



S&P Syndicate Public Company Limited
(Form 56-1 One Report)

Annual Report
2022



ภาพ NFT โดยศิลปิน
Pomme Chan

ELEVATE THE NEXT



Name : THE POETIC OF FORTUNE

NFT photo by POMME CHAN

Rabbit is used as a symbol of good fortune, auspicious animal, gentle symbol of fertility.

ELEVATE THE NEXT



During the past half-century, S&P has been with Thai families, starting with **the first step** from an ice cream corner on Prasarnmit Road as the starting point of the first branch until we have gradually thrived through every single situation in Thailand for more than 50 years.

In every single **step** of our walk, we, sometimes, has to walk through difficult paths, especially during the past COVID-19 epidemic. However, because of our careful **steps** taken, and “secure foundation rendered”, we have firmly stood through such crisis. We have quickly learned to improve and be agile, resulting that our business can **step up** with strength and creativity.

In this 50th Anniversary, we are celebrating our previous achievements. We shall not stand still to **step** forward, but we shall **"Step Up... Step Forward..."** to the Company's growth direction as planned.

We shall **step** into the changes in the digital era, which is another **"Step Up... Step Forward..."** moment of S&P, while we still keep our core business values of "Quality, Value, and Virtue".

We shall strengthen ourselves for even more growth by creating value for our stakeholders in every dimension, including employees, allies, partners, customers, and investors. So, this is the time for us to **"Step Up... Step Forward..." (Elevate the Next)** together.

Contents



S&P Company

Vision and Mission Statements	05
Message from Chairperson and CEO	07
Board of Director, Executive Committee, Management Team	10
Financial Highlight and Revenue 2021	14
Awards and Achievements in 2021	16
News and Activities	20

Part 1 Business Operation and Performance

1. Business Overview	25
2. Risk Management	82
3. Driving Business for Sustainability	89
4. Management Discussion and Analysis : MD&A	120
5. General Information	129

Part 2 Corporate Governance

6. Corporate Governance Policy	132
7. Corporate Governance Structure and Key Information Related to Directors, Sub-Committees, Executives, Employees and Others	154
8. Major Implementations of Corporate Governance	166
9. Internal Control System and Related Party Transactions	172

Part 3 Financial Statements 184

Attachment

Attachment 1 Details of Directors, Executives, Company Secretary and Bookkeeper	264
Attachment 2 Directors of Subsidiaries	283
Attachment 3 Details of Head of Internal Audit and Head of Compliance	286
Attachment 4 Business Assets and Details on Asset Valuation	287
Attachment 5 Corporate Governance Policy and Code of Conduct	288
Attachment 6 Charter of the Audit Committee	289

Vision

To be the most preferred Thai restaurant, cake, and bakery brand in Thailand.

Mission Statements

1. Always make customers happy
2. Strengthen core business performance
3. Create new & sustainable businesses
4. Attract and develop key leaders and successors
5. Make operations lean and simple
6. Give back to the community we live in





Message from Chairperson

Dear shareholders,

In the year 2022, it can be considered a very challenging year for restaurant business operators who have had to adapt to the new digital economy, which is highly competitive with advanced technology. Consumer behavior has changed, with an increasing number of orders being placed online, while Human Resources has become more scarce, for Thai workers who are trending towards online sales instead of being just employees. This has resulted in a reduction of personnel in the organization. However, the company has made significant efforts to overcome various obstacles and maintain the continuous growth of the business. The company also places importance in taking care of all stakeholders, including employees and customers.

In order to provide customers with good service, delicious food, convenient delicacies and bakery selection expansive, and to create confidence in our service for all customers, the company has developed and changed the way the team works in both the store and support units to maximize efficiency. We provide employees with the ability to work more than just one area, using technology systems as tools for both store and support systems. Additionally, we offer training courses for interns in advance to have the necessary skills to serve customers quickly, ensuring customer satisfaction according to our policy of "Customers are our top priority."

At the same time, the company continues to be responsible for various projects continuously, such as waste and pollution reduction through waste separation and plastic reduction, which will have a sustainable impact on the environment in line with government policies. The company pledges to continue to develop the business in a continuous manner, to lead to sustainable growth, and with the determination of employees, management, and support from customers and shareholders, the company moves forward steadily, with profits that can be paid as bonuses to employees as a reward for their hard work, dedication, and commitment. Additionally, the company will distribute dividends to all shareholders.

On behalf of the board of directors, we would like to express our gratitude to our shareholders, business partners, customers, as well as all the executives and employees who have supported and entrusted the company throughout the years. As we approach our 50th year, we remain committed to maintaining and improving the quality of our products and services, ensuring they are valuable satisfactory and efficient impressive. Moreover, the management and employees of S&P will continue to work together to ensure the standard of our food and bakery service business.



Mrs. Patara Sila-On
Chairperson



Message from Chief Executive Officer

Dear shareholders,

2022 marks my fourth year as CEO. What have I learned so far as we go forth?

Building an organization is a process that takes time & patience. And a lot of help from others, so called experts. You have to have confidence in your direction & your reason for being. Our direction is to sustainably grow through strong existing brands and develop new business & opportunities to spur new growth. Our reason for being is to enhance family wellbeing. As our slogan goes "S&P Simply delicious", life can also be compared to a tasty dish. It is only as good as the recipe, the chef who serves you, the information you receive as well as environment & company you are in.

We aim to improve all the touch points by being very Customer Centric in our approach. And the most important recipe in this endeavor is the People, S&P People. We have developed a recipe of long serving & new blood people and reorganized ourselves to be more efficient and effective in serving the customers.

We are also building a pool of talents & successors to take us into the next half century with a culture of sustainability at the forefront of their minds. People Planet Profit. Along with our 3 beliefs in always delivering Quality products and services, consistently improving customer Value, and Virtue to do the right thing, we stride forth into our 50th year with pride and agile collaboration.

Finally, I think 2022 results speaks for itself in a year of severe cost hikes, labor competitiveness, and lingering COVID-19 effects. I would like to thank all the People involved, S&P and its family of partners. You have made S&P brand younger and more vibrant. More relatable, more valued, and essentially more delicious!



Mr. Vitoon Sila-On
Chief Executive Officer

Board of Directors



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
Independent Director



9. Mr. Kachorndej Raiva
Director



10. Mr. Kamtorn Sila-On
Director



11. Mr. Kosin Chantikul
Director



12. Mr. Kreetakorn Siriatha
Director

Executive Committee



1. Mrs. Kessuda Raiva
Chairperson of
the Executive Committee



2. Mr. Kachorndej Raiva
Executive Committee



3. Mr. Pravesvudhi Raiva
Executive Committee



4. Mrs. Patamawalai Ratanapol
Executive Committee



5. Mr. Arth Prakhunhungsit
Executive Committee



6. Mr. Vitoon Sila-On
Executive Committee



7. Mr. Kamtorn Sila-On
Executive Committee

Management Team



1. **Mr. Vitoon Sila-On**
Chief Executive Officer
2. **Mr. Kamtorn Sila-On**
Chief Finance Officer
3. **Mr. Arth Prakhunhungsit**
Chief Operation Officer
4. **Mrs. Maneesuda Sila-on**
Chief Sustainability Officer
5. **Mr. Somjit Kititeerakul**
Vice President of Bakery Production
6. **Mr. Chongchana Chantamas**
Vice President of Food Production
7. **Mrs. Supawadee Hutasingh**
Vice President of Human Resources

8. **Ms. Attaya Petrakard**
Vice President of Global & Specialty
9. **Mr. Pipith Laohavirojana**
Vice President of Real Estate
and Asset Management
10. **Mr. Thirakorn Raiva**
General Manager of Japanese
Restaurant Business
11. **Mrs. Sathimon Tawantiang**
Assistant Vice President of Packaging
Development

Remark : Details of all directors and executives appear in the details of the Company's executives and controlling persons

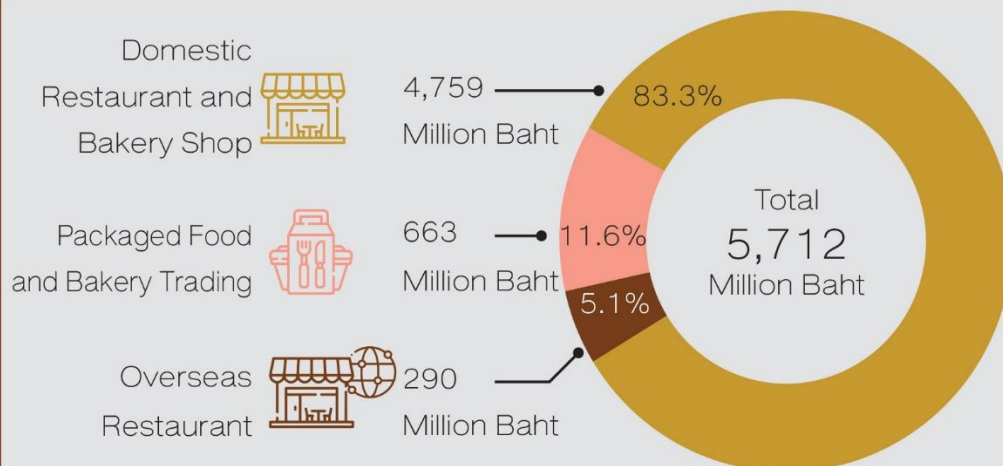
Financial Highlight

	2022	2021	2020
Statements of Profit or Loss (Million Baht)			
Total Revenue	5,798	4,913	5,286
Revenues from Sales and Services	5,712	4,817	5,199
Gross Profit	3,185	2,654	2,740
Profit before Finance Costs and Income	628	467	291
Tax Expenses (EBIT)			
Net Profit (Attributable to Owners of the Parent)	460	340	183
Statement of Financial Position (Million Baht)			
Total Assets	5,325	5,066	5,119
Total Liabilities	2,576	2,450	2,723
Total Parent Shareholders' Equity and Total Minority Shareholders' Equity	2,704	2,578	2,395
Paid-up Registered Capital	513	511	490
Financial Ratio			
Gross Profit Margin (%)	55.77	52.33	52.71
Net Profit Margin (%)	7.93	6.92	3.46
Return on Major Holders' Equity (%)	17.16	13.77	7.55
Return on Assets-ROA (%)	12.10	9.17	6.46
Liquidity Ratio (Times)	1.40	1.40	1.20
Debt to Equity Ratio (Times)	0.94	0.94	1.14
Per Share Data (Bath per Share)			
Closing Price as of December 31	18.30	16.00	12.80
Par Value	1.00	1.00	1.00
Book Value per Share	5.36	5.11	4.81
Earning per Share	0.90	0.69	0.37
Dividend per Share	0.80	0.63	0.30
Dividend Payout Ratio (%)	89.11	94.46	80.38



Financial Highlight and Revenue

Proportion of Total Revenues by Channel of Distribution in 2022



Number of Domestic Branches

	2022	2021	2020
S&P Bakery Shop	277	297	335
S&P Restaurant	132	133	143
S&P DelTA Store	33	29	0
Other Brand Restaurant	16	17	24
Total	458	476	502

Number of Overseas Restaurants

	2022	2021	2020
Asia	5	6	6
Europe	7	8	9
Total	12	14	15

Revenue from sales and service

Million Baht



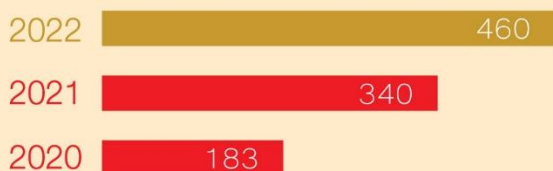
Operating cash flow

Million Baht



Net profit

Million Baht



Dividend

Baht/Share



Awards and Achievements in 2022

S&P received the SET Awards 2022 in the Sustainability Excellence group.

S&P Syndicate Public Company Limited received the SET Awards 2022 in the Sustainability Excellence group, the Rising Star Sustainability Awards category, in the business group of agriculture and food industry. S&P is a business in a group of companies listed on the SET with a securities price in the market of more than 3,000 million Baht but not more than 10,000 million Baht. This award reflects business operations with corporate development towards sustainability in all dimensions, including economy, society, and environment. The Company is able to adapt in the midst of current economic pressures and the situation of climate change that is increasing day by day to increase competitiveness and business survival as well as making positive changes to society and the environment according to the Company's promise 'Healthier Family, Happier World'.



S&P was ranked as the "Sustainability Investment" of 2022 for the 2nd consecutive year, reflecting its sustainable business operations according to ESG principles.

S&P Syndicate Public Company Limited was selected as "Sustainability Investment" (Thailand Sustainability Investment or THSI) for 2022 in the category of agriculture and food industry for the 2nd consecutive year from the Stock Exchange of Thailand. It is one of 22 companies in the agricultural and food industry which reflects sustainable business operations under good governance along with taking care of society and the environment or ESG (Environment, Social, and Governance), focusing on making contributions to society and reducing environmental impacts to create the added value for S&P to be ready moving forward to the 50th year sustainably.



S&P received 2 Asia Responsible Enterprise Awards 2022 in the categories of Social Empowerment and Corporate Sustainability Reporting.

S&P Syndicate Public Company Limited received the Asia Responsible Enterprise Awards 2022 (AREA) in the category of Social Empowerment for the 3rd year for helping society and giving back to the community by creating careers and sustainable income, and the award in the category of Corporate Sustainability Reporting for the first time for sustainable business operations throughout the value chain from procurement, production, transportation, to distribution as well as delivery of products and services with responsibility for the economy, society, and environment through an online award ceremony on July 21, 2022.



S&P received the "Marketeer No.1 Brand Thailand 2021-2022 in the category of Bakery Shop," the popular brand in the hearts of consumers, for the 3rd consecutive year.

S&P Syndicate Public Company Limited emphasized its leadership in the bakery business by receiving the "Marketeer No.1 Brand Thailand 2021-2022 in the category of Bakery Shop," the most popular brand among consumers, for the 3rd consecutive year as the results of the nationwide public opinion survey on marketing, organized by the Marketeer Magazine at Siam Kempinski Hotel, Bangkok, on August 4, 2022.

S&P received the SOS Awards 2022 in OUTSTANDING FOOD RESCUE AWARD - RESTAURANT CHAIN.

S&P Syndicate Public Company Limited received the SOS Awards 2022 in OUTSTANDING FOOD RESCUE AWARD - RESTAURANT CHAIN from the Scholars of Sustenance Foundation or SOS, showing that the Company became an alliance of SOS food producers who focus on building sustainable food security, at True Digital Park West on December 10, 2022. S&P has implements the S&P Food Rescue project to donate the surplus food from daily production to communities in need. This is the management of surplus food from production for maximum benefits to help reduce the impacts on the world from greenhouse gases as well as create happiness and power for people in Thai society.



S&P received a certificate for the greenhouse gas reduction network of industrial factories.

The food production line of S&P Syndicate Public Company Limited received a certificate of certification for the greenhouse gas reduction network of industrial factories of the Industrial Estate Authority of Thailand (IEAT) for 2022 for creating the potential to reduce greenhouse gases, organized by the Industrial Estate Authority of Thailand (IEAT) at the BITEC Exhibition and Convention Center, Bangkok, on September 30, 2022.

Mr. Vitoon Sila-On received the "Quality Person of the Year 2022" award in the category of "Role Model in the Food and Beverage Sector".

Mr. Vitoon Sila-On, the Chief Executive Officer of S&P Syndicate Public Company Limited, received the "Quality Persons of the Year 2022" award with the honor being the "Role Model in the Food and Beverage Sector". This was honored by having H.E. Mr. Kasem Chankaew, the Privy Councilor, provide the award and preside over the ceremony, organized by the Foundation of the Science and Technology Council of Thailand (FSTT) at the Grand Ballroom, the Miracle Grand Convention Hotel, on October 19, 2022.



News and Activities

S&P Kitchen for Kids 2021

S&P Syndicate Public Company Limited leads a team of employees to help improve the kitchen under the 13th year of the S&P Kitchen for Kids project, with the objective of creating good health and well-being and giving back to society which is the sustainable development mission of the Company. It also promoted agriculture by donating 1,000 catfish species as raw materials for cooking. At the same time, there was a ceremony to grant the kitchen. The executives and staff cooked food for the students at Ban Ton Mamuang Border Patrol Police School, Kanchanaburi Province, on March 29, 2022.



S&P Kitchen for Kids 2022

S&P Syndicate Public Company Limited, entering its 50th year, remains committed to operating business with sustainable social and environmental stewardship. For the 14th consecutive year, the S&P Kitchen for Kids project aims to promote good nutrition and hygiene for schools in rural areas across the country. The youth of the nation is considered an important force in the development of the country. The executives and employees had worked together to improve the kitchen to be hygienic, including nutrition experts to train to educate cooks, students, and school personnel to be able to cook food for students in a hygienic, clean, and safe manner, promoting sustainable good health. There was also a ceremony of granting the kitchen at Ratchaprachanukroh 56 School, Nan Province, and Ban Run Border Patrol Police School, Surin Province, in September 2022.



S&P Cake A Wish Make A Wish 2022... This Cake With Love Forever

S&P Syndicate Public Company Limited continues the project Cake A Wish Make A Wish 2022...This Cake With Love Forever. It has continued for the 18th year to deliver happiness and create smiles on New Year festival and Valentine's Day to the underprivileged, orphans, people with disabilities, patients, and the elderly in a number of 3, 629 people in Bangkok metropolitan region, a total of 20 foundations, donated 535 pounds of cake.



S&P together with the 'Department of Corrections' organized the project "S&P Vocational Training, Creating Opportunities to Return to Society".

S&P Syndicate Public Company Limited leads a team of food-bakery-beverage experts from more than 49 years of business experience to share knowledge to society through the project "S&P Vocational Training, Creating Opportunities to Return to Society" in collaboration with the Department of Corrections under the Ministry of Justice to transfer knowledge in occupation and provide basic skills in cooking, baking, and beverages along with granting certificates to inmates who are about to be released in order for them to use it to build a career and generate sustainable income. This year, it held training courses for inmates in 3 prisons in Bangkok and its vicinity, namely food training courses, "Rad Na With Marinated Pork" at Nonthaburi Central Prison, bakery training course "Cake Decoration" at Klong Prem Central Prison, and beverages training courses "Making drinks" at Nakhon Pathom Central Prison.

S&P Together to Help Flood Victims in 2022, Round 1

S&P Syndicate Public Company Limited donated S&P mooncake products worth 5,500,000 baht to the Royal Thai Army Headquarters Royal, the Thai Armed Forces Headquarters by the Disaster Mitigation Center, the Development Office 5, the Arm Force Development Command, the Department of Naval Civil Affairs, and the Relief and Community Health Bureau of the Thai Red Cross Society between Oct. 10 – 12, 2022, in order to alleviate the suffering of the people affected by the flood under the project "S&P Together to Help Flood Victims in 2022".



S&P Together to Help Flood Victims in 2022, Round 2

S&P Syndicate Public Company Limited donated mooncake products and chocolate lava cookie products worth a total of 2,758,395 Baht to the Royal Thai Navy Headquarters on behalf of the National Defense Course (NDC), Class of 65, and the Ruamkatanyu Foundation between Oct. 21 – 25 , 2022, to alleviate the suffering of the flood victims in the areas of Ubon Ratchathani, Rayong, Sing Buri, Ang Thong, Ayutthaya, and communities along the Chao Phraya River under the project "S&P Together to Help Flood Victims in 2022".

S&P held a press conference "S&P Mooncake 2022 Gifts From the Moon", launching 3 new flavors of mooncakes and a series of auspicious mooncakes of the year.

