee Director</li> <li>- 2001 - Present / Independent Director, Audit Committee Director</li> <li>- 2017 - Present / Limited Partnership</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- Bumrungrad Hospital Public Co., Ltd. / Health Care Services Business</li> <li>- Kao Pin Petch Limited Partnership / Consumer Product Business</li> </ul>
Mr. Piya Sosothiskul Independent Director / Audit Committee / Remuneration Committee / Chairperson of Risk Management Committee	49	<ul style="list-style-type: none"> <li>- MBA Business Administration Harvard University, U.S.A.</li> <li>- ME Chemical Engineering Massachusetts Institute of Technology (MIT) U.S.A.</li> <li>- BE Chemical Engineering Massachusetts Institute of Technology (MIT) U.S.A.</li> </ul>	-	-	-	- None -	<ul style="list-style-type: none"> <li>- 2019 - Present / Chairperson of Risk Management Committee</li> <li>- 2012 - 2019 / Risk Management Committee</li> <li>- 2011 - Present / Independent Director, Audit Committee, Nomination and Remuneration Committee</li> <li>- 2017 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- Boonruksa Holding Co., Ltd. / Real Estate Business</li> </ul>

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
Mr. Piya Sosoithikul (continued)		<ul style="list-style-type: none"> <li>- BA Economics Massachusetts Institute of Technology (MIT) U.S.A.</li> <li>- Director Accreditation Program Certificate (DAP) Class 35 Year 2005</li> <li>- Corporate Governance for Capital Market Intermediaries (CG) Class 4/2015</li> <li>- Thai Institute of Directors Association (IOD)</li> </ul>	-	-	-		<ul style="list-style-type: none"> <li>- 2016 - Present / Executive Committee</li> <li>- 2015 - Present / Executive Committee</li> <li>- 2012 - Present / Executive Committee</li> <li>- 2011 - Present / Executive Committee</li> <li>- 2011 - Present / Director</li> <li>- 2011 - Present / Director</li> <li>- 2011 - Present / Director and Executive Committee</li> <li>- 2011 - Present / Consultant of Managing Director Department</li> <li>- 2010 - Present / Director / Managing Director</li> <li>- 2007 - Present / Director / Executive Committee</li> <li>- 2004 - Present / Director</li> <li>- 2019 - Present / Director</li> <li>- 2020 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- Gris T Co., Ltd. / Cosmetic Business</li> <li>- The One Enterprise Co., Ltd. / Entertainment Business</li> <li>- Siam Housing Co., Ltd. / Real Estate Business</li> <li>- Thalchuros Co., Ltd. / Food Flavor Enhancer Business</li> <li>- Nanyang Marketing Co., Ltd. / Shoes Business</li> <li>- Nanyang Industry Co., Ltd. / Shoes Business</li> <li>- Seacon Development PLC. / Space Rental Business</li> <li>- Bangkok Bank PLC. / Banking Business</li> <li>- Erawana Co., Ltd. / Real Estate Developing Business</li> <li>- Bualuang Securities PLC. / Finance &amp; Securities</li> <li>- Seacon Co., Ltd. / Construction Business</li> <li>- PR Holding Co., Ltd. / Holding Company</li> <li>- Mitta Social Enterprise / Company Limited</li> <li>- Education Business as nonprofit organization</li> </ul>
							<ul style="list-style-type: none"> <li>- 2019 - Present / Director / Chairperson of Nomination and Remuneration Committee</li> <li>- 2018 - Present / Director</li> <li>- 2018 - Present / Director</li> <li>- 2018 - Present / Director</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co., Ltd. / Food and Beverage Business</li> <li>- Arcel Capital Company Limited / Management consulting business</li> <li>- The Mall Group Co., Ltd. / Retail businesses</li> <li>- The Mall Shopping Complex Co., Ltd. / Rental and operating business related to real estate that is their own or rented from someone other than a residence</li> </ul>
Mr. Teeranun Srihong Independent Director / Chairperson of Nomination and Remuneration Committee	55	<ul style="list-style-type: none"> <li>- Advance Management Program Harvard Business School</li> <li>- MBA Business Administration Michigan University</li> <li>- Bachelor Degree of Engineering Chulalongkorn University</li> </ul>	-	-	-	- None -		



Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
Mr. Teeranun Srihong (continued)							- September 2018 - 2020 / Chairperson	- Thai Agro Exchange Co., Ltd. / Rental and operate on self owned or leased real estate other than as a residence
							- 2018 - 2019 / Chairperson	- Advance Power Conversion Co., Ltd. / Business of construction public utility power plant project and communication cable
							- 2017 - Present / Chairperson	- The Digital Economy Promotion Agency / Establish processes and adjust the infrastructure in the capital market to support Digitalization
							- 2017 - Present / Honorary Director	- Office of the National Digital Economy and Society Commission / Committee under the Ministry of Digital Economy and Society
							- April 2017 - Present / Director	- Celar Consulting Co., Ltd. / Other management consulting business which is not classified elsewhere
							- July 2017-December 2019 / Director / Executive Committee	- Thanachart Insurance PCL. / Casualty insurance business
							- 2018 - 2019 / Director	- Thanachart Capital Public Co., Ltd. / Holding business that mainly invests in financial business
							- 2019 / Chairperson of Risk Committee	- Thanachart Capital Public Co., Ltd. / Holding business that mainly invests in financial business
							- 2019 -Present / Director of Investment Committee for Start up	- Bangchak Corporation Public Company Limited / Business producing products obtained from petroleum refineries
							- January 2562 - Present / Executive Committee	- Phuket Deep Sea Port Co.,Ltd. / Cargo handling business
							- 2017 - 2019 / Director	- National Reform Steering Assembly Committee to support changes in Thailand 4.0 policy / Bureaucratic reform and develop new forms of innovation

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
Mr. Teeranun Srihong (continued)							- June 2018 - Present / Chairperson	- Thailand Management Association / Enhance professional management Increase knowledge and experience in business management to meet international standards
							- April 2018 - 2019 / Chairperson	- Digital Strategy for Capital Market Subcommittee / Process and adjust the structure establish a foundation in the capital market to support digitalization
							- April 2018 - 2019 / Director	- Steering Committee for Policy Implementation to Utilize Big Data, Data Center and Cloud Computing / Big Data Development for quality and modern
							- April 2018 - 2020 / Director	- BKT Holdings Co.,Ltd. / Kitchenware products export business
							- 2018 - 2020 / Director	- Northern Railway Park Co.,Ltd. / Water transport business
							- December 2019 - Present / Independent Director and Chairperson of the Information Technology Commission and the Nomination, Compensation and Corporate Governance Committee and Risk Committee	- TMB Bank Public Company Limited / Commercial Banking Business
							- 2019 - Present / Honorary Director	- Office of the National Economic and Social Development Council / Subcommittee to Enhance the Competitiveness of Thailand
							- 2019 - Present / Honorary Director and Chairperson of the Risk Management Subcommittee	- Government Pension Fund (GPF) / An organization established by a specific law
							- 17 January 2020 - Present / Independent Director and Chairperson of the Information Technology Commission and the Nomination, Compensation and Corporate Governance Committee and Risk Committee	- Thanachart BankPublic Company Limited / Commercial Banking Business

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
Mr. Teeranun Sithong (continued)							<ul style="list-style-type: none"> <li>- 11 March 2020 - Present / Honorary Director</li> <li>- 27 March 2020 Present / Independent Director</li> <li>- November 2020 Present / Honorary Director</li> </ul>	<ul style="list-style-type: none"> <li>- Electronic Transactions Development Agency, Ministry of Digital Economy and Society /</li> <li>- Board of Ministry of Digital Economy and Society</li> <li>- Thaicom Public Company Limited / Business of Technology</li> <li>- Committee for the Protection of Credit Information / Credit Information Center</li> </ul>
Mr. Matthew Kichodhan Director	54	<ul style="list-style-type: none"> <li>- Master of Science, (MSc. Management), Imperial College (Management School), University of London, England</li> <li>- Bachelor of Commerce, University of Toronto, Canada</li> <li>- Certification Canadian Stock Exchange Commission</li> <li>- Diploma of Directors Certification Program (DCP) No.95/2007</li> <li>- Certificate Directors Accreditation Program (DAP) No.57/2006</li> <li>- The Thai Institute of Directors Association (IOD)</li> </ul>	-	-	-	- None -	<ul style="list-style-type: none"> <li>- 2020 - Present / Director</li> <li>- 2006 - Present / Director</li> <li>- 2013 - Present / Chairperson of Chairperson of Executive Committee</li> <li>- 2018 - Present / Nomination and Remuneration Committee</li> <li>- 2007 - Present / Independent Director</li> <li>- 2007 - Present / Director</li> <li>- 2013 - Mar 2017 / Director</li> <li>- 2017 - Present / Independent Director</li> <li>- March 2020 - Present / Executive Advisor</li> </ul>	<ul style="list-style-type: none"> <li>- S&amp;P Syndicate Public Co.,Ltd. / Food and Beverage Business</li> <li>- Wave Entertainment Public Company Limited / Media and Publishing Business</li> <li>- Ocean Glass Public Company Limited / Consumer goods, household and office businesses</li> <li>- BEC World Public Company Limited / Content business and entertainment business</li> <li>- Thai Solar Energy Public Company Limited / Energy and Utilities Business</li> <li>- BBGI Public Company Limited / Holding Company that acquires shares in other companies which having the main business includes Biofuel, production and distribution of Ethanol, Biodiesel, and by product, and any business involved those aforementioned</li> <li>- The Minor Food Group Public Company Limited / Food and Beverage Business</li> </ul>