S&P Syndicate Public Company Limited held a press conference for the Moon Festival 2022 under the concept "Gifts From the Moon" presenting 3 new flavors of mooncakes, namely mooncakes filled with coconut custard lava, mooncakes with Chinese Dates and Osmanthus Tea Mooncake and Mocha Almond Mooncake. Also, the auspicious series of mooncakes of the year was launched. This series is suitable for valuable souvenirs in auspicious festivals. The special guest, Ajarn Katha Chinabunchorn, came to talk and revealed the secrets of paying the moon to gain positive energy at S&P Hall, Sukhumvit, 26 on Aug. 18, 2022.



S&P organized the event "Celebrating S&P 49th Anniversary Cake & Cookie Wonderland".

S&P Syndicate Public Company Limited organized the event "S&P Celebrates 49th Anniversary Cake & Cookie Wonderland", a wonderland of cakes and cookies to welcome the New Year. The highlight of the event was a giant cake "Wonderland Cake" in 4 dimensions, 1,249 pounds, over 2 meters in height, specially designed for this event. The deliciousness of S&P products was brought to the event such as cakes, cookies, pastries, bakery, BlueCup drinks, and stores in the S&P chain. There were also many activities throughout the 4 days from November 24-27, 2022, at the Work and Play area, 1st floor, Central Rama 9.



Part 1

Business Operation and Performance

1. Structure and Business Operation

1.1 Business Overview

1.1.1 Vision, goal, and business strategies

With the vision of becoming **“To be the most preferred Thai restaurant, cake, and bakery brand in Thailand.”** Our mission is following

1. Always make customers happy
2. Strengthen core business performance
3. Create new & sustainable businesses
4. Attract and develop key leaders and successors
5. Make operations lean and simple
6. Give back to the community we live in

1.1.2 History and key milestones

1973	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 473 outlets.
1989	Listed on the Stock Exchange of Thailand, The bakery factory was established at Sukhumvit 62
1990	The first Patara Fine Thai Cuisine Restaurant was opened in London, UK.
1997	S&P Delivery 1344 started delivery food, drinks and bakery, The food factory was established at Ladkrabang Industrial Estate
2001	Home Style Cooking restaurant, Patio was opened
2003	BlueCup Coffee, Fresh quality coffee and beverage was established
2005	Vanilla, concept restaurant for young professional opened with its unique menu
2012	Maisen, the most famous "Tonkatsu" breaded pork restaurant from Tokyo was opened in Thailand
2013	Umenohan, Kaiseki-style Japanese restaurant with its signature menu of crabs and tofu was opened
2016	SNP/HQ and SNP Cafe, a new concept restaurant with industrial style, modern decor were opened
2017	Nai Hang, A Thai-Chinese restaurant, with retro-Chinatown decor and Thai/Chinese menu was opened Umeno Cafe - Japanese/Western restaurant with a Zen-Modern atmosphere was opened
2021	Opened DelTA stores and Bakery Mart Launched 1344 New Delivery Platform New distribution center was opened
2023	Towards our 50 th year : Elevate the Next

Key Milestones in 2022

From economic conditions, war conditions, and recovery from the COVID-19 epidemic in 2022, the company has a systematic management plan that we can move through with strength and efficient.



Sale Growth in Every Channel

Especially during festive seasons, corporate clients, retail businesses, and contract manufacturers, including the return of normal operations of restaurants both domestically and internationally, have resulted in continuous growth in sales. Meanwhile, sales through delivery channels continue to grow satisfactorily due to the development of various digital platforms for ordering products quickly and having more customer-focused products.

"Less but More" is a campaign that controls discounts and new product development (NPDs)

The campaign for promotions or new product development (NPDs) is designed to meet customer needs, focusing not only on sales but also on profitability (Less but More Campaign). This allows customers to receive valuable products that prioritize their needs, resulting in customer satisfaction and profitability for the business.

"Go Lean" in Every Sector

It all started with the successful implementation of production efficiency and labor cost reduction at the manufacturing plant, which was then extended to the office. The work processes were improved to be more efficient, reducing redundancies and developing staff to work more effectively. As a result, expenses were reduced while the productivity was significantly increased.





Raw Material Price Control

The company controls the cost of raw materials by managing the procurement of raw materials that are affected by the increasing prices. The company has also increased the sourcing of suppliers that meet its standards, providing options for competitively priced and quality raw materials. In addition, the company has sought alternative raw materials for new menu items to replace expensive ones during specific periods.



Significant Awards

The company, S&P, has received the Rising Star Sustainability Awards in the Sustainability Excellence category of the **SET Awards 2022**, in the agriculture and food industry group. S&P is a company registered in the SET with a market capitalization between 3,000 and 10,000 million Baht.

The brand has been awarded the **"Marketeer No.1 Brand Thailand 2021-2022"** in the Bakery Shop category, for the third consecutive year, based on a survey of marketing opinions among the general population throughout the country, conducted by the Marketeer magazine. The brand received the highest consumer popularity ratings.



History and key milestones



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 473 outlets.



PATARA

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



PATIO

Home Style Cooking restaurant, Patio was opened



1973



1989

SET

Listed on the Stock Exchange of Thailand

Bakery Factory

was established at Sukhumvit 62



1990



1997

S&P

Delivery 1344

started delivery food, drinks and bakery

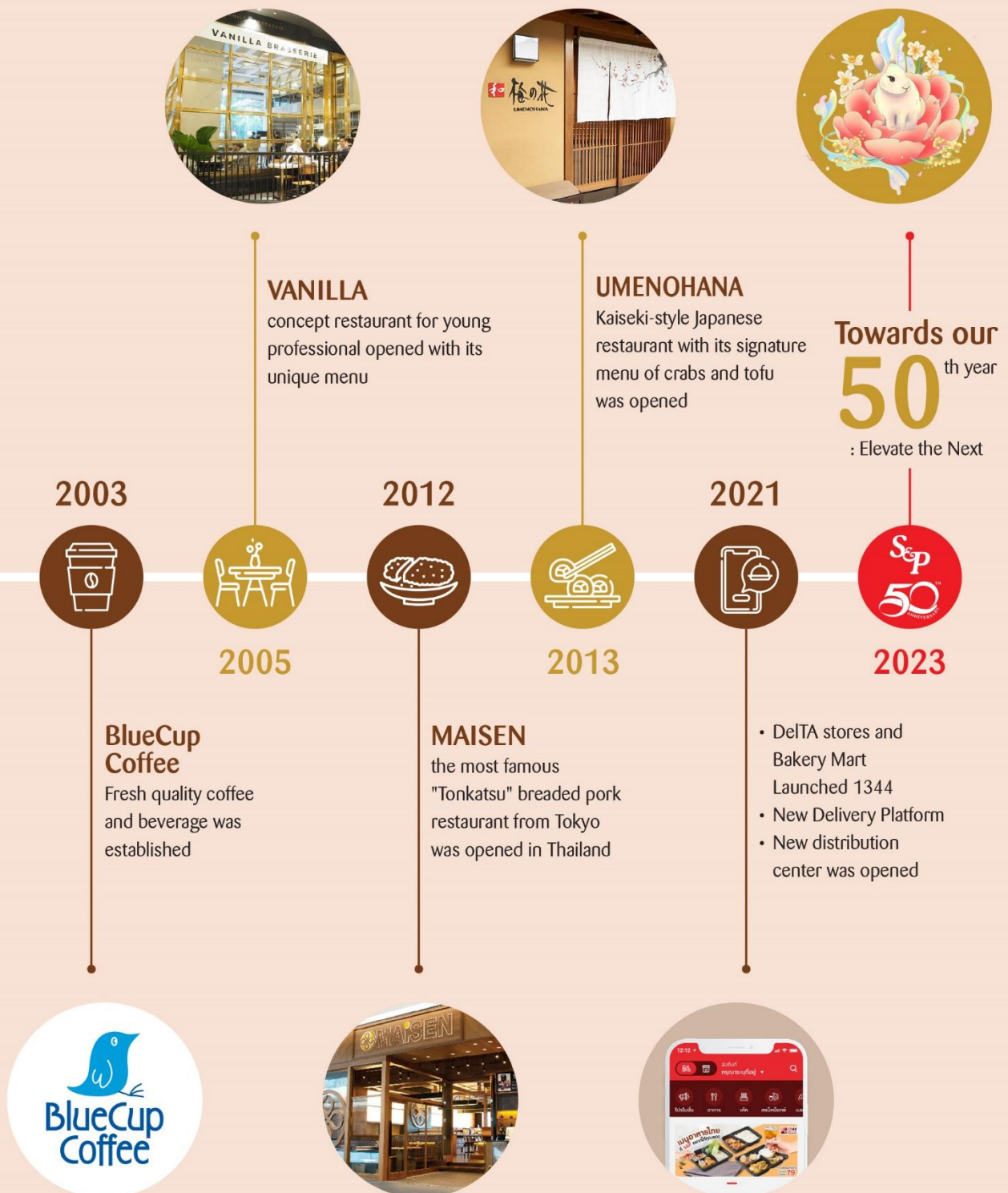
Food Factory

was established at Ladkrabang Industrial Estate



2001





1.1.3 Use of proceeds from bond offering

In 2022, S&P Syndicate Public Company Limited does not raise funds from bond offerings.

1.1.4 Commitments stipulated in the bond registration statements

In 2022, S&P Syndicate Public Company Limited has no obligations from raising funds from bond offerings.

1.2 Nature of Business Operations

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. Currently, there are restaurant businesses both domestically and internationally as follows:

Domestic Restaurant and Bakery Shop	Number of Branch		
	Bangkok Metropolitan Region	Upcountry	Total
S&P Restaurant	86	46	132
S&P Bakery Shop	130	147	277
S&P DelTA	31	2	33
Patio	1	-	1
Patara	1	-	1
SNP Cake Studio	1	-	1
Maisen	11	-	11
Umenohana	2	-	2
Total	263	195	458

Overseas Restaurant	England	Austria	Cambodia	Total
Patara	6	1	-	7
S&P	-	-	5	5
Total	6	1	5	12

The details for each type of business can be classified as follows:

1. S&P Business



1.1 S&P Restaurant & Bakery

S&P prioritizes every detail, starting from selecting quality ingredients, preparing them fresh, through standardized production processes, to create unique menus suitable for everyone in the family, along with full-service offerings including food, bakery, Blue Cup coffee, and a variety of ready-to-eat items.

S&P never stops searching for new ingredients and developing menus to meet the constantly evolving demands of consumers, as well as providing various service formats such as eat-in, takeaway, and delivery, to accommodate changing lifestyles and increase convenience for consumers.

Although 2022 remains a challenging year for the restaurant and bakery business due to the aftermath of the COVID-19 crisis, S&P still has the ability to quickly adjust business strategies to respond to the situation, in order to provide full-service offerings. Additionally, to meet the demand for convenience and speed of service, S&P's delivery channel has become a successful and rapidly growing sales channel.



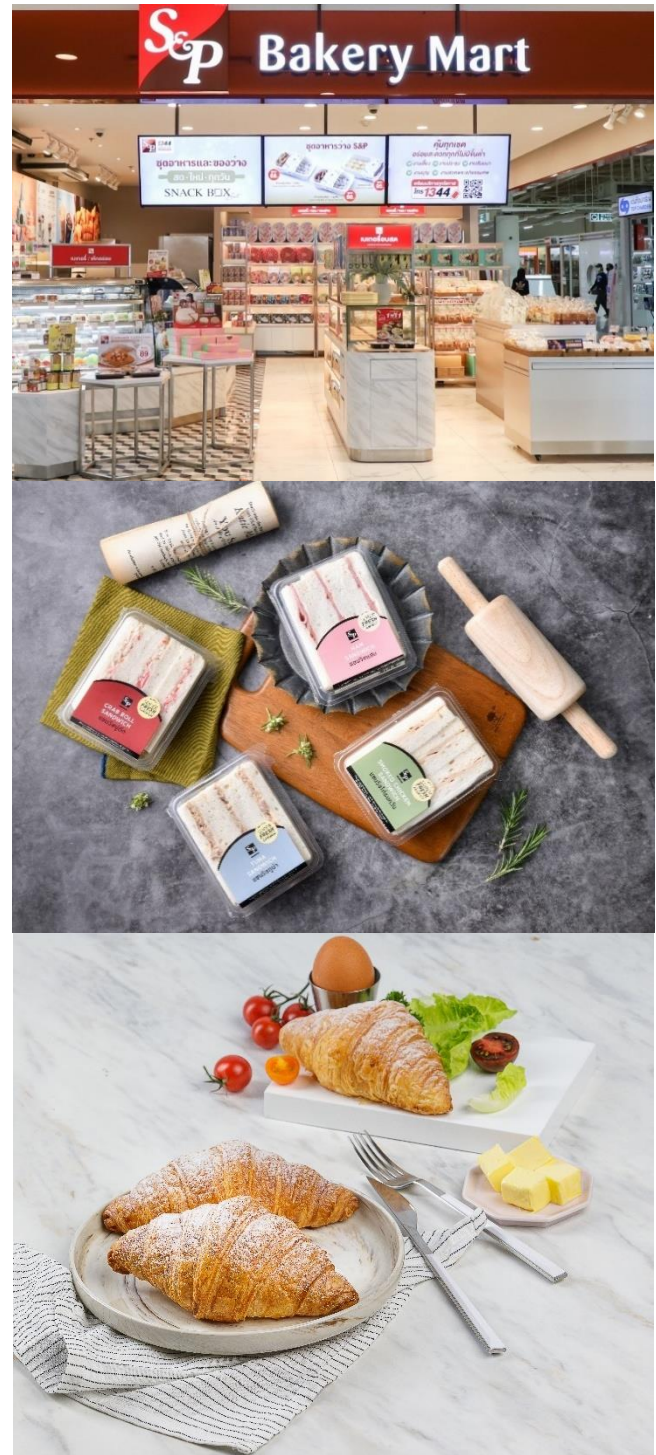


1.2 S&P Bakery Shop

S&P is a one-stop shopping destination for quality, delicious baked goods, including fresh cakes, cookies, puff pastry, and fresh-baked bread, as well as traditional Thai desserts, seasonal products, and more. S&P creates a shopping experience for consumers and is the destination for a variety of bakery needs, including daily consumption, family needs, snack enjoyment, and gift shopping, all in one place.

S&P bakery are located in communities throughout the country, including department stores, supermarkets, hospitals, office buildings, educational institutions, airports, BTS stations, and gas stations, to reach a diverse group of consumers and increase the convenience of product selection.

Continuing into the year 2022, S&P meets the demand for lifestyle eating and takeaway by developing a business model in the form of S&P Bakery Mart, which categorizes products and makes them easy to purchase according to occasions and times for consuming baked goods, including special occasion items such as snack time treats, gifts, delicious cake slices, breakfast items, and accompanying beverages. The first S&P Bakery Mart branch opened in the Ital-Thai building, and currently, S&P has expanded in the form of 15 Bakery Mart branches.





1.3 S&P Delivery and Takeaway (DeITA)



S&P's Delivery and Takeaway (DeITA) format, which includes a kitchen for providing delivery and takeaway services for ready-to-eat food, plate dishes, bakery items, and beverages, has continuously grown. S&P still focuses on locating in community areas such as gas stations, community malls, hypermarkets, and commercial buildings in Bangkok and its suburbs. In 2022, there were 31 S&P DeITA locations, and in 2023, there are plans to expand sales locations both in Bangkok and other provinces.



1.4 S&P Catering :



S&P provides catering and creates special snack boxes according to customer needs for small and large events. S&P can offer a variety of menus including Thai, Chinese, and international cuisine, all of which are delicious, fresh, and of high quality, and provide full-service offerings that cater to every detail.



2. Retail and Food Service Business

2.1 Retail Business



S&P foresees an opportunity to market its products through the retail business, which can extend to a wider range of consumers, and, therefore, has launched frozen ready-meal and ready-to-eat desserts under the S&P brand to be distributed through modern trade channels, including hypermarkets, supermarkets and leading convenience stores. The products include frozen food under “S&P Quick Meal and Easy Meal”, Frozen Cake, sausage under “S&P Premo” brand, cookies and snack under “S&P Delio”, carrageenan jelly under “S&P Jelio”, and mooncake under “Golden Dragon” brand.

2.2 Food Service and OEM Business



The Company also offers OEM (original equipment manufacturer) services to chain restaurants and leading companies in the country for variety of products such as sticky rice, sausages, cookies, mooncakes as well as a wide selection of food and bakery products catered to specific demand of its business partner.

2.3 Export Business



S&P expands distribution channels for frozen food products and desserts under S&P Quick Meal brand to overseas countries around the world, such as the United States, England, France, Netherlands, Germany, Australia, Japan, Vietnam, and Cambodia. In 2020, S&P has been granted the "Thai SELECT" logo for its 15 ready-to-eat Thai food products. "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 Cuisine must be Thai SELECT".

3. Other Brands



3.1 Maisen

Maisen is a top Japanese Tonkatsu (Deep fried Pork) brand which has been established in Tokyo since 1965. Maisen Tonkatsu is popular among Japanese people all over the country and is well-known for “Tonkatsu that is so tender you could cut it with your chopsticks”. In 2012, S&P opened the first Tonkatsu Maisen restaurant in Thailand at Silom Complex to welcome Thais to enjoy Tonkatsu seasoned with great care and breaded and deep fried until Tonkatsu is uniquely gentle, and paired with the special sauce, and that make the Tonkatsu uniquely delicious.



3.2 Umenohana

Umenohana offers the signature tofu and crab authentic Japanese Kaiseki experience, focusing on menus. The restaurant imports major raw materials directly from Japan by deeming that the foods are not only relieving the hunger but also fulfilling spirit, and provide the impressed services by well-trained staffs putting their full efforts everyday.



3.3 Patara

Patara restaurant serves flavorful Thai dishes, which reflect Thai identity, uses meticulously selected premium quality ingredients and provides services with attention to detail in every step. The restaurant, which is a two-storey wooden house in 60's architectural design surrounded with shady trees, is located in the heart of Sukhumvit. It offers services to various groups of customers, including families, couples, groups of friends or business parties and special occasions, such as meetings and auspicious ceremonies. Patara has been granted the Thailand Best Restaurant awards for 9 consecutive years and the Michelin Guide awards. Currently, the restaurant has 1 branch in Thailand and 7 branches in overseas countries, including 6 branches in England, and 1 branch in Austria



3.4 Patio

It is a "International Modern Cuisine" restaurant decorated in a simple and comfortable bistro atmosphere in a form of Bistro/Bakery/Coffee. The restaurant offers Thai cuisines, international dishes and desserts with uniqueness, outstanding creativity, meticulous tastes and selection of excellent quality ingredients. Currently, Patio has 1 branches in the EmQuartier.

3.5 S&P Cake Studio

A brand for made to order cakes and patisserie employs S&P strengths in cake making and rebrands it into a more contemporary design to meet the needs of new customer groups. In addition, SNP Cake Studio also offers special service of cake customization according to customers' requests. One cake chefs only use premium raw materials and creates all of its menus with impeccable care.





3.6 Foodhouse Catering Services

Foodhouse engages in food and nutrition businesses related to canteen operation and catering services. Its main customers are institutions, such as hospitals, factories, and international schools. The business is jointly owned by PCS and Facility Services Limited, under the brand “Foodhouse”.



3.7 MSC Thai Culinary School

It has the main purpose of cultivating and developing kitchen staffs or Thai chefs with capable qualifications in compliance with universal standards and recognized internationally. The school aims to produce Thai chefs to support the food service business including restaurants, eateries, as well as hotels domestically and internationally. MSC Thai Culinary School offers accredited courses which are recognized both in Thailand and overseas countries, as well as invites professional Thai chefs to share their knowledge and experience to students during the courses.

4. 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.

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 22000:2018 HALAL	GHP, HACCP, CFO, CFP, CFR ISO 22000:2018 ISO/IEC 17025:2015 Green Industry Level 2		
Distribution Center			
31/4 Moo 3 Bangna-Trad (Km. 23.5), Bang Sao Thong Subdistrict, Bang Sao Thong Minor District, Samut Prakran Province			

Result of Applying for Greenhouse Gas Emission Certification for the Year 2022

Sukhumvit62 Factory	
Bangna Factory	
Lamphun Factory	
Ladkrabang Factory	



Bakery Factory

In 2022, the bakery factory has the policy to develop management for sustainability, both in terms of production and support work to meet the needs of the organization, both in terms of Profit, People, and Planet. In each project that has been developed, the factory has considered all three aspects of the impact.

In the development of new products, bakery product research and development department has developed new products for various groups of customers throughout the year of 2022 for 12 products, namely Fluffy Orange Butter Cake Pack, Kit Kat Chocolate Cake Pack, Corn Puffs, Crispy Pie Sticks, Chocolate Cute Bread, Chocolate Two Tone Bread, Hokkaido Milk Bread, Mocha Cookies with White Chocolate Chips, Orange Flavored Cashew Nut Cookies, Assorted Classic Style Cookies, Assorted Homemade Style Cookies, and Assaulted Variety Cookies.

With the changing climate around the world due to greenhouse gas conditions in the past decade, there is a global adaptation of businesses and industries. As a user of the world's resources who emits the most greenhouse gases, there must be an adaptation by having to manage the environment to live with the community sustainably, improving production

processes to reduce greenhouse gas emissions, and preventing business operations from affecting surrounding communities.

Therefore, the factory has participated in the project supported by the Ministry of Industry, namely "Green Industry". In 2022, all three bakery factories have applied for the Green Industry Certification level 1 and 2. All tree factories



We have also continuously registered for certification of greenhouse gas emissions, as well as undertaking improvement projects in many aspects to reduce more amount of greenhouse gas emissions to comply with the guidelines of the Ministry of Industry, aiming the country's industry to be Net Zero which means no greenhouse gas emissions from production activities.



Factory	CFO	CFP	CFR (Gold Label)
SUKHUMVIT	/	Red Bean Dorayaki	Butter Banana Cake Slice
BANGNA	/	Chestnut Dorayaki	
LAMPHUN		Butter Banana Cake Slice	
		Chocolate Marble Slice	
		Butter Pack	
		Chocolate Marble Pack	

For the year 2022, the Sukhumvit factory and the Bangna factory have assessed the CFO (Carbon Footprint for Organization) for the third consecutive year and conducted the CFP (Carbon Footprint for Product) for the fourth consecutive year. This year, the Bangna factory can reduce more greenhouse gas emissions so it receives the gold label for 2 products. This year is also the first year that the Lamphun factory started conducting the CFP for the first time.

Even though it is still a voluntary CFO, the bakery factory intends to be a community-friendly factory and reduce global warming by adjusting production methods, power consumption, and waste management. This is in line with the organization's sustainability policy with a many development projects that can reduce both the cost of greenhouse gases and workload of employees, such as:



Bangna Factory

Develop Processes.

1. The project of using plastic baskets instead of corrugated cardboard boxes for packing piece cake products can reduce product costs and greenhouse gas emissions by 29,114.32 kilograms CO₂eq. per year.
2. The project of using plastic baskets instead of corrugated cardboard crates for containing dough, pies, and frozen pizza products can reduce product costs and the amount of greenhouse gases.
3. The project of frozen mushroom is to have a back-up plan to prepare raw materials to support shortages during climate change or high demand for raw materials such as winter or vegetarian festival.

Use Technology to Increase Efficiency.

4. The project to develop process uses an egg breaking machine instead of a person doubled the efficiency of work, reducing manpower and fatigue from work.
5. The project of inventing a cotton-fluffing dropping machine is to reduce manpower in dropping, increase the consistency and speed of cotton-fluffing dropping, eliminate the need to increase manpower during the festival, and reduce fatigue from work.
6. The project of two-color filling machine is to reduce the time and process of preparing fillings from 1-2 days to ready-to-use. It also reduces manpower in the process of molding mooncakes that are 2-filling types.



Sukhumvit 62 Factory

Develop Processes.

1. The project of using plastic baskets instead of corrugated cardboard boxes to contain 1-pound cake products can reduce product costs and greenhouse gas emissions.

Use Technology to Increase Efficiency.

2. The project of biscuits production is conducted by transferring production in each branch to produce in one place at the Sukhumvit factory by using modern machinery and technology to support future expansion, including good quality control for customers. This can extend the product life from 7 days to 21 days to increase the opportunity to sell in more branches in the provinces.

Reduce Electricity Consumption.

3. The project of electricity cost reduction is conducted by installing the INVERTER with compressed air system. It can reduce greenhouse gas emissions by 14,463.49 KCO₂ per year.



Lamphun Factory

Develop Processes.

1. The project of using plastic baskets instead of corrugated cardboard boxes for packing 1-pound cakes can reduce product costs and greenhouse gas emissions by 4,041.4 kilograms CO₂eq. per year.

Use Technology to Increase Efficiency.

2. The project to develop process uses an egg breaking machine instead of a person doubled the efficiency of work, reducing manpower and fatigue from work.
3. The project of cake vending machine aims to increase work efficiency, reduce manpower in cake filling, and reduce work fatigue.
4. The project of butter coating and sugar spreading machine for biscuit production is to increase efficiency and reduce manpower in production.

Development projects in these areas have resulted in cost reduction, energy consumption reduction, and are friendly to employees according to corporate sustainability guidelines. In 2023, the bakery production line will continue to operate these projects for clear effectiveness with this development approach.



Food Factory

S&P Syndicate Public Company Limited, Lat Krabang Factory (Food production line), has set operational standards that do not affect the internal and external environment, including surrounding communities by participating in the greenhouse gas reduction network of the Industrial Estate Authority of Thailand (IEAT) for the year 2022 and also organizing the promotion of providing training on environmental preservation to all employees and personnel, including giving importance to the economical and efficient use of resources for maximum benefit, taking into account the impact on the environment. Systematic measures have been set to monitor and prevent impacts that may occur.

In addition, global climate change is becoming an issue that every country pays attention to. The Company has realized and emphasized participation and applied the principles of the circular economy in business management, such as measures to reduce the use of fossil fuels, emphasizing the use of renewable energy from the sun (Solar Roof Top), reducing the amount of waste generated from the production process, reducing the use of plastic and recruiting new production technologies and machinery to increase the efficiency of the production process.

For the year 2022, the Lat Krabang factory (food production line) has conducted a Carbon footprint for Organization (CFO) assessment for the second consecutive year and has started making the Carbon footprint for Product (CFP) for the first time in taro bualoy, purple sweet potato bualoy products, and 3-colored bualoy. The results are announced on February 28, 2023.

Factory	CFO	CFP
Ladkrabang Factory (food production line)	Scope 1 : 5,121 TonCO2e Scope 2 : 2,024 TonCO2e Scope 3 : 7,043 TonCO2e	Taro bualoy, purple sweet potato bualoy, 3-color bualoy

Ladkrabang Factory (food production line)**Develop Processes.**

1. The project of using plastic baskets instead of corrugated cardboard boxes and the use of paper straps instead of plastic stickers for containing 4 Thai dessert product groups, started using in June, can reduce the use of plastic by 3.16 tons, product costs by 250,000 baht, and greenhouse gas emissions by 2.22 TonCo2e.
2. The project to change the type of environmentally friendly plastic packaging, Mono Material type, in Nuremberg Sausage Omelette and Gravy, Mini Cup Jelly, Primo Sausage, can reduce the use of plastic by 0.58 tons, product costs by 90,000 baht, and greenhouse gas emissions by 1.35 TonCo2e.

Use Technology to Increase Efficiency.

1. The project to increase the efficiency of packaging processes for sweet food products with Automatic Thermoforming & Sealing machines can increase the packing speed and reduce the cost of 720,000 baht per year.
2. The project to increase the efficiency of sauce filling with Automatic Sauce Filling and Automatic Sealing & Coding machines helps increase consistency in sauce filling and reduce the cost for 400,000 baht per year.
3. The project to increase the efficiency of product temperature reduction by using a Cooling Tank with Conveyer helps reduce product temperature with an automatic conveyor and the cost for 100,000 baht per year.

Reduce Electricity Consumption.

1. The project is to reduce the consumption of electricity and chemicals in the SBR wastewater treatment system by installing inverters at the aerator pumps by reducing air compression by 10%. The performance can reduce electricity consumption by 16,156 kilowatts, greenhouse gas emissions by 9.67 TonCo2e, and electricity costs by 61,392.80 baht per year.

To create sustainability in the future, in addition to the implementation of the above projects, the Company has also started investing in clean energy by generating electricity from solar panels installed on the roof of the manufacturing building (Solar Rooftop) with an installation size of 532 KW.



New warehouse and distribution center

S&P is committed to developing production and distribution capabilities continuously. Therefore, the Company has invested in a warehouse project and a new distribution center which has already been fully operational. It covers in following areas:

Warehouse Management :

- The Warehouse Management System (WMS) technology has been used in warehouse management, helping to increase the efficiency of the ability to organize the warehouse system to be quality, fast, accurate, and reduce errors. It also helps to allocate warehouse space efficiently.
- The Bakery Cross Dock product group has increased the efficiency of product arrangement (Cake Sorting) by applying the use of the Labeling Process (Sticker Label) and adjusting the picking list format to arrange products in line with the Dock, increasing efficiency in product delivery to be faster up to 40%.

Transportation Management :

- Project to Increase Transport Efficiency. As a center for storing and distributing products to all factories in the Company, it has adjusted the transport vehicle to be larger from a 3.5 cubic meter van, 25 degrees Celsius temperature, to a 5.5 cubic meter pickup truck with 10 degrees Celsius temperature. It has increased the efficiency of transportation (Transportation Capacity Utilization), helped maintain product quality throughout transportation, and reduced the number of trips. The total distance traveled has also been reduced. As a result, greenhouse gas emissions can be reduced by 83 tonsCo2e in 2022.

1.2.1 Revenue Structure

In the past year 2022, the situation of the coronavirus (COVID-19) epidemic in Thailand has gradually relaxed. Each business sector gradually recovered. The restaurant business that used to be sluggish and unable to fully operate began to gradually return to open for service again. The domestic consumer confidence index began to recover, especially in the second half of the year. As a result, S&P restaurants are able to return to full service in all branches nationwide. The Company's revenue from sales and services amounted to 5,712 million Baht, an increase of 895 million Baht or 19 percent from the year 2021, from the performance of restaurants and bakeries in the country and abroad, in which the Company operates a total of 473 branches.

At the end of year 2022, income from the domestic restaurant and bakery business, it increased for 18 percent or 745 million Baht, with sales per same store (Same-Store-Sales) of restaurants and bakeries in the country under the S&P brand totaling 417 branches out of a total of 442 branches increasing by 20.0 percent. 25 new branches were added in potential locations in 2022 to support sales. The proportion of revenue increased in all channels, especially in the channel of dine-in which increased by 77 percent, especially in the second half of the year. The channel of food delivery and take-away services increased by 24 percent and 9 percent, respectively.

Regarding income from the wholesale food and bakery business, there was sales revenue of 663 million Baht, an increase of 46 million Baht or an increase of 7.5 percent, due to increased sales from the OEM products for the food chain business resulting from order increased and had more new products. The main products for the festival were mooncakes and cookies.

Overseas restaurant business earned income from sales and services for an increase of 104 million baht compared to the previous year, or an increase of 56 percent, mainly due to the return to normal service for restaurants of overseas branches as the situation of the coronavirus disease (COVID-19) outbreak is relaxed, despite the uncertain economic situation in Europe. The restaurant business in Cambodia has continued to improve.

Unit : million Baht

Revenues Classified by Distribution Channel	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Domestic Restaurant and Bakery Business	4,759	83.3	4,014	83.3	4,437	85.4
Food and Bakery Wholesales Business	663	11.6	617	12.8	564	10.8
Overseas Restaurant Business	290	5.1	186	3.9	198	3.8
Total	5,712	100.0	4,817	100.0	5,199	100.0

In 2022, the revenue from the sale of bakery products was 3,053 million Baht, an increase of 505 million Baht from the previous year, while the revenue from domestic food and beverage sales was 1,605 million Baht or an increase of 10.5 percent.

Unit : million Baht

Revenues Classified by Products	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Bakery	3,053	53.4	2,548	52.9	2,738	52.7
Domestic Food and Beverage	1,605	28.1	1,453	30.1	1,575	30.3
Overseas Restaurant	290	5.1	186	3.9	198	3.8
Food Products**	595	10.4	499	10.4	514	9.9
Other Products ***	169	3.0	131	2.7	174	3.3
Total	5,711	100.0	4,817	100.0	5,199	100.0

** Food products produced by the Company, consisting of frozen foods, sausages and jelly

*** comprising of OEM Products under S&P Brand, goods purchased for sales, other miscellaneous products

1.2.2 Nature of products

(1) Products and business innovation

Products under S&P Syndicate Public Company Limited can be classified as follows:

1. Bakery Products

As S&P reaches its 50th year, it continues to lead and stand out in the Thai cake and bakery business market through continuous and unceasing business development. S&P achieves this by developing products that cater to the expectations and lifestyles of all consumer groups, including families, teenagers, and working-age people. S&P creates delicious cakes and bakery products with special recipes and products for health enthusiasts, and increasing convenience for customers by offering food ordering through 1344 and other service providers. S&P also develops packaging that meets sustainability and usability needs and expands its branches to reach new customer groups. Moreover, S&P places great emphasis on the quality of raw materials, freshness, cleanliness, and deliciousness, which have been the cornerstone of the company's success throughout its history.

1.1 Cake



S&P cakes have remained the top cake market leader, appreciated by consumers since their first birthday or childhood to adulthood. With a variety of cake designs and flavors, S&P can cater to the needs of all consumer groups, with more than 430 sales points accessible across the country. This

allows S&P to serve customers at any time, responding to both pre-orders and immediate delivery, for any occasion or day the customers desire. This

reinforces S&P cakes' mission of being by the customers' side in celebrating important occasions. Over the years, S&P has consistently selected high-quality raw materials and meticulously cared for the production process to create unique, delicious, mellow, and fragrant cakes. Moreover, S&P has experienced professionals who continuously strive to create beautiful and exquisite cakes, including designing new types of cakes that deliver happiness and leave lasting impressions on special occasions such as birthdays, Mother's Day, and New Year celebrations.

For over 50 years, S&P has presented a variety of cake styles, including classic cakes, signature cakes with six popular flavors that appeal to all genders and ages, beautifully woven flower cakes in various shapes, and popular copyrighted cartoon cakes like "Disney" and "Marvel" that have continuously delighted kids. S&P offers Mickey Mouse, Frozen Princess, and Spiderman cakes for all occasions, exclusively available at S&P. To celebrate its 50th anniversary in 2023 as the King of Cake, S&P has prepared to launch a new cake featuring some of the world's most popular copyrighted characters, such as "The Pokemon." It will be the first time that favorite Pokemon characters will appear in the form of a cake in Thailand, available at S&P stores.



Furthermore, in 2022, S&P will continue to deliver happiness and deliciousness through its product line "Assorted Cake" which features eight flavors that collect a variety of deliciousness under the concept of "delicious every day." This offers consumers the option to enjoy a cake that is fun and ready to share with friends and family, with unique flavors available every time.



Although S&P will be in its 50th year next year, S&P cakes still do not stop adapting to meet the needs of consumers in new markets by making cakes more modern through D.T.O. (Design to Order) cakes, custom-designed cakes that create 3D cakes or sculpted sugar cakes in various ways that customers want via the online platform for ordering cakes at @snpcaketh to reinforce its readiness to be the No. 1 choice in ordering cakes for consumers.



Aside from the role of cakes in important festivals such as birthdays and major celebrations, S&P also has designed cakes to be souvenirs or gifts, such as the "Tender Cake" which has achieved great success in 2022 with a revamped look and beautiful packaging, making it even more suitable as a gift. It comes in 5 popular flavors: Golden Sponge, Orange, Coffee, Butter, and Banana. With an affordable price and wide acceptance, the Tender Cake from S&P has quickly become one of the most popular gift items, especially during the New Year holiday season.





1.2 Puff and Pastry

S&P's bakery products prioritize the presentation of products with "freshness, deliciousness, convenience, and cleanliness" that are suitable for consumption at various times, including breakfast, snacks, or even quick meals during the day. The "puff and pie product line" utilizes a unique production process that creates 144 layers of batter and butter, with popular fillings such as chicken, mushroom, tuna, and pineapple.

In 2022, S&P developed its puff and pie product line, introducing "corn puffs" to increase options and attract new customers who enjoy the sweet and fragrant taste from the corn filling, combined with the crispy and delicious texture of the flour formula and unique baking technique.

S&P also offers products in the "pizza line," with popular flavors among Thai families, such as crab stick pizza, Hawaiian pizza, ham and sausage pizza, and carbonara pizza. Additionally, the bakery snack line includes "fresh butter breadsticks snack," which provides deliciousness and convenience for consumption anywhere and on every occasion.

1.3 Fresh Bread

2022 is considered as the year of growth for bread products. S&P aims to meet the consumers' demand for bread in various forms and increase its market share of bread products in Thailand, which is continuously growing. S&P plans to expand its product line, introduce new product lines, and offer bread for health enthusiasts. Moreover, 2022 is the year of adaptation, with S&P introducing beautiful and modern packaging.



1. Crispy Bread

S&P has improved the packaging of its signature "Butter Crispy Bread" to make them more convenient for storage, consumption, and prolonging their shelf life. Moreover, the production innovation and standardization of S&P's bakery factory have expanded their availability at sales points throughout the country. This provides a Crispy Bread-eating experience that is both delicious and convenient, and can be enjoyed by the whole family.



2. Loaf Bread

S&P has developed the "convenient loaf bread" to cater to modern consumers' preferences for bread that is delicious, nutritious, and convenient. The popular products in this line include butter brioche bread, multi-grain bread, Hokkaido milk bread, and chocolate two-tone bread.



3. Cube Bread

S&P has introduced a new product line called "chocolate cube bread" to cater to families and customers who love to indulge in real chocolate bread with gooey filling and juicy texture. This new bread product line offers various flavors and aims to satisfy the desire for bread with fillings in a new, delicious, and safe way, made with quality ingredients.



4. Bread for Health-Conscious Consumers With the Healthier Choice Logo (Wellness Bread)

S&P responds to the trend and sustainability in health by introducing three products under the "Healthier Choice" logo: sprouted brown rice bread, whole wheat bread, and multigrain bread.



To enhance the image of the loaf product line, S&P has redesigned and updated the packaging with modern designs and colors that correspond to the bread name, making the products more accessible and highlighting their importance.

S&P has also expanded its sandwich bread product line, offering more variety with the "multigrain bread," rich in nutrients from its five grains, and the "brioche sliced bread," which has a soft aroma, buttery taste, and rich texture. Furthermore, S&P offers a range of stuffed bread products with both sweet and savory fillings, particularly in the "soft bread product line," with the pandan custard and salted egg custard being the most popular choices among customers for their satisfying taste and the concept of soft bread with a fine filling.