Name - surname / position	Age (years)	Academic qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year experience	
			Beginning of 2020	Change	End of 2020		Period / position	Company
<b>Mr. Kosi Chantikul</b> Director	38	- Bachelor of Arts in Economics Wesleyan University, USA - Director Certificate Program (DCP) No. 192/2014 - Thai Institute of Directors Association (IOD)	-	-	-	- None -	- 2020 - Present / Director - 24 May 2017 - Present / Director - 30 September 2019 - Present / Director - February 2017 - Present / Director - February 2017 - Present / Director - February 2017 - Present / Director - 16 December 2015 - Present / Director - 30 September 2016 - Present / Director - 18 December 2017 - Present / Director - 13 May 2019 - Present / Director - 11 October 2019 - Present / Director	- S&P Syndicate Public Co., Ltd. / Food and Beverage Business - Avadina Hills Co., Ltd. / Sale of Property Business - Verita MHG Company Limited / Healthcare Business - MHG Desaru Hotel Sdn. Bhd. / Hotel Operation Business - MHG Desaru Villas Sdn. Bhd. / Hotel Operation Business - MHG Management (India) Private Limited / Hotel Operation Business - Bodhi Hotel & Resort Pvt. Ltd. / Hotel Operation Business - Corbin & King Limited / Holding Company - NH Hotel Group SA / Hotel Operation Business - Minor Food Holding Co., Ltd. / Hotel Investment Business
<b>Mr. Arth Prakhunhungsit</b> Chief Operating Officer	55	- Master Degree of Business Management Chulalongkorn University - Bachelor Degree of Journalism and Mass Communication Thammasat University	-	-	-	- None -	- 16 August 2019 Present / Chief Operating Officer - 2003 - 2019 / Chief Operating Officer	- S&P Syndicate Public Co., Ltd. / Food and Beverage Business - The Minor Food Group PLC / Food and Beverage Business
<b>Mr. Somjit Kittiweerakul</b> Vice President - Bakery Manufacturing	58	- M.S. Art Ramkhamhaeng University - B.S. Biotechnology Kasetsart University	-	-	-	- None -	- Past 5 years / Vice President - Bakery Manufacturing	- S&P Syndicate Public Co., Ltd. / Food and Beverage Business
<b>Mr. Chongchana Chantamas</b> Vice President - Food Manufacturing	55	- B.S. Food Science and Technology Kasetsart University	-	-	-	- None -	- 2015 - Present / Vice President - Food Manufacturing - 2013 - 2014 / Vice President Trade - 2008 - 2014 / Vice President for Food Operations	- S&P Syndicate Public Co., Ltd. / Food and Beverage Business

## General Corporate Information And Other References

<b>Company name</b>	S&P Syndicate Public Company Limited
<b>Primary business</b>	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.
<b>Registered capital</b>	490,408,365 Baht (Four hundred ninety million four hundred eight thousand three hundred and sixty-five Baht)
<b>Issued and paid-up capital</b>	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.
<b>Head Office</b>	2034/100-103,106-107, Ital Thai Tower, 23 <sup>rd</sup> - 24 <sup>th</sup> Floor, New Petchburi Road, Bangkok, Huaykwang Bangkok 10310 Thailand
<b>Registration No.</b>	0107537001170 (From No. Bo.Mo.Cho. 364)
<b>Telephone</b>	(02) 785 – 4000
<b>Facsimile</b>	(02) 785 – 4040
<b>Email address</b>	presidentoffice@snpfood.com
<b>Homepage</b>	www.snpfood.com
<b>Registrar</b>	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
<b>Corporate auditors</b>	Deloitte Touche Tohmatsu Jaiyos Co., Ltd. 11/1 AIA Sathorn Tower, 23rd – 27th Floor, South Sathon Road, Yannawa, Sathon, Bangkok 10120 Thailand Telephone (02) 034-0000 Fax: (02) 034-0100

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

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