1.4 Cookies

S&P's cookies continue to prioritize the use of fresh butter in their ingredients, resulting in fragrant, crispy, and delicious cookies that are presented in beautiful packaging. S&P offers a wide range of cookie collections to cater to different tastes, including the "classic line" with milk, butter, pandan, and coffee flavors, the "premium line" with white chocolate mixed with matcha green tea, almond chocolate chips, and cranberries, the "fancy line" with chocolate, cappuccino, malt, and caramel flavors, the "lava line" with chocolate lava and chocolate chip lava, the "crispy light line" with light and crispy texture mixed with almonds and chocolate chips, and the "danish line" with a buttery flavor. S&P also has the "Kids cookie line" with milk, butter, cocoa, and sprinkle flavors to cater to children's taste buds.

S&P is known as the largest producer of copyrighted cookies in the country, which brings happiness to children and families. The "daily cookies" product group has expanded with two new flavors introduced in 2022: "orange cashew nuts," a fresh and delicious combination of orange cookies and cashew nuts, and "mocha white chocolate chips," a fragrant and delicious cookie perfect for daily indulgence.



S&P has also ventured into the sandwich cookie business line by introducing "sandwich cookies stuffed with cream and strawberry-flavored jam" in a new Tube Package under the brand S&P Delio. This snack cookie has a longer shelf life and will expand into more flavors in the future.

To celebrate New Year's Eve 2023, S&P has created a special cookie packaging design called the "S&P 2023 New Year Collection," which serves as a beautiful and reusable gift package. The design features floral motifs that exude happiness, fun, and excitement, making it a perfect gift for someone special. The collection includes the best-selling "Daily Cookies Gift Set."



1.5 Hamper and Gift

In 2022, S&P focused on meeting the needs of all ages and occasions with a wide variety of products, which they packaged into gift sets to serve as souvenirs or gifts. Their offerings include popular products such as pineapple pie sets, deli cookie sets, biscuit sets, chicken leg sets, crispy light biscuit sets, and dessert sets, as well as various Thai dishes, a Thong Muan set, and a rice cracker set. They also offer mini hamper sets and New Year's hamper sets that are sure to impress both the giver and the receiver.



1.6 Package Cake

S&P developed cake sachet products in 2022 that prolong product life while still maintaining quality and deliciousness. With one Package that contain the number of products in the box, making it suitable for gifts and souvenirs. Under the S&P Delio brand, they launched new products like "puff cake with orange-flavored cream," which received rave reviews.



1.7 Mooncake



S&P has been the market leader in mooncakes in Thailand, with a particular focus on the "Mid-Autumn Festival." Every year, they release mooncakes in both classic and new flavors to create a wider variety of products. In 2022, they developed new flavored products with new fillings and auspicious color shells that are popular and suitable for souvenirs, such as "Chinese Dates and Osmanthus Tea Filling," "Coconut Custard Lava Filling," and "Mocha Almond Filling."



They also prepared auspicious sets that include popular flavors of mooncakes such as the Mon Thong set, the fortune set, the lucky lotus set, the wealth set, and the rich set, which consumers can choose from.

S&P's mooncake packaging is exquisite, featuring elaborate and valuable drawings of the goddess of the moon and the deity of auspicious animals, "The White Tiger and Golden Dragon." These symbols of prosperity, balance, and safety are crafted on sustainable packaging that is suitable for gifts and souvenirs, maintaining the beauty of the packaging.

1.8 Thai Sweet

S&P's Thai sweet products have received positive feedback for their variety, including both traditional and innovative Thai desserts with exceptional taste and presentation. With a focus on clean and safe production processes, customers can trust the quality and flavor of S&P's Thai desserts.

In 2022, S&P has continued to develop these products to meet consumer demand and support the growth of Thai dessert products. This includes improving the packaging to extend the shelf life of the products while ensuring their safety and quality.



1.9 Frozen Cake

S&P's frozen cakes are consistently popular and sell well due to their unique recipe that delivers unparalleled taste and richness. Made from only the finest ingredients, there are many flavors to choose from.



2. Food Products



2.1 Food products in S&P restaurant

With the determination to grow its core food business, S&P has the intention of focusing on developing a single dish that is the strength of the S&P brand, many of which are still popular today, such as Chan Pad Thai, Fried Rice with Prawns paste, and to match consumer behavior. The Company is paying more attention to health, this year's food business has developed product groups and products "Wellness Food" in response to the needs of consumers who turn to health products under the concept of

"delicious, good for the body, comfortable for the mind," low-calorie healthy food with more than 50 dishes to choose from, or you can choose to eat in the form of a daily or weekly meal plan. Developing products at "Khao Chae Festival", namely Thai Summer Rice (Jasmine Rice) with Condiments and Fresh Mango & Sticky Rice (Anchan Sticky Rice) set at a special price of 198 Baht to reach the new generation of people, and adjust the packaging to be convenient to eat and meet the expanding sales channels' needs through S&P Delivery 1 3 4 4, ready to serve deliciousness at home.





S&P has introduced a new seasonal menu for the "rainy season" featuring delicious pork ribs carefully selected for their hygiene and taste. This spicy menu includes soft egg rice and spicy pork rib soup for 195 baht, perfect for welcoming the rainy season. Additionally, S&P has launched a vegetarian food festival with a new one-dish menu designed to meet the needs of customers who crave deliciousness in a single dish. In addition to these seasonal menus, S&P offers a party menu for winter celebrations, a new German Pork Knuckle and roasted chicken menu, and various fusion dishes such as quinoa rice - Pork Knuckle w/Red Curry Sauce, with fresh coconut milk.

S&P is committed to sustainable product development and conducts business with a focus on environmental and social responsibility. This includes selecting special raw materials, such as "eggs from happy hens" that are raised cage-free and in a stress-free environment. When hens are allowed to move freely and naturally, they are healthy and happy, which translates to better-quality eggs that are free from antibiotics and growth stimulants.

2.2 Frozen Finished Food : Quick Meal and Easy Meal



The Highlights of Frozen ready to eat meals different from others is menu has received meticulous cooking in order to make it tasty and pleasing to consumers, both giving value and nutritional safety with packaging design both inside and outside are beautiful and modern to suit today's fast-paced lifestyle. Variety and new menu developments continually which are sold both in S&P restaurants, Retail and modern trade channels, as well as the company also offering an OEM to produce for other business.

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.

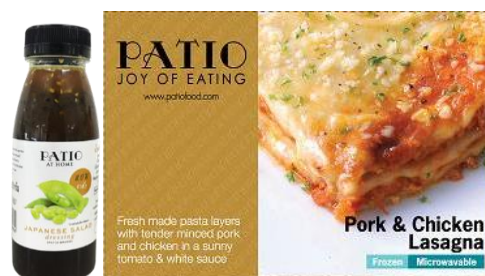


2.4 Carrageenan Jelly : Jello

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 with six flavors.

2.5 International Food Products : Patio

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



3. Beverage Products



Since 2018, S&P has been supporting organic citrus farmers in Thung Chang District, Nan Province, by buying small oranges in large quantities to help generate steady and sustainable income for the community. The oranges are of high quality, taste, and safety, and are used to develop organic beverage products that consumers can enjoy during the season.



S&P has expanded its Ready-To-Drink beverage line, "S&P Ready To Drink," to include six flavors made with quality ingredients, offering delicious taste and great value. Flavors include Cocoa Malt, Kyoto Matcha Green Tea Iced Milk, Southern Lemon Tea, Andaman Milk Tea, Iced Latte, Iced Arabica Coffee, and the new flavor of the year, Iced Thai Black Coffee (O Liang). These beverages are distributed through takeaway, delivery, and snack box services.



For coffee lovers who visit S&P stores, BlueCup coffee stands offer a taste of good coffee that combines Arabica coffee from Thailand with carefully sourced coffee beans from overseas. BlueCup baristas pay close attention to making fresh coffee and each drink, ensuring that coffee lovers are delighted by the taste and aroma of BlueCup coffee.



BlueCup is also expanding its distribution of coffee through takeaway and delivery by increasing the production capacity of cold brew beverages and Ready-To-Drink Americanos in 500 ml sizes. This allows consumers to enjoy quality, freshly brewed coffee at home and at work, while also ensuring a longer shelf life for the product.

BlueCup Cold Brew Coffee has become popular in recent years thanks to its delicious caramel flavor and aroma with hints of soft chocolate and a firm body. The coffee beans are 100% Arabica and have received the Golden Medal International Coffee Tasting Award from Italy. Each cup of Cold Brew BlueCup is carefully brewed with pure cold water and packaged fresh, making it the perfect complement to food and bakery items.

(2) Marketing and Competition

Market conditions in 2022 still have risk factors from the outbreak of the new variants of COVID-19, including the purchasing power of consumers that have not yet recovered. As a result, many business sectors are still affected by the aforementioned situation, which also affects the "Restaurant Business"

However, S&P's restaurant and bakery business still has positive factors from changing its business model strategy to focus on "Delivery" and "Takeaway" in order to be in line with the changing consumer behavior.

Overall in 2022, in addition to the importance of quality of products and services that are more convenient and safe, S&P has also made adjustments with the following strategies:



S&P Card

The original membership card has been changed from a physical card to a digital card to increase convenience for members. They can also use the membership card via Line and S&P applications, including additional benefits for members to be able to accumulate and redeem points for S&P products, such as bakery, cakes, food, and other products in addition to redeeming points for cash discounts.



S&P Bakery Mart

It arose from a business plan to develop and transform small shops on an area of 60 square meters or more into marts with more than 400 products to choose from, with a self-pay point, including a snack and food vending machine. Under the concept of "Life Style and Convenient Bakery Shop", S&P Bakery Mart can increase sales and grow until it is able to continuously expand sales points.





S&P Production Hub

The strategy of having bakery production points for distribution to branches and bakery shops in nearby areas or S&P Production Hub, in addition to controlling production and product quality to meet S&P standards, has made the fast sale of products and the sales grow continuously.

S&P Production Hub's unique selling point focuses on opening early, such as at the hospital groups and offices. When delivering products to the storefront, store staff can arrange it in time for the store to open and the products are diversified resulting in increased sales. In addition, store staff can provide advice and services to customers at their full potential in order to maximize customer satisfaction.



S&P Delivery 1344

S&P Delivery 1344 is a key channel that made S&P successful in the past year by continuing to boost sales through the delivery channel continuously both from corporate customers with a big order, such as food, premium meal set, snack boxes for meetings, seminars, banquets, and seasonal products also from general customers who encourage ordering through the S&P Delivery application to increase convenience for customers to order faster and easier than before. Furthermore, increasing S&P Delivery 1344 brand and product Top of mind awareness through media exposure to reach target group, for example, temple channel snack box media penetration to increase opportunity to order in various occasions.

In addition, S&P has strategically synergized with GrabFood, LineMan, FoodPanda, and Robinhood through exclusive campaigns to grow sales and increase new delivery customers

DELTA or Delivery & Takeaway

The model of S&P Convenient Bakery Shop has a built-in kitchen for cooking in order to provide delivery and take away services. This model covers delivery services throughout Bangkok and its vicinity.



In 2022, there are a total of 33 sales points, 31 in Bangkok and its vicinity and 2 in other provinces. In addition, S&P Card, the new membership card, has been launched. It can collect points for every spending and redeem points for free products, easy to use, and convenient through the S&P Delivery application.

All Year Gifting

S&P creates an experience of giving not just for the New Year, Chinese New Year, and Mid-Autumn festivals, but adds a gift and souvenir corner, a variety of bakery products, both fresh and dry, including packaging that is created to be a gift for each occasion. It is emphasizing being an All Year Gifting Destination for customers, as well as distribution through corporate channels with a big order as well.



In addition, S&P also reinforces its leadership in the seasonal market, such as moon cakes, rice cakes, vegetarian food, and various festivals, including pound cakes during the New Year, Mother's Day cakes, and birthday cakes. In addition to having cakes for every occasion, S&P has also made the daily cake products into consumer's everyday life and ready to eat every day, which has consistently received good feedback from customers, including pre-ordering food and bakery throughout the year.





Displaying Products With Planogram System

It shows the availability of both products and services to customers to choose with the same standard in every branch, such as the must-try new product corner, the product display shelves around the chill cabinet, and the bread product corner with complete range of products.

Restaurant Business Trends in 2023

The outlook for the restaurant business in 2023 is expected to benefit from the normal economic activity in the country and the recovery of tourism from the increasing number of Thai and foreign tourists. The Kasikorn Research Center expects that, in 2023, the restaurant business will grow by 2.7%–4.5% from 2022, or worth 4.18–4.25 hundred billion Baht.

Direction of Restaurant Business Growth in 2022 - 2023			
Restaurant Type	Value (hundred billion Baht) and Growth Rate (%YoY)		
	2019	2022e	2023f
Full Service	1.84	1.52	1.54 – 1.58
	1.9%	28.1%	1.6% – 3.7%
Limited Service	0.70	0.68	0.71 – 0.73
	5.4%	11.8%	3.7% – 6.8%
Street Food	1.77	1.86	1.92 – 1.94
	2.9%	3.2%	3.3% – 4.4%
Total Restaurant Business Value (YoY)	4.31	4.07	4.18 – 4.25
	2.9%	12.9%	2.7% – 4.5%
Remark : Estimated by Kasikorn Research Center			

However, the restaurant business still faces challenges from intense competition, rapidly changing consumer behavior, and continuously increasing costs of business operations. In particular, the trend of cooking gas prices and electricity costs in the country are still rising in line with world energy prices.

Therefore, S&P places importance on business cost control management, continuous development of quality products and services through both online and offline sales and marketing platforms, and rapid adjustment of business strategies to respond to changing consumer behavior to create business sustainability and consistently good performance.

(3) Products and Services Procurement

Procurement Policy

The Company operates its business by adhering to responsibility for all groups of stakeholders with the realization that the Company's products must be of good quality, clean, safe, and of the same standard for consumers to be confident in the Company's products. Therefore, the procurement policy of packaging raw materials for use in the production process of packaging containers and packaging products from factories to restaurants and bakery shops. This includes developing and improving the process of verifiable delivery which must pass the tests to ensure that the products and services are of sufficient standard. The Company has, therefore, implemented a procurement policy with management in mind so that the Company can achieve its goals and is in line with the Company's long-term strategic plan. It can be summarized as follows:

(1) Focus on Quality and Continuity

Guidelines for sourcing raw materials, containers, and packaging to be procured must have an assessment that the supplier must have production potential, consistently control quality, has a process for selecting raw materials from upstream, production standard control, stock of products and deliver products to the Company sufficiently in time as required, and ready to solve problems in case of emergency. All service provider partners must qualify for the type of products they sell and pass the product standard certification in accordance with the requirements of the government and the requirements of the Company. For example, the main raw material product must have product standard certification documents, a quality inspection process before receiving the product and risk management of product shortages, prepare product stock with partners in advance, manage product prices so that it will not fluctuate significantly, which affects the management of the production cost of the Company by procuring spare products or replacing product prices with higher volatility.

(2) Same Standards for Selecting Partners and Product Quality

The raw materials, containers, and packaging that are procured must be controlled according to the standard criteria and have specifications for trading partners and related personnel to use as a standard to supervise products to be consistently qualified, fresh, clean, safe, without contaminants that may affect products and consumers. The Company has set up a process to test the quality of the products of partners before trading from the Company's product quality development research unit by stipulating the same standard regulations, suppliers who have quality products tested will be registered on the Approve Vendor List and will have to verify the quality of raw materials before receiving the products into the warehouse for product production. It is believed that raw materials, containers, and packaging are standardized and nutritious, safe, and reliable before reaching consumers.

(3) Support and Development for Partners, Business Allies, and Groups of Farmers From Upstream Sources

The Company recognizes the importance of supporting and strengthening good relationships with trading partners and allies. In the concept that the business will grow in the long term sustainably, one of the success factors is to promote, support, and cooperate in the development of business partners and allies to grow together with the Company by

providing joint assistance in solving problems and empowering each other, such as giving advice, joint research and development, looking for knowledgeable people to give advice, including providing information about the demand for raw materials and products in each period according to the production plan and marketing plan of the Company so that partners can make long-term plans for product preparation that has standards and reasonable prices, including having the policy to support, develop, and promote farmers from upstream production sources to promote safe agricultural products to consumers and generate sustainable income for farmers.

In 2020, the Company had cooperated with farmers to promote the cultivation of organic salad vegetables in Chom Thong District, Chiang Mai Province, such as cos lettuces and green oak leaf lettuces, which were natural soil vegetables without any synthetic substances whether they were scientific fertilizers and chemicals or pesticides. It used only natural compost or manure in cultivation. Every step of growing and processing must be to standards that had been audited by an organization certified with the Organic Thailand standard, making every salad vegetable traded clean and not harmful to consumers.



In 2021, the Company supported farmers in upstream sources who grew good quality mangoes, "Golden Nam Dok Mai Mango" from the community enterprise group that produced mangoes exported from Sao Cha Ngok Sub-district, Bang Khla District, Chachoengsao Province, by Mr. Manop Kaewwongnukul, who had been granted permission to use the Thai geographical indication symbol (meaning the source of the best quality golden Nam Dok Mai mangoes in Chachoengsao Province) with the mango planting guidelines using the GAP (Good Agricultural Practice) system that enabled the products that were marketed both domestically and internationally to be delivered to consumers with confidence in quality, the deliciousness of the special mango flavor, and safety throughout more than 50 years.



In 2022, the Company considered the quality of life of farmers and Thai communities from the southern border provinces to have a career and be able to develop products that truly met the needs of the market and consumers. Therefore, they jointly invested with local businesses in Lahan Sub-District, Yi-Ngo District, Narathiwat Province, promoting the bringing of fresh Monthong Durian products from upstream farmers that were produced seasonally during the months of June to November of every year to be transformed into Durian Monthong Kuan for maximum benefit. They emphasized developing work and people, training for jobs and careers in the community, generating income for the community, creating a sustainable better quality of life, and meeting good product quality standards for consumers.



(4) Procurement Anti-Corruption Policy

The Company has rules and regulations for transparent procurement, selecting and doing business with business partners ethically, morally, and socially responsible. It conducts business with transparency both directly and indirectly. In terms of raw materials and packaging for transparency, since 2020, it has started an e-Auction for raw materials and packaging with high purchases, and business partners who have been selected for product quality for trading. There will be a signed contract accepting the code of conduct for business partners before doing business together. The Company will assess its suppliers after trading on a monthly and yearly basis in order to develop trade partners to have effective product quality according to standard criteria to reduce the risk of doing business together.

(5) Procurement and Supplier Management Focusing on the Impacts on Environment, Social, and Governance (ESG)

Paying attention to sustainable packaging means all containers containing products and food, including plastic bags. They are selected responsibly, suitable for the needs and safety of consumers, taking into account the negative effects on the environment, such as the use of plastic packaging and its effects over the life of packaging, optimizing packaging management back to being a renewable resource in the system with appropriate processes based on the principles of the circular economy.



Food containers and clear PP plastic cups changed to
containers made from pulp mold

(Reduce)



Tote bags made from recycled plastic

(Recycle)



Plastic baskets instead of cardboard boxes

(Reuse)

(4) Assets used in business undertaking

4.1 Tangible core assets

The Company and subsidiaries have assets, including land and buildings that were used as offices and factories, with a net book value on December 31, 2022 as follows:

Land and Buildings	Proprietary Type	Book Value (Million Baht)
3 plots of land, total area of 109 square yard, No. 457-457/6, Soi Sukhumvit 55, Sukhumvit Road Khlong Tan Nuea, Watthana, Bangkok	Owner	7.88
16 plots of land, total area of 7 rai 93 square yard, No. 2-2/1, Soi Sukhumvit 62, Intersection 3, Bangchak, Phra Khanong, Bangkok	Owner and Leasehold	21.10
1 plot of land, total area of 147 square yard, Soi Sukhumvit 62, Intersection 3, Bang Chak, Phra Khanong, Bangkok	Owner	5.59
4 plots of land, total area of 88 square wa, No. 335, Bond Street Road, Bang Phut, Pak Kret, Nonthaburi Province	Owner	14.96
1 plot of land, total area of 2 rai 2 ngan 95 square yard, Ladkrabang Industrial Estate No. 65/5 , Village No. 4, Lam Pla Thio, Lat Krabang, Bangkok	Owner	17.93
1 plot of land, total area of 2 rai 3 ngan 95 square yard, Ladkrabang Industrial Estate No. 65/4, Village No. 4, Lam Pla Thio, Lat Krabang, Bangkok	Owner	20.00
1 plot of land, total area of 38 rai 3 ngan 46 square yard, No.86, Village No.4, Bangna-Trad Road Kor mor., 23.5, Bang Sao Thong sub-district, Bang Sao Thong district, Samut Prakan Province	Owner	142.60
3 plots of land, 3 booths, area 80square yard, No. 75/51-53, Village No.6, Ratsada, Mueang Phuket, Phuket Province	Owner	0.57
3 plots of land, 3 booths, total area of 97 square yard, No. 300/9, Manee Nopparat Road, Sripnum, Mueang Chiang Mai, Chiang Mai Province	Owner	7.13
3 plots of land, total area of 3 rai, Krungthep Kreetha Road, Saphan Sung Subdistrict, Saphan Sung District, Bangkok	Owner	23.30
1 plot of land, total area of 3 rai 2 ngan 48 square yard, No. 81, Village No. 4, Ban Klang, Mueang Lamphun, Lamphun Province	Owner	18.43
9 plots of land, total area of 12 rai - 11 square yard, Building No. 31/4, Village No.3, Bangna-Trad Road koh mor.23, Bang Sao Thong sub-district, Bang Sao Thong district, Samut Prakan Province	Owner	195.00
Head Office Building, 7booths, 5 floors, No. 457-457/6, Soi Sukhumvit 55, Sukhumvit Road Khlong Tan Nuea, Watthana, Bangkok	Owner	0.00

Land and Buildings	Proprietary Type	Book Value (Million Baht)
Bakery Building Factory, Sukhumvit 62, No. 2-2/1, Soi Sukhumvit 62, Intersection 3, Phra Khanong Tai, Phra Khanong, Bangkok	Owner	0.00
Office building, Restaurant, Muang Thong branch, 6 floors, No. 335, Bond Street Road, Bang Phut, Pak Kret, Nonthaburi Province	Owner	0.00
Central kitchen, Sausage and pasta factory, 2 floors, 3 houses, Ladkrabang Industrial Estate No. 65/5 , Village No. 4, Lam Pla Thio, Lat Krabang, Bangkok	Owner	13.63
Factory building, Bangna-Trad Road Kormor. 23.5, No.86, Village No.4, Bangna-Trad Road Kor mor., 23.5, Bang Sao Thong Subdistrict, Bang Sao Thong District, Samut Prakan Province	Owner	3.75
Phuket bakery factory building, No. 75/51-53, Village No.6, Ratsada, Mueang Phuket, Phuket Province	Owner	0.00
Bang Phli branch restaurant, No. 86/1 Village No.4, Bangna-Trad Road kormor 23.5, Bang Sao Thong Subdistrict, Bang Sao Thong District, Samut Prakan Province	Owner	0.37
Office building, Restaurant, Chang Phueak branch, No. 300/9, Manee Nopparat Road, Si Phum, Mueang Chiang Mai, Chiang Mai Province	Owner	0.22
2 factory buildings, Lamphun Industrial Estate, No. 81, Village No. 4, Ban Klang, Mueang Lamphun, Lamphun Province	Owner	7.89
Remark: * The Company does not have any obligations.		

4.2 Lease Area for Operation

Most working space of S&P restaurant and bakery operations is contracted for a short period of three years to minimize commitments and high investment costs. However, because of the volatility of economic and trade conditions, which change rapidly, some restaurants are leased for long-term space within buildings and shopping centers. On December 31, 2022, the asset value, including adjustments, can be summarized as follows:

Branch	Rental Period	Book value (million Baht)
Central Bangna Central Bangna Shopping Center Area of 381 sq m.	Lease for 30 years End in 2023	0.33
Chalermkrung Chaloem Krung Theater Area of 387 sq m.	เช่าระยะเวลา 30 ปี สิ้นสุดปี 2566	0.50
Diana Hatyai Diana Department Store Hat Yai Area of 310 sq m.	Lease for 13 years 11 months End in 2022	0.00
The Mall Korat The Mall Department Store Korat Area of 225 sq m.	Lease for 26 years End in 2027	2.71
Bakery Factory Building, Sukhumvit 62 No. 2-2/1, Soi Sukhumvit 62, Intersection 3, Phra Khanong Nuea Sub-district, Phra Khanong District, Bangkok	Leasehold End in 2035	3.77
Maisen shop, EmQuartier branch EmQuartier shopping center, Area of 206 sq m.	S&P International Foods Company Limited (Subsidiary) Lease for 10 years End in 2025	3.36

The machinery and operating equipment that are used in producing the Company's products are small to medium-sized, with a total asset value on December 31, 2022 as follows:

Machinery and Equipment	Book Value (million Baht)
Machinery and Equipment	178.02
Furnishings and Equipment	774.83

4.3 Investment Policy in Subsidiary and Joint Venture Companies:

On December 31, 2022, our company had investments in subsidiaries and joint venture companies that are still operational. These companies are primarily engaged in various food-related businesses, with a total value of around 198 million Baht. This investment represents approximately 4.10% of our total assets invested in subsidiaries and joint ventures. Our investment policy in these companies takes into consideration economic conditions and is limited to businesses related to our products or services. If we come across any interesting businesses with good returns, we may consider investing in them. However, any such investments must be approved by our board of directors, as this is crucial for the management policy of our subsidiary and joint venture companies. We will appoint representatives to participate in the management of these companies in proportion to our ownership. This will allow us to establish important policies and ensure that the operations of the subsidiary and joint venture companies align with our company's policies.

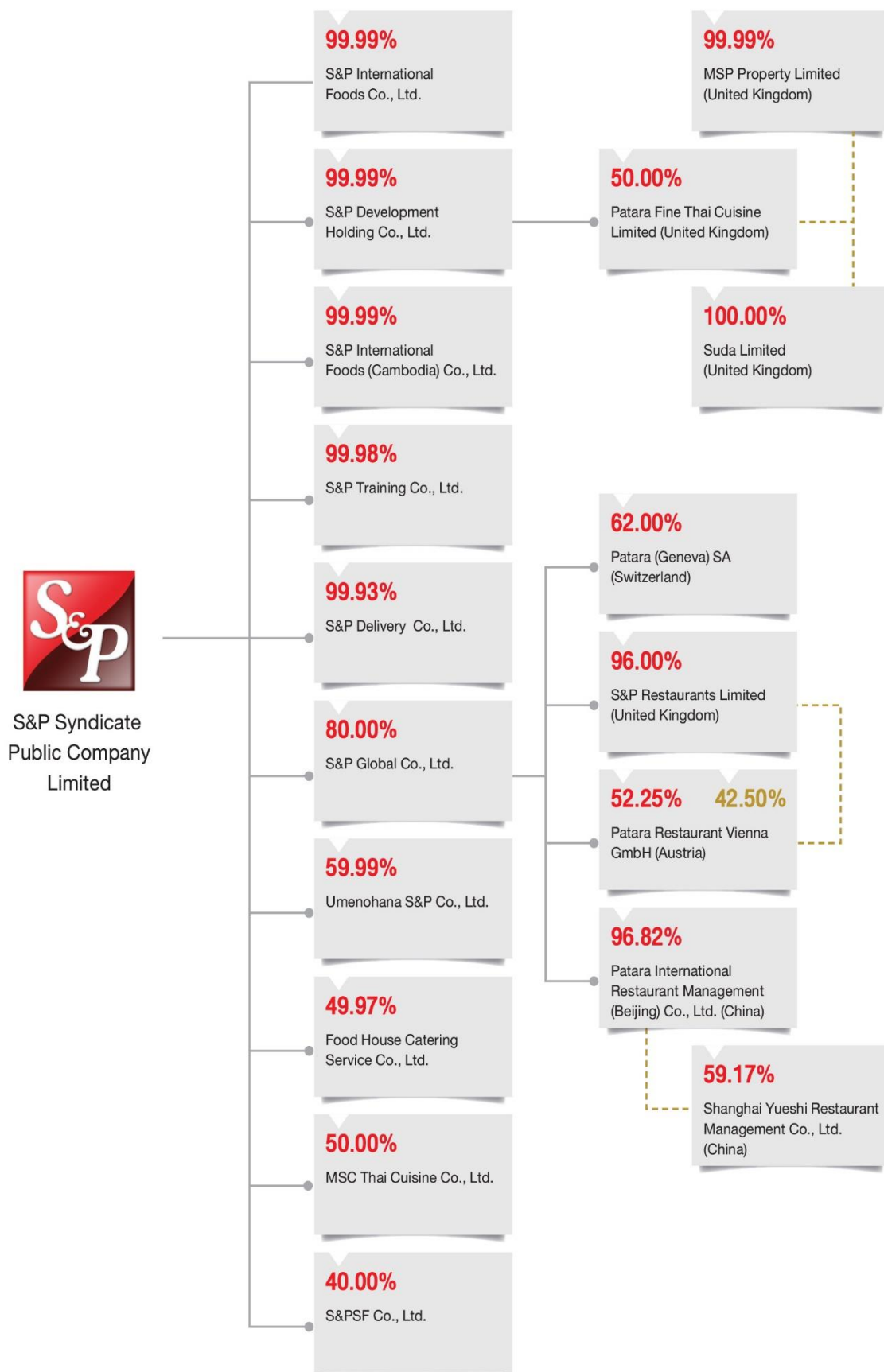
(5) Work that has not been delivered

In 2022, S&P Syndicate Public Company Limited has no undelivered work.

1.3 Shareholding Structure

1.3.1 Shareholding structure of the Group

As of December 31, 2022



S&P's subsidiaries and affiliates

Names / Location	Type of business	No. of common share		% Holding
		Total Share	No. of Shares held by S&P Group	
S&P Syndicate Public Company Limited 2034/100-103, Ital Thai Tower, 23rd Floor, New Petchburi Road, Bangkok, Huaykwang Bangkok 10310 Tel : +66 (0) 2785 4000 Fax : +66 (0) 2785 4040	Operate restaurant branches and bakery outlets, produce cake, bread, bakery products, Thai desserts, frozen foods and bakery, provide delivery and catering services, Invest and manage overseas restaurant			
S&P Development Holding Co., Ltd. Ital Thai Tower, 23rd Floor, No. 2034/100, New Petchburi Road, Bangkok, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 4000 Fax : -	Operate Thai restaurant abroad, Provide service support for affiliated business or branch both domestic and abroad	2,000,000	1,999,997	99.99
S&P International Foods Co.,Ltd. Ital Thai Tower, 23rd Floor, No. 2034/100, New Petchburi Road, Bangkok, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 4000 Fax : +66 (0) 2785 4506	Operate Japanese Restaurant under "Maisen" brand	500,000	499,970	99.99
S&P International Foods (Cambodia) Co.,Ltd. Villa No. 21, Street 214, Village 2, Sangkat Beoung Raing, Khan Daun Penh, Phnom Penh, Cambodia Tel : +85 639 988 Fax : -	Operate Restaurant Business under "S&P" and "BlueCup" in Cambodia	200,000	199,980	99.99
S&P Training Co., Ltd. 1/2 Soi Attakravi1, Sukhumvit 26 Rd, Klongtan, Klongtoei, Bangkok Tel : +66 (0) 2664-6260 Fax : -	To engage in the training of skill development for employees of S&P Syndicate Public Company Limited and its subsidiaries.	10,000	9,998	99.98
S&P Delivery Co., Ltd.* Ital Thai Tower, 23rd Floor, No. 2034/100, New Petchburi Road, Bangkok, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785 4000 Fax : +66 (0) 2785 4507	Operate a business of land transportation service.	10,000	9,993	99.93
S&P Global Co., Ltd. Ital Thai Tower, 23rd Floor, No. 2034/100, New Petchburi Road, Bangkok, Huay Kwang, Bangkok 10310 Tel : +66 (0) 2785-4000 Fax : +66 (0) 2785 4507	Operate Thai restaurants in overseas	500,000	400,000	80.00
Umenohana S&P Co., Ltd. Ital Thai Tower, 23rd Floor, No. 2034/100 New Petchburi Road, Bangkok, Huay kwang, Bangkok Tel: +66 (0) 2785 – 4000 Fax: +66 (0) 2785 4506	Operate Japanese restaurant and food product under "Umenohana" brand	250,000	149,997	59.99

Names / Location	Type of business	No. of common share		% Holding
		Total Share	No. of Shares held by S&P Group	
Foodhouse Catering Services Co., Ltd. 234 Soi Sukhvit 101 (Punnavithi), Sukhumvit Rd., Bangchak, Prakanong, Bangkok Tel : +66 (0) 2741-8800 Fax : +66 (0) 2741-8260	Operate business to 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
M.S.C Thai Cuisine Co., Ltd. 88 The Park Building 11th Floor Ratchadapisake Road, Klongtoey, Klongtoey, Bangkok Tel : +66 (0) 2365-6000 Fax : +66 (0) 2365-7696	Operate Cooking School under the name " M.S.C. Thai Culinary School "	700,000	350,000	50.00
S&PSF Co., Ltd. No. 15/2 M.2 Lahan, Yi-ngo District, Narathiwat Tel : +6620X 7353-0624	The factory business for production and distribution of durian paste and fried durian products.	50,000	20,000	40.00
S&P Restaurants Limited ** Suite 11, Hyde Park House, 5 Manfred Road, SW15 2RS, London, UK Tel : +44(0) 20 8874 6503	Operate Thai restaurants under "Patara" and "Suda" brand in England	1,000,000	960,000	96.00
Patara (Geneva) SA ** No.94, Rue des Eaux-Vives CH-1207, Geneva Switzerland Tel : (4122) 735-0517 Fax : (4122) 735-0538	Operate Thai restaurants under "Patara" brand in Geneva, Switzerland	200	124	62.00
Patara International Restaurant Management (Beijing) Co., Ltd.** Room 238, Floor 2, Building 2, No. 100 Yanle Hutong, Dongcheng District, Beijing, China Tel : (8610) 852-21678	Operate Thai restaurants under "Patara" brand In Beijing, China	11,000,000	10,650,200	96.82
Patara Restaurant, Vienna GmbH *** Petersplatz 1 / Goldschmiedgass 9 / Graben 27-28/ Top-No.7 1010 Vienna, Austria Tel : +43 199 719 38	Operate Thai restaurants under "Patara" brand in Vienna, Austria	1,200,000	1,137,000	94.75
Shanghai Yueshi Restaurant Management Co., Ltd **** 407-409 Shops, No. 5001 Dushi Road, Minghang Shanghai, the People's Republic of China Tel : (8610) 021-3468-7591	Operate restaurants under "Vanilla" brand in Shanghai, China	9,600,000	5,680,000	59.17
Patara Fine Thai Cuisine Limited ***** Suite 11, Hyde Park House, 5 Manfred Road, SW15 2RS, London, UK Tel : +44(0) 20 8874 6503	Operate Thai restaurant under "Patara" and "Suda" brands in England	13,700,000	6,850,000	50.00
Suda Limited ***** Suite 11, Hyde Park House, 5 Manfred Road, SW15 2RS, London, UK Tel : +44(0) 20 8874 6503	Operate Thai restaurant under "Patara" and "Suda" brands in England	4,100,000	2,050,000	50.00
MSP Property Limited ***** Suite 11, Hyde Park House, 5 Manfred Road, SW15 2RS, London, UK Tel : +44(0) 20 8874 6503	Operate real estate business	2,900,000	1,450,000	50.00

Remarks	*	The Company dissolved on April 28, 2022 and is in the process of liquidation.
	**	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 Restaurants Limited 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.

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 and Company Secretary

The Board of Directors comprises 12 members. (4 woman directors, representing 33.33% of the Board of Directors)

(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	Independent Director
(9)	Mr. Kachorndej	Raiva	Director
(10)	Mr. Kamtorn	Sila-On	Director
(11)	Mr. Kosin	Chantikul	Director
(12)	Mr. Kreetakorn	Siriatha	Director

Company Secretary

Mrs. Patamawalai Ratanapol Company Secretary

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

Note: Ms. Cattleya Saengsastra has adequate expertise and experience to review creditability of the financial reports.

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
(3)	Mrs. Kessuda Raiva	Nomination and Remuneration Committee

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)	Mrs. Kessuda Raiva	Risk Management Committee

Executive Committee

The Executive Committee comprises 7 members.

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

Management Team

The Management Team comprises 12 members

(1)	Mr. Vitoon Sila-On	Chief Executive Officer
(2)	Mr. Kamtorn Sila-on	Chief Financial Officer
(3)	Mr. Arth Prakhunhangsit	Chief Operating Officer
(4)	Mrs. Maneesuda Sila-on	Chief Sustainability Officer
(5)	Mr. Somjit Kitteerakul	Vice President of Bakery Production
(6)	Mr. Chongchana Chantamas	Vice President of Food Production
(7)	Mrs. Supawadee Hutasingh	Vice President of Human Resources
(8)	Ms. Attaya Petrakard	Vice President of Global & Specialty
(9)	Mr. Pipith Laohavirojana	Vice President of Real Estate and Asset Management
(10)	Mrs. Phairunya Supitux	Vice President of Financial
(11)	Mr. Thirakorn Raiva	General Manager of Japanese restaurant business
(12)	Mrs. Sathimon Tawantiang	Assistant Vice President of Warehouse and Logistic

Remark : Details of all directors and executives appear in the details of the Company's executives and controlling persons

1.3.2 Person who may have conflict of interest holds more than 10% in subsidiaries or associates

– None –

1.3.3 Relationship with the business group of major shareholder

The Company has a relationship with the group of business of the only major shareholder, Minor International Public Company Limited, because some of the major shareholders' businesses are similar to the businesses of the Company, namely, businesses under the Bread Talk trademark. However, each company operates its own business and there is no dependency in the said business. And each company has its own internal control powers with no control between them. The decision-makers in business operations are different people and different groups. In addition, the Company and Minor International Public Company Limited have business operations between them, such as hiring for manufacturing products and trading of goods and raw materials between each other. However, there is no generosity in doing such business and income from the said business is not significant to the total revenue of the Company. The manufacturing and trading are priced fairly and at the same rate as doing business with third parties, including not affecting the Company's production capacity but instead creates benefits and revenues for the Company.

1.3.4 Shareholders

The list of the first 10 major shareholders appearing in the share register book as of January 12, 2023 are as follows;

Shareholder Group		Number of Shares	Percent
1	The Sila-On and Raiva Groups	231,620,811	45.17
2	Minor International Public Company Limited	185,030,705	36.08
3	Mrs. Supapan Pichaironarongsongkram	17,345,000	3.38
4	Mr. Aryuth Charnsethikul	10,847,000	2.12
5	Bangkok Bank Public Company Limited	6,956,000	1.36
6	Mrs. Parinya Khancharoensuk	5,212,310	1.02
7	Mr. Phithak Phisethsith	4,400,000	0.86
8	Prospect International Co., Ltd.	3,200,000	0.62
9	Mrs. Virunsri Taifayongvichit	2,791,000	0.54
10	Miss Orapan Assamongkul	2,506,970	0.49
Total		469,909,796	91.63

1.4 Registered and Paid-up Capital

The Company's security comprise of ordinary shares as of January 6, 2023, the Company's registered capital is 514,928,784 Baht, divided into 514,928,784 ordinary shares of par value of 1 Baht each. The paid up capital is amounting to 512,814,512 Baht, divided into 512,814,512 ordinary shares of par value of 1 Baht each.

Issuance of Securities

The 2021 Annual General Meeting of Shareholder, held on April 30, 2021 approved the issuance of the Warrants to Purchase Ordinary Shares of the S&P Syndicate Public Company Limited No.2 (SNP-W2) not exceeding than 24,520,419 units in order to allocate to the existing shareholders of the Company in proportion to their shareholding (Right Issue) in the ratio of 20 ordinary shares per 1 unit of the Warrant whereas any fraction of shares shall be disregarded, and the allocation will be free of charge. Therefore, there are 24,520,282 of the SNP-W2. The exercise price is equal to 1 Baht and the exercise ratio is 1 unit of the Warrant per 1 ordinary share. SNP-W2 is valid for 2 years from the date of issuance and offering which has been traded on the stock exchange since May 19, 2021 and ends on May 18, 2023. The Company has registered an increase in the Company's capital by 24,520,419 Baht from the original registered capital of 490,408,365 Baht to a registered capital of 514,928,784 Baht by issuing 24,520,419 new ordinary shares with a par value of 1.00 Baht per share to support the exercise of the Warrants to Purchase the Company's Ordinary Shares to be allocated to the existing shareholders in proportion to their shareholding, with the Registrar of Public Company Limited, Ministry of Commerce on May 7, 2021.

As of December 31, 2022, There were SNP-W2 holders who informed their right to exercise the SNP-W2 into ordinary shares, totaling 22,406,147 units, representing 22,406,147 newly issued ordinary shares. On January 6, 2023, the company registered a change in paid-up capital of 512,814,512 shares at a par value of 1 baht per share, representing a registered capital of 512,814,512 Baht. However, the Warrants to Purchase Ordinary Shares of the S&P Syndicate Public Company Limited No.2 (SNP-W2) remain unexercised in the amount of 2,114,135 units.

1.5 Other Securities

- None -

1.6 Dividend 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. 1/2023 held on February 23, 2023 had passed resolution to proposed to the 2023 Annual General Meeting of Shareholders which will be scheduled on April 28, 2023, to acknowledge the interim dividend payment of 0.10 Baht per share paid on September 9, 2022, and to approve the dividend payment for 2022's operating result of 0.80 Baht per share, which the remaining dividend payment of 0.70 Baht per share. In case of the Meeting of Shareholder approves the dividend payment as proposed, the dividend payout ratio of the Company will be 89.12 percent of the net profit.

Details of dividend payment for operating year 2022 compared with previous year.

Dividend Payment Details	2022	2021
1. Net Profit (million Baht)	460.36	340.02
2. Number of Shares (Shares)		
2.1 Before Capital Increase	512,391,132	490,408,365
2.2 After Capital Increase (For the exercise of Warrant)	512,814,512	511,512,758
3. Dividend Paid per Share (Baht/Shares)	0.80	0.63
3.1 Interim Dividend (Baht/Shares)	0.10	0.05
3.2 Additional Dividend (Baht/Shares)	0.70	0.58
4. Total Dividend Paid (million Baht)	410.25	321.20
4.1 Interim Dividend (million Baht)	51.24	24.52
4.2 Additional Dividend (million Baht)	358.97	296.58
5. Dividend Payout Ratio (%)	89.12	94.46

Remark : Will propose for approval from the Annual General Meeting of Shareholder 2023 on 28 April 2023.

2. Risk Management

The Company recognizes and places great importance on risk-based management due to the rapid changes that occur both internally and externally. These changes can have direct and indirect impacts on the business. On the other hand, the company also recognizes that there are risks that could have an impact on society and the environment. Therefore, the company has set goals for the risk management process to prevent or mitigate the severity of impacts that could affect the company as well as others. This approach can create business opportunities, enhance competitiveness, increase confidence in efficient operations, satisfy stakeholders, and create sustainable value for the company.

The Company started implementing the enterprise risk management process in 2012, when the Risk Management Committee was established by resolution of the Board of Directors meeting No.1/2012 on February 28, 2012. The Risk Management Committee met for the first time on May 3, 2012, with the goal of managing the company's key risks while also implementing corporate strategies that are consistent with the sustainability strategies. Emerging risks that may occur and have an immediate impact on the food industry have been identified. To achieve the company's key objectives, risk appetite and risk tolerance were identified in order to increase the company's capability, resilience, and readiness to deal with unexpected changes from global impact and rapid and more complex global trends.

At present, stakeholders of the company have raised their expectations for risk management and aim for the best performance. To meet these expectations, the company has integrated a risk management system into its work processes, tracking and analyzing factors through key risk indicators, allowing the company to identify and manage risks throughout the value chain. Additionally, the company has promoted a risk management culture among executives and employees at all levels in order to achieve sustainable growth, financial stability, and appropriate returns for shareholders.

2.1 Risk Management Policies and Plans

The Risk Management Committee has established policies and assessed the risk management practices of all departments within the company, based on the responsibilities assigned by the Board of Directors. This includes evaluating the risks associated with high-budget investment projects before presenting them to the Board of Directors. The committee has also considered the top corporate risks and emerging risks that impact all processes of the company, and has developed management strategies as follows.

2.2 Risk Factors for the Company's Business Operations

2.2.1 Key risks of the company

The Risk Management Committee identified the Company's key risks and prioritized them based on the likelihood of occurrence and the significant impact on the Company. These risk factors were first identified in 2012, and the Company has been identifying and managing risks factors since then. In 2023, risk identification and prioritization will be reassessed, and an effective internal control system will be implemented to reduce risk and increase flexibility in adjusting to the planned goals and objectives.

The Company key risks have been classified into 4 types of risk management as follow:

- 1) Strategic Risk : SR
- 2) Financial Risk : FR
- 3) Operational Risk : OR
- 4) Compliance Risk : CR

This report will only focus on the Company's key risk factors, which consist of 14 risk issues.

2.2.2 Emerging risks that may have an immediate and long-term impact on the Company's operations.

The Company is also aware of emerging risks that may affect it in the next 3 to 5 years by anticipating significant impact and making necessary preparations to deal with the company's four emerging risks.

The Company has presented risks by category, in order of impact and likelihood, as shown in the diagram below.



Symbol	Impact of risks on ESG topics		
●	Environmental Risk	● Severe	■ Almost certain
●	Social Risk	● Major	■ Likely
●	Governance Risk	● Significant	■ Moderate
		● Minor	■ Unlikely
		● Insignificant	■ Rare

Risk Factor	Business Impact	Risk Mitigation Plan
Sustainability Strategic Risk : SR		
1) Climate Crisis Risk: Directly impacts agriculture and business continuity, as well as indirect impacts from policy changes to reduce greenhouse gas emissions	<ul style="list-style-type: none"> Natural disasters such as storms, floods, and droughts have an impact on business operations Compliance with regulations and standards affects costs and competitiveness Rapid technological changes and high costs also pose challenges 	<ul style="list-style-type: none"> Appointment of a Sustainable Development Committee to promote and drive various projects Establishment of policies and operational frameworks for low-carbon projects and allocation of budgets for support Development of environmentally-friendly business strategies
2) New Normal: Causes businesses to adapt their service models, such as delivery	<ul style="list-style-type: none"> The internet transforms sales and marketing channels as crucial infrastructure Thailand is moving towards an aging society 	<ul style="list-style-type: none"> Conducting research to develop distribution channels aligned with changing consumer behaviors and technologies In-dept research into consumer behavior to meet their specific needs Improve the channels to be user-friendly and accessible for various groups of customers

Risk Factor	Business Impact	Risk Mitigation Plan
3) Retaining Potential Employee Risk: Because it takes time to develop the skills and experience needed to compete in the market	<ul style="list-style-type: none"> Certain work types may lack continuity, causing delays or interruptions Some work types may lead to customer and employee loss Replacing staff incurs high recruitment and development costs 	<ul style="list-style-type: none"> Establish a clear direction for professional advancement and collaborate to achieve goals Regularly support, encourage, and develop employees' potential, while offering competitive compensation packages Create a motivating work environment and organizational culture
4) Reputation Risk: The reputation and image of an organization are critical factors that influence consumers' purchasing decisions	<ul style="list-style-type: none"> Consumer purchasing decisions are impacted by poor reputation, which in turn undermines investor confidence Poor reputation leads to negative evaluations, regardless of operations Affects organizational management and has a negative impact on the organization's value 	<ul style="list-style-type: none"> Appoint a Crisis Management Team to oversee potential risks to the organization's reputation and image Create efficient and accurate communication systems and processes that can respond quickly to events Organize activities and disseminate information that is creative and beneficial to both external society and internal members of the organization
6) Competitive Advantage Risk: The business competition landscape in the food and beverage industry is intense, with new entrepreneurs releasing products and aggressive marketing poses a competitive advantage risk	<ul style="list-style-type: none"> This may lead to lower-than-expected profits or business performance from the investment Losing market share 	<ul style="list-style-type: none"> Emphasizing on creating brand awareness and building confidence in the company's product brand to increase its reputation Developing innovative products and maintaining product quality, as well as providing excellent service. Improving production efficiency to reduce costs
Operational Risk : OR		
9) Raw Material Fluctuation Cost Risk: Shortage of agricultural products, which are essential raw materials for food production, as well as limited sources of other raw materials	<ul style="list-style-type: none"> The cost of transportation, fuel, paper packaging, and petrochemical-based packaging materials is variable and tends to increase due to fluctuating energy prices 	<ul style="list-style-type: none"> Forming medium-term to long-term contracts with suppliers to secure a steady supply of raw materials and minimize cost impact Vigilantly monitoring key raw material trends Boosting sales volume and profits by producing high-value products Utilizing raw materials from a variety of sources

Risk Factor	Business Impact	Risk Mitigation Plan
10) Change of Customer Taste & Preferences Risk: Creating a new customer base or replacing the aging customer group may take time	<ul style="list-style-type: none"> Impacts on both short-term and long-term sales Intensified price competition Higher marketing costs to attract new customers, compared to retaining existing ones, leading to increased costs Impacts the product's brand image 	<ul style="list-style-type: none"> Increase satisfaction levels of existing customers by increasing confidence in product and service quality to generate word of mouth Establish an effective customer feedback system and incentivize employees who can resolve customer complaints efficiently Implement an effective Customer Complaint Management system and a Rewarding System for employees who resolve customer complaints Develop a plan to meet customer expectations Create a good customer experience plan to attract younger customers or new customer bases
11) Branch Operations Personnel Shortage Risk: From the change in the perception of work of the younger generation	<ul style="list-style-type: none"> The quality of service has decreased, leading to a decline in customer satisfaction ratings Loss of customers who expect good service, and loss of revenue Decreased service quality will have an impact on the brand image of the product 	<ul style="list-style-type: none"> Implementing various technological systems, such as AI robots and automated food ordering, to replace traditional methods Preparing human resources for changes in the workplace Offering ongoing training and development opportunities for employees Collaborating with educational institutions in the food industry to introduce the company and create job opportunities for students
13) IT & Digital Risk: Business data breach or leakage	<ul style="list-style-type: none"> The impact of cybersecurity threats can be extensive, potentially affecting multiple systems, including the personal computers of individual users Data security and safety 	<ul style="list-style-type: none"> Establishing an information policy that includes guidelines for usage, supervision, security measures, and penalties Creating a security system to prevent cyber attacks on networks and vulnerable devices Implementing processes and measures to ensure compliance with the Personal Data Protection Act (PDPA) of 2019

Risk Factor	Business Impact	Risk Mitigation Plan
Compliance Risk : CR		
19) Sugar Tax / Sodium Tax Risk: enforced since September 2017, including the sodium tax risk	<ul style="list-style-type: none"> The product's taste can be altered by adjusting the manufacturing formula The cost of production increases when using substitutes for sugar or salt 	<ul style="list-style-type: none"> Formulating new products that reduce sugar dependency Managing costs and expenses efficiently through various plans and strategies to mitigate the impact of excise tax collection Developing menus that reduce sodium levels to meet established standards
Emerging Risk: ER		
23) Health-Conscious Behavior Risks: The majority of consumers are trending towards purchasing ethically-sourced food products due to the rising demand for transparency in the current market	<ul style="list-style-type: none"> Incorrect product labelling or misleading consumption information will reduce brand's credibility, affecting consumer confidence in purchasing the products 	<ul style="list-style-type: none"> Establishing a traceability management system for quality control throughout the process Implementing remedy measures for any harmed consumers Continuously developing a 'Wellness Menu' with clear nutrition information and maintaining the highly recognized Healthier Choice Certification and Marketeer No.1 Brand Thailand award, to meet the growing demand for healthy food choices among consumers Educating employees and consumers on environmental issues Innovating new green products
24) Environmental Behavior Risk: The trend of consumers prioritizing both environmental solutions and healthcare simultaneously	<ul style="list-style-type: none"> The rising cost of packaging Educate employees and consumers about operational changes to achieve sustainability goals together and avoid communication errors 	<ul style="list-style-type: none"> The Company has clear policies and practices regarding environmental sustainability and social contribution, such as the use of eco-friendly packaging and reducing single-use plastics In the year 2022, the food waste reduction project achieved a reduction of 28.06% compared to the baseline year of 2018, equivalent to a decrease of 65.67 million Baht
25) Digital Risk Management: Effective management of data and digital technology is a crucial factor in helping businesses meet the needs of consumers, provided that the company has a process in place for collecting complete and accurate data	<ul style="list-style-type: none"> The lack of efficient product and service development that meets consumer demand Developing products and services that meet consumer demand can contribute to revenue growth and increase business competitiveness in the medium to long term 	<ul style="list-style-type: none"> Investing in an efficient Customer Relationship Management (CRM) system can improve customer satisfaction and retention rates Accurate and up-to-date data is essential for both financial and non-financial evaluations in the decision-making process. By utilizing data-driven information and trends from a system with proper screening and storage of information, businesses can make informed and effective decisions

Risk Factor	Business Impact	Risk Mitigation Plan
26) Unstable Raw Material Quality Risk: The main raw materials used in product manufacturing are agricultural products, livestock, and seafood. Factors such as weather conditions, seasonality, and operator expertise can affect the quality and quantity of these raw materials, making it difficult to predict in advance	<ul style="list-style-type: none"> Resulting in costs incurred from returning non-standard products Affecting consumers' perception of the quality of taste and texture that has changed 	<ul style="list-style-type: none"> Having a traceability process in place to check high-risk raw materials to ensure food safety Co-developing the quality of raw materials with suppliers to ensure safety for consumers Communicating with consumers to create confidence in the quality and raises awareness about the environmental impact on the ecosystem

2.2.2 Securities Holder Investment Risks

The Company and the Board of Directors are committed to treating all shareholders fairly and equally, while prioritizing the Company's and shareholders' interests. The Company has handled various risks with the utmost caution and conciseness. There may, however, be other risk factors that the Company is unaware of at this time, or a risk that is deemed insignificant. As a result, when investing in the Company's securities, investors should consider additional risk factors.

2.2.3 Risk Factors for Investing in Foreign Securities

The Company does not invest in foreign securities.

3. Sustainable Business Development

S&P celebrated its 50th year in business in 2022, with a focus on the selection of high-quality raw materials and the creation of high-quality products. It conducts business ethically in order to increase people's access to nutritious food and to take responsibility for the environment in order to preserve it for future generations. This aligns with the company's commitment and sustainability management objectives, so that coexistence begins with a **"Healthier Family, Happier World"**.

3.1 Sustainability Management Policies and Objectives

The Company operates under the corporate value of **"Quality, Value, Virtue"** by adhering to the principles of good operations, morality, and transparency in accordance with good governance principles. It focuses on enhancing the organization's potential in collaboration with all stakeholders. Its goal is to operate the business in line with the organization's main strategy, **"Creating goodness for Sustainability"**, to drive the economy while creating balanced growth for society and the environment.

The Company expressed its commitment and dedication to becoming a sustainable organization by establishing an "Office of Sustainable Development and Corporate Communication" in 2018 with **3P** sustainable strategies: **"Planet, People, Profit"** and "Let's work together to improve the world for everyone by building robust organizations". It aimed to generate strong growth within the organization and then pass it on to society and the environment, which is consistent with and operates in the same direction as the organization's main strategy. This framework provides a basis for all departments to collaborate and consider the positive and negative impacts on the environment **(E)**, society and human rights **(S)**, and economics and governance **(G)**, both directly and indirectly. By analyzing current and anticipated ESG issues, the company can be better equipped to proactively address them and work towards timely resolutions.

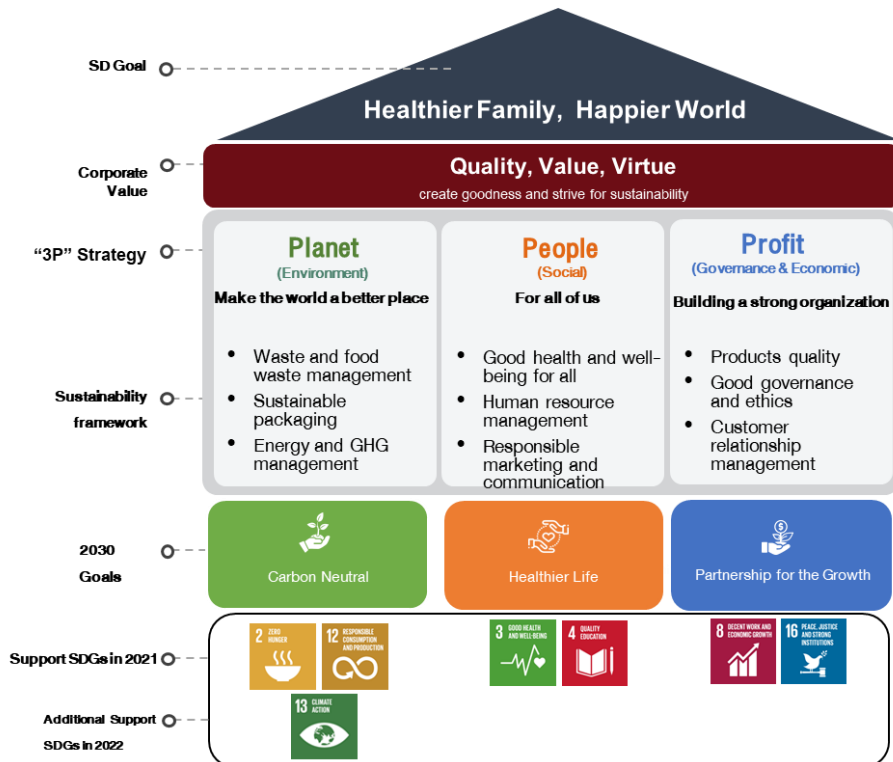
The Company has therefore established a **"Sustainable Development Policy"** as a good practice guideline for business operations, which is an important foundation for the company's development towards strong business growth and sustainable development.

Scan the QR code below to view S&P's sustainable development policy.

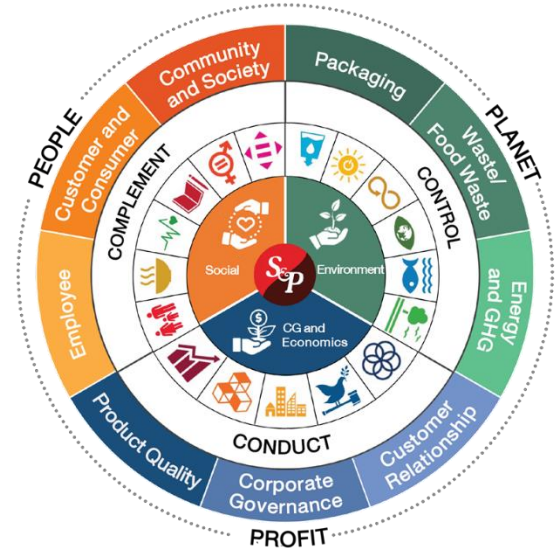
Sustainable Development
Policy



S&P Sustainability Strategies



Sustainability Framework



S&P's 3P Sustainability Strategies includes 3 main strategies and a framework for sustainability in control, collaboration, and conduct to help achieve the goals.



PLANET: Environment : Help to make the world a better place by controlling and maximizing the efficient use of natural resources and developing an environmental management system through innovation, seeking new technologies, measures, and methods of operation to improve environmental management efficiency, the aim is to minimize the environmental impact on the community and society. Specifically, the main concern for the food industry is reducing waste and surplus food, as well as making packaging more environmentally friendly. Additionally, the company sets targets for systematically evaluating greenhouse gas emissions to identify ways to reduce them.



























PEOPLE: People: For all of us : By complementing with the key stakeholder groups in business operations, namely employees, customers or consumers, and social groups or communities, we can achieve a high quality of life with a focus on food quality development, safety, and nutrition. The Company also promotes human rights compliance with all stakeholders throughout the value chain, as well as the development of people's competitive knowledge potential.



PROFIT: Economic/Governance : By building a strong organization with good governance in order to conduct business with integrity, fairness, transparency, and verifiability. It is committed to promoting anti-corruption initiatives in adherence to good corporate governance guidelines, such as complying with legal regulations and adhering to ethical business practices. Additionally, the Company places a strong emphasis on enhancing product quality and fostering customer relationships to better comprehend and fulfill their authentic requirements.

In this regard, the **3 P sustainability strategies** are based on good corporate governance and the promise of **"Healthier Family, Happier World"**. The ultimate goal is to create good health and well-being for consumers and society, while also balancing appropriate returns for the Company and all groups of stakeholders, and preserving natural resources and the environment by working in accordance with the Sustainable Development Goals (SDGs), with the following goals:

Sustainability management targets and performance in 2022 that are linked to and support 9 goals of the United Nations Sustainable Development Goals (UN SDGs).

Sustainability strategy	Activity	Result	Goal			UN SDGs ¹
		2022	2022	2025	2030	
Environment Planet:						
Sustainable Packaging	<ul style="list-style-type: none">Replace biodegradable, recyclable, or reusable packaging 100% (Finish products package)	94% reduce plastic 15 ton	100%	100%	100%	 
Waste and Bakery/Food Waste Management	<ul style="list-style-type: none">Reduce Surplus bakery 30% (234 million Baht in 2018 base year)	28.06% (168.33 million Baht)	30% (70.2 million Baht)	≤ 3% on revenue*	≤ 3% on revenue*	   
	<ul style="list-style-type: none">More collaboration on sustainable consumption (Managing bakery waste for societal benefits)	9% of surplus bakery value	8.5% of surplus bakery value	20.0% of surplus bakery value	30% of surplus bakery value	
	<ul style="list-style-type: none">Number of shops with waste sorting points by disposal type (460 branches in 2022 base year)	84% (389 branches 490,416 Kg.)	20% branches	40% branches	100% branches	
Energy Management & GHG Emission	<ul style="list-style-type: none">ISO 14001 environmental management system certification application (number of certified factories)	Project in progress	-	2 factory	4 factory	 
	<ul style="list-style-type: none">Greenhouse gas emissions (Scope 1 and 2), GHG emissions were 5,816 tons CO2e in 2019 base year	decrease 19.0%	decrease 10%	decrease 20%	Carbon Neutral	
Social People:						
People's Health and Well-being	<ul style="list-style-type: none">100 new Wellness Menus (with detailed nutritional information)	135 new Wellness Menu	100 new Wellness Menu	70 new Wellness Menu	100 new Wellness Menu	  
Human Capital Development	<ul style="list-style-type: none">Voluntary resignation ≤ 5 % (11% at 2019 base year)	10.79%	≤ 5%	-	-	  
	<ul style="list-style-type: none">Human capital return on investment increase by 20% (HCROI**) (3.08 at 2018 base year)	3.63 (+18%)	3.70 (+20%)	-	-	
Responsible Marketing	<ul style="list-style-type: none">Product traceability *** the number of products with traceability for food safety and ESG friendly	NA	NA	3 Product	10 Product	 
Governance & Economic Profit:						
Product Quality	<ul style="list-style-type: none">R&D for healthy, nutritious, and eco-friendly products both within and outside the company	2 project	≥1 project	≥ 3 project	≥5 project	  
	<ul style="list-style-type: none">All S&P restaurants pass QSC evaluation (requires a minimum standard of 85%)	78% of 389 branches	> 80% of branches	100% of branches	100% of branches	
Corporate Governance & Business Ethics	<ul style="list-style-type: none">Conducting surveys to monitor and measure the progress of corporate governance and operation by Thai Institute of Directors (IOD)	4 stars CGR score 80 - 89 points Very Good	4 stars CGR score 80 - 89 points Very Good	5 stars CGR score 90 - 100 points Excellence	5 stars CGR score 90 - 100 points Excellence	 
Customer Relationship Management	<ul style="list-style-type: none">CSAT - Customer Satisfaction Scores	76% of customer surveys, 2,140 people	>85%	>85%	>85%	  

Performance Report 2022: Achieved Performance Targets

Performance Report 2022: Performance is approaching target - 10%

Performance Report 2022: Performance did not meet the target. Improvements are required.

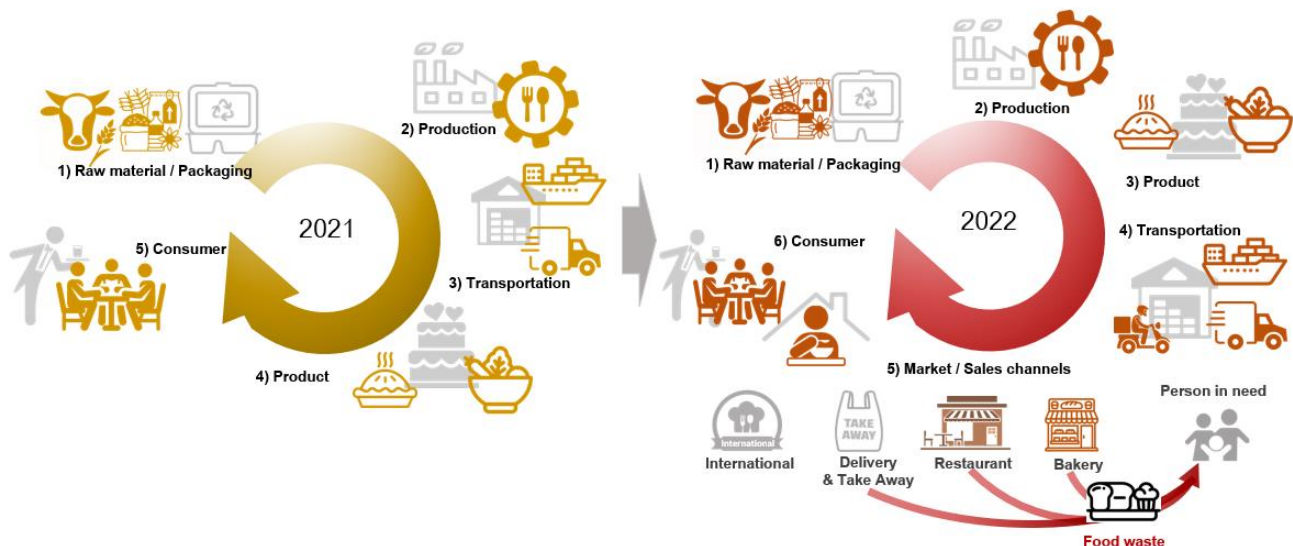
Symbol

In 2018, the Company established its first sustainable development goals in response to materiality topics and to support the five United Nations Sustainable Development Goals (UN SDGs). The goals have been adjusted and are being monitored in accordance with business and sustainability trends that are affected by both internal and external changes. In late 2021, the total number of sustainable development goals increased to seven with the addition of two new goals. In 2022, the Company successfully **achieved** five of these goals, is making **on-track** progress towards achieving one, and is in the process of **developing** another.

3.2 Stakeholder Impact Management in the Business Value Chain

The Company places importance on sustainable business development, not only within the organization but also throughout the business value chain. Therefore, the Company has established appropriate and effective management guidelines to manage the Company's impacts on stakeholders. This includes understanding stakeholders' expectations, assessing and analyzing high-risk issues, developing response guidelines, and integrating these into business operations in order to reduce the risk of both positive and negative impacts from business operations on the environment, society, and governance, including the impact on stakeholders in the Company's business value chain that may violate human rights.

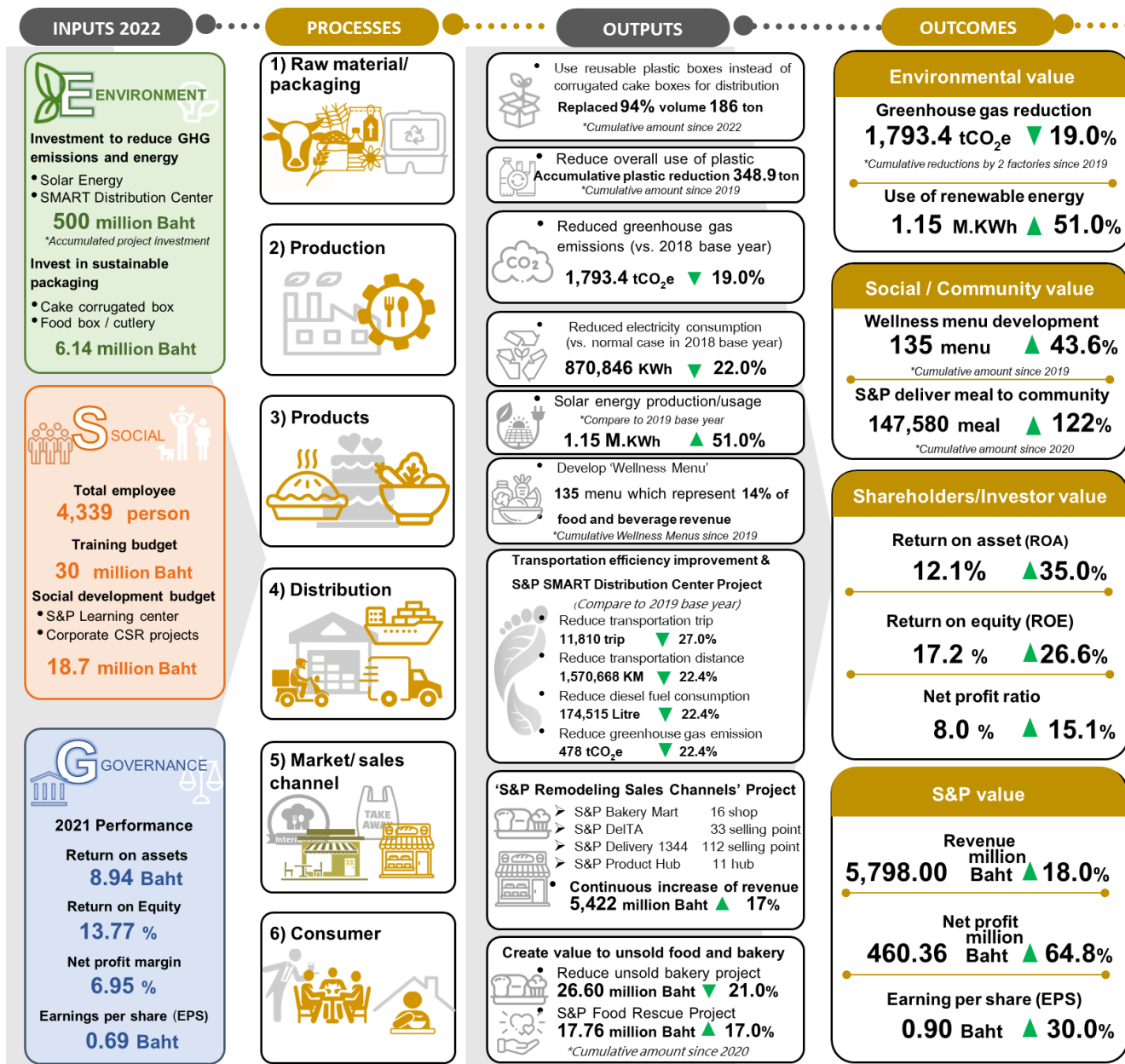
3.2.1 Business Value Chain



The S&P value chain encompasses all the processes required to provide high-quality goods and services to customers and consumers in the retail food, bakery, and beverage industries, from upstream to downstream. In 2022, the Company improved its activities and work processes to operate in situations affected by the COVID-19 pandemic, which has had a severe impact since 2019 and has become the 'New Normal' way of life for people today.

In response to changes in customer behavior and strict government standards during the COVID-19 pandemic, the Company adjusted its marketing and sales strategy at the end of 2021, with a greater focus on 'Take Away' and 'Delivery' services. This led to a decrease in the proportion of customers dining in the

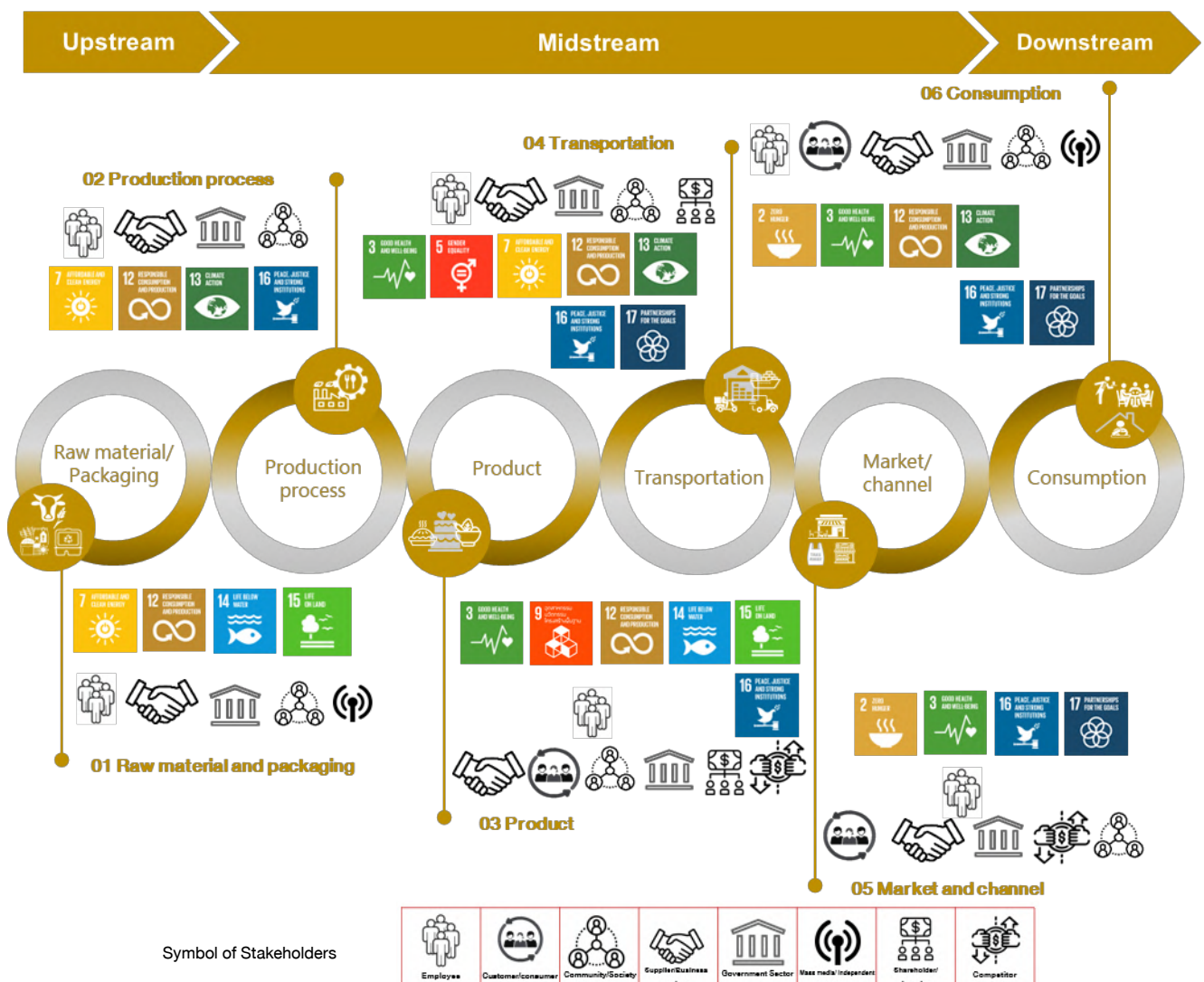
restaurant. Additionally, the Company established a bakery production center (Product Hub) to control production and product quality, as well as to reduce the workload of store employees and allow them to better serve customers. As a result, the Company was able to overcome the crisis and achieve consistent sales growth from the end of 2021 to the present.



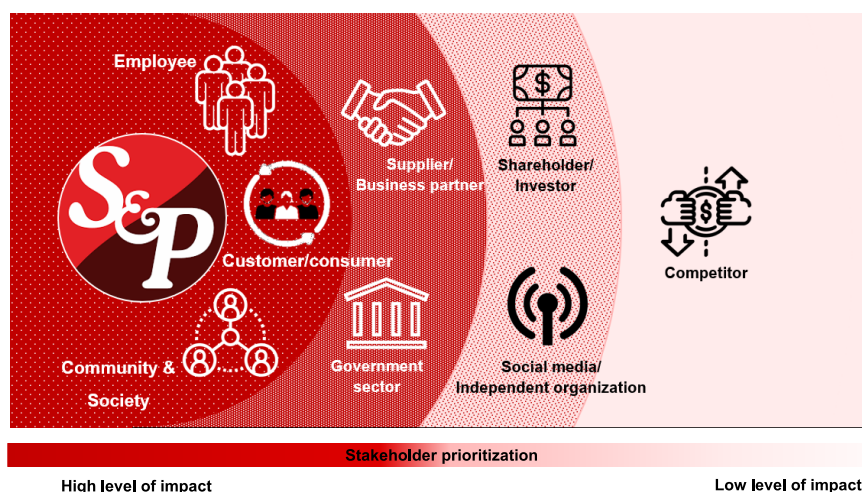
3.2.2 Stakeholder analysis in the business value chain

Stakeholders' participation is a vital process that enables continuous communication between a company and its stakeholders. This process provides valuable insights into stakeholders' expectations and needs, which can help the Company define key sustainability issues and develop a strategy to meet the needs of all stakeholder groups.

Through stakeholder engagement, the Company gains valuable insights into the impact of its business operations, both inward and outward, on the economy, environment, society, and human rights across its value chain. This process helps the Company continuously and effectively reduce negative impacts while increasing positive impacts. Stakeholders are assessed, prioritized, and engaged based on their level of impact from the Company's business operations as well as their level of influence or impact on the Company.



Stakeholder Prioritization




In 2022, the Company classified stakeholders into eight groups:


- o internal stakeholders: employees
- o external stakeholders: customers/consumers, communities/society, supplier/business partners, government agencies, shareholders/investors, social media/independent organizations, and, added in 2022, competitors.

From S&P's perspective, the term **"competitors"** refers to individuals, groups, or companies operating in the same or similar industries and engaging in competition through products, services, marketing, and production. **This stimulates the development of high-quality products**, increases diversity, and promotes the creation of new innovations, benefiting both producers and consumers.

Stakeholders' engagement and S&P's responses

Needs and Expectations	Engagement Method	Company's responses
 EMPLOYEE <ul style="list-style-type: none"> • Health and safety • Fair compensation, benefits, and employee engagement activities • Ethical performance evaluation • Good quality of life at work • Efficient communication throughout the organization • Reskilling, upskilling, and enhancing capabilities to adapt to business changes • Providing channels for complaints and feedback to the Company 	<ul style="list-style-type: none"> • Annual sustainability topics survey • Employee engagement activities • Management engagement activities with employees • Internal communication through email: list.snp.all@snpfood.com • Training programs for skill development • Complaint handling through telephone, E-mail: whistleblower@snpfood.com, and complaint box 	<ul style="list-style-type: none"> • Establishing a work environment that promotes a happy working place • Implementing an effective performance evaluation and monitoring system • Supporting professional development and growth within the Company • Developing appropriate training plans and promoting innovation to foster creativity • Organizing and promoting activities related to health and safety, such as promoting proper nutrition and exercise • Establishing a clear career growth structure within the organization

Needs and Expectations	Engagement Method	Company's responses
CUSTOMERS/CONSUMER		
<ul style="list-style-type: none"> • Foods and services quality • Raw materials / food sources • Impressive service that meets customers' needs • The ambience and cleanliness of the shops • Advertising / sales promotion activities • Reasonable prices • Product information • Business does not effect the environmental crisis 	<ul style="list-style-type: none"> • Annual sustainability topics survey • Customer satisfaction surveys via QR code on receipts • Online communication via S&P Card and S&P Delivery 1344 • Complaints received via in-store channels, Call Center 1344, email: crm@snpfood.com, FB/IG: S&P, and mail • Customer representative interviews • Special campaigns for S&P Card members 	<ul style="list-style-type: none"> • Recognize and understand customer needs to provide tailored products and services, including novel food and beverage offerings and menus • Provide nutrition facts on foods and beverages as supporting information for customers' purchasing decisions • Develop the service skills of store employees and front-end staff to create a good customer experience • Enhance complaint management channels to expedite resolution of product and service issues
COMMUNITY / SOCIETY		
<ul style="list-style-type: none"> • Community development around the Company/factory locations • Promoting local livelihoods and income • Respecting human rights • Considering the impact on the community and the environment • Social contribution on various occasions 	<ul style="list-style-type: none"> • Community and social activities • Community outreach • Receiving feedback and suggestions through communication channels such as phone and email at sd@snpfood.com 	<ul style="list-style-type: none"> • Conduct risk assessment to minimize impact on communities, society, and the environment • Strictly comply with the law • Communicate company information accurately, completely, and transparently
SUPPLIER / BUSINESS PARTNER		
<ul style="list-style-type: none"> • Food safety • Long-term business partnerships • Fair and transparent procurement and purchasing processes • Business partners development • Technology and innovation • Human rights and labor practices • Conducting business that has no negative impact on communities or the environment • Anti-corruption • Safeguarding business confidential information 	<ul style="list-style-type: none"> • Annual sustainability topics survey • Compliance with S&P's Code of Conduct for Suppliers • Annual site inspection • Annual on-site quality inspections of raw materials, particularly those with problems, in order to find ways to improve 	<ul style="list-style-type: none"> • Maintain product and service quality and develop new production and service capabilities to keep up with demand • Collaborate with business partners to develop their potential for mutual long-term growth • Conduct business with integrity, transparency, and fairness, and reject all forms of corruption in procurement • Establish communication channels to address and collaboratively resolve operational issues
GOVERNMENT AGENCY & AUTHORITY		
<ul style="list-style-type: none"> • Compliance with laws and regulations • Good corporate governance • Food quality and safety • Advertising / food labeling and consumer protection • Waste and pollution management • Carbon footprint for organization (CFO) • Environmental data disclosure 	<ul style="list-style-type: none"> • Annual sustainability topics surveys • Responding to policies and cooperation • Reporting quarterly progress to investors on "Opportunity Day" through the Stock Exchange of Thailand's channels • Meeting and coordinating as scheduled 	<ul style="list-style-type: none"> • Good organizations adhere strictly to laws and regulations • Developing efficient operations with minimal societal and environmental impact • Supporting collaborative projects to achieve United Nations' Sustainable Development Goals • Collaborating with government agencies in academic and public service activities

Needs and Expectations	Engagement Method	Company's responses
	<ul style="list-style-type: none"> Regularly attending meetings, seminars, and participating in government agency activities 	
 INVESTOR & SHAREHOLDER		
<ul style="list-style-type: none"> Enhancing business competitiveness and business direction Successful business performance and growth with good profits and dividends Effective corporate governance with transparency in business operations Efficient risk management and prevention strategies Ensuring that the organization has a positive reputation accepted by society and the public Qualifications of knowledgeable and suitable board members and executives Sustainable business development strategies 	<ul style="list-style-type: none"> Announcement of news through the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) office Annual sustainability topics survey Annual General Meeting of Shareholders (AGM) and reporting on various issues Sending news and information to shareholders through the Company's website, email irsnp@snpfood.com, or by phone at 0-2785-4000. 	<ul style="list-style-type: none"> Systematically manage organizational risks in investment decision-making and operations that cover environmental, social, economic, governance, and human rights aspects Ensure good governance, transparency, and anti-corruption measures in all forms Communicate business information accurately and transparently, both financial and non-financial Develop excellent new products and services to generate continuous revenue and profit growth
 INDEPENDENT ORGANIZATIONS, MASS MEDIA, AND ONLINE MEDIA INFLUENCERS		
<ul style="list-style-type: none"> An accurate and timely update on the organization's activities Products information and sales promotion programs Customer feedback and opinions on S&P brand 	<ul style="list-style-type: none"> Annual sustainability topics survey Contact via phone, website www.snpfood.com, E-mail: pr@snpfood.com, FB: S&P Press conference and press release Meeting with the media on various occasions, including Media anniversaries, New Year's festivals, Mooncake Festival, etc. 	<ul style="list-style-type: none"> Establish online communication channels to share accurate and timely information and facilitate media access Listen to feedback and suggestions from the public Raise public awareness and promote understanding in important sustainable development issues Collaborate to promote and drive various sustainable issues
 COMPETITOR		
<ul style="list-style-type: none"> Fair trade practices and in compliance with laws and regulations Conduct business with transparency Collaborate at the industry level to advance the country's development 	<ul style="list-style-type: none"> Joint meetings with the government sector on various collaborative efforts Networking at industry-related conferences and events 	<ul style="list-style-type: none"> Adhere to international competition regulations and support fair competition policies Refrain from making unfounded or unreliable accusations against competitors Collaborate in activities that bring benefits to both society and the country

3.3 Materiality Assessment

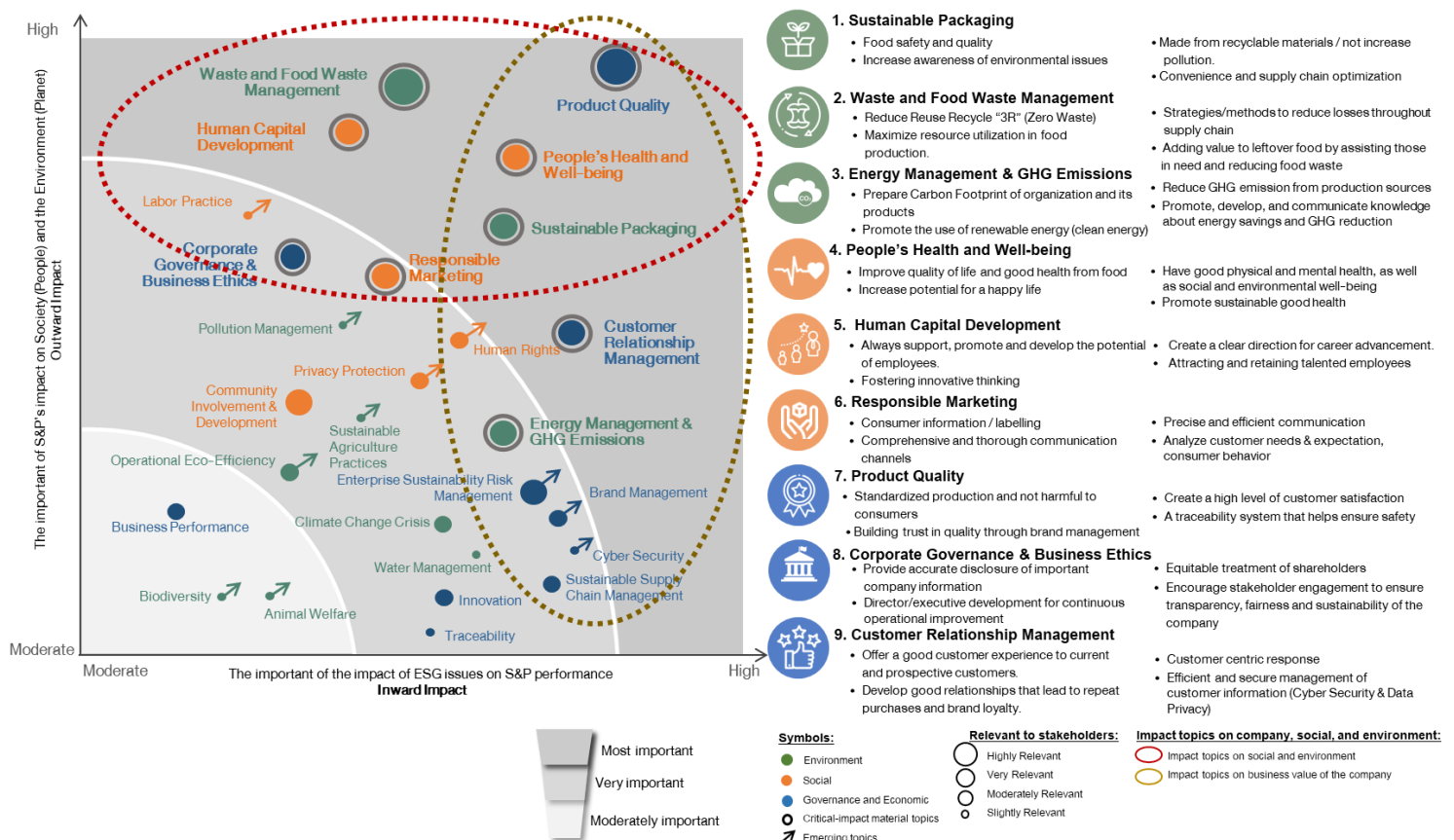
The Company has always been committed to improving its sustainable operations. In 2022, the Company changed its materiality determination methodology based on the Global Reporting Initiatives (GRI) Universal Standards 2021. The analysis was done to better understand the impact of the topics and to develop effective goals, indicators, and action plans for the Company's sustainable development.

The Company identified significant impacts and prepared a list of potentially relevant to ESG topics and then evaluated them from three perspectives:

- **Stakeholders Perspective:** topics that have the potential to impact the opinions and decisions of stakeholders in the business value chains, presented in the below picture by the size of their relevance, ranging from small to large
- **Outward Impact:** positive and negative impacts on the environment, people and society, including impacts on their human rights that result from the Company's business operations throughout the value chain
- **Inward Impact:** impacts that pose risks or opportunities to the Company's performance, operations, and organizational value, both present and future

The Company combined the results of those three perspectives to build our sustainability materiality matrix. In 2022, a total of 27 sustainability topics were identified, ranked, and prioritized based on their significance. The top 9 topics that we should focus on to have the greatest impact are listed below.

Sustainability Materiality Matrix



3.4 Managing Environmental Material Topics

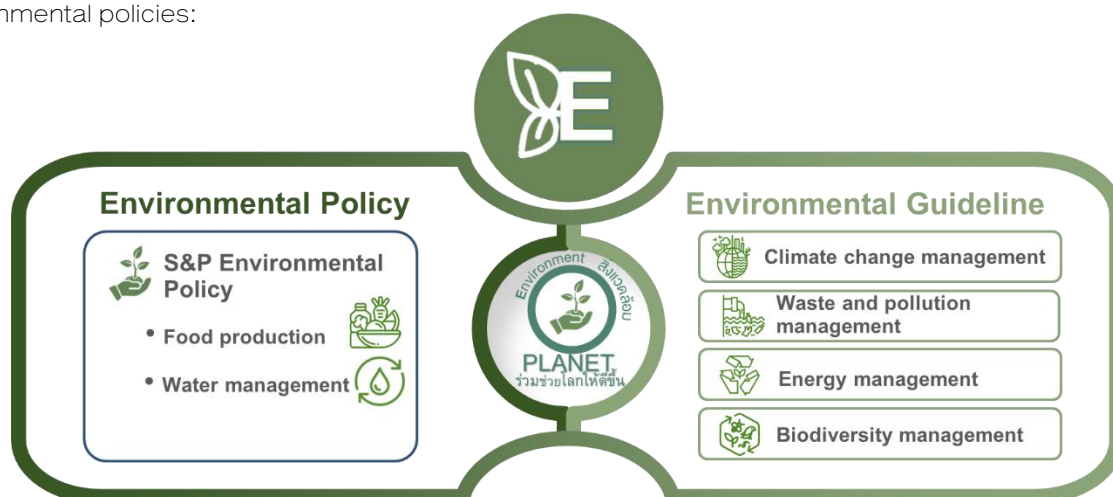
The Company is committed to driving business in accordance with the principles of **the Circular Economy**, emphasizing the efficient use of resources and maximizing benefits throughout the value chain. This includes researching and developing sustainable packaging design, sourcing quality raw materials with traceable origins, producing high-quality products, distributing them, managing logistics, and managing industrial waste. The Company also aids in environmental protection and the reduction of greenhouse gas emissions by promoting the implementation of internationally standardized management systems and adherence to Thailand's environmental regulations. Moreover, the Company encourages sustainable business practices among its partners, taking into account the economic, social, and environmental aspects.

The Company's environmental management practices are based on three main issues that impact business operations, including:

- sustainable packaging management
- waste and food waste management
- greenhouse gas management

3.4.1 Environmental Policies and Practices

The Company is committed to driving its business based on the principles of the Circular Economy, placing importance on the efficient use of resources and generating maximum benefits throughout the value chain to ensure that environmental operations are systematic, continuous, and achievable. The Company sets business policies in line with environmental regulations and standards and has announced the following environmental policies:








Environmental policies and guidelines can be viewed at
<https://www.snpfood.com/en/sustainability/sustainability-strategy>

This is to establish standards and guidelines for implementing good environmental practices, minimize the negative impact of operations on the environment, and reduce the impacts on stakeholders, which demonstrates the Company's commitment to support the United Nations' sustainable development. The Company sets targets and tracks progress towards development goals within a specified period, as follows.


3.4.2 Environmental Performance

For more information on material topics on environmental issues and pilot projects, please refer to the 2022 Sustainability Report.

Significant Environmental Issues	Management Approaches	Performance				Goals 2022
		2019	2020	2021	2022	
Sustainable Packaging  <div> SDGs  </div> <div> GRI 306 / 301 </div>	Switching all food packaging to biodegradable, recyclable, or reusable (100%)	-	94%	93%	94%	100%
	<ul style="list-style-type: none"> Total plastic consumptions (tonnes) 	1,603	827	1,669	1,774	
	<ul style="list-style-type: none"> Reduced volume of plastic usage (tonnes) 	82.0	117.0	41.8	8.1	-
	<ul style="list-style-type: none"> Accumulated reduction of plastic consumption (tonnes) 	182.0	299.0	340.8	348.9	
	Switching all corrugated paper boxes to reusable plastic crates for bakery transportation (100%)	-	-	-	186 tonnes	130 tonnes
Waste and surplus food management 	Reducing surplus bakery products (waste) from sales by 30% (234 million Baht at 2018 base year)	6.4% (219 million Baht)	14.9% (199 million Baht)	44.6% (129.6 million Baht)	28.1% (168.33 million Baht)	30.0% (163.8 million Baht)
	Utilize food waste from sales before dispose					
	- Amount of donated food waste (meals)	-	14,465	66,389	147,580	86,306
	- Value of donated food waste (million baht)	-	1.9	13.6	15.8	16.3
	- Proportion of Utilization (%)	-	0.9%	10.0%	9.4%	
	Amount of waste (tonnes) classified by the food factory's disposal methods					
	- Total waste (tonnes)	694.64	380.26	383.44	393.25	345.1
	- Waste disposal to landfills (tonnes)	131.0	48.8	55.0	48.65	46.8
	- Waste used as fertilizers (tonnes)	210.0	122.0	133.7	118.5	147.1
	- Waste used as animal feed (tonnes)	292.0	166.4	158.4	188.0	174.2
	- Waste disposed by other methods (tonnes)	61.64	43.06	36.34	38.1	32.7
<div> SDGs  </div> <div> GRI 306 </div>	Number of points of sale (Branches) that separate waste by disposal methods (460 branches at 2022 base year)	-	65 branches	66 branches	389 branches (-15%)	460 branches

Significant Environmental Issues	Management Approaches	Performance				Goals 2022
		2019	2020	2021	2022	
<div>Greenhouse gas Management</div> <div>(Bakery factories, Food factory and Head office)</div> <div></div>	Total amount of greenhouse gas emissions by the factories in 2019-2022 (Scope 1 and 2)					
	Total amount of greenhouse gas emissions by the bakery factories and the food factory (ton CO2e) (Scope 1 and 2)	5,816 ton CO2e (2 factories)	10,248 ton CO2e (3 factories)	12,249 ton CO2e (3 factories)	6,818 ton CO2e (Food factory on Mar, 2023)	9,223 ton CO2e
	Greenhouse gas emissions (Scope 1 and 2) per production unit	0.708460	0.964491	1.163867	1.588907 (Food factory on Mar, 2023)	1.08
	Total amount of greenhouse gas emissions reduction (Scope 1 and 2)			increase 21%	decrease -8%	decrease -10%
	Total amount of greenhouse gas emissions by Head office in 2019-2022 (Scope 1 and 2)					
	Total amount of greenhouse gas emissions by Head office (ton CO2e) (Scope 1 and 2)			382 ton CO2e	Processing by TGO (Mar,2023)	
	The amount of greenhouse gas emissions from fuel used for production only (Scope1)					
	Amount of greenhouse gas emissions from liquefied petroleum gas (LPG) (ton CO2e and ton of production)		841.7 ton CO2e	788.6 ton CO2e	874.8 ton CO2e	709.7 ton CO2e
			0.11	0.11	0.11	0.10
	Amount of greenhouse gas emissions from natural gas (ton CO2e and ton of production)		655.3 ton CO2e	714.3 ton CO2e	753.5 ton CO2e	642.9 ton CO2e
			0.17	0.17	0.18	0.15
	Amount of greenhouse gas emissions (Scope 1)	1,411.0 ton CO2e (2 factories)	4,688 ton CO2e (3 factories)	6,312 ton CO2e (3 factories)	4,865 ton CO2e (Food factory on Mar, 2023)	1,352.6 ton CO2e
	Amount of greenhouse gas emissions reduction (Scope 1) per production unit	0.171877	0.441211	0.619055	1.133768	0.4
	The amount of greenhouse gas emissions from electricity consumption (Scope2)					
	Amount of greenhouse gas emissions (Scope2) (4,405 ton CO2e at 2019 base year)	4,405 ton CO2e (2 factories)	5,560 ton CO2e (3 factories)	5,555 ton CO2e (3 factories)	1,953 ton CO2e (Food factory on Mar, 2023)	5,004 ton CO2e
	Amount of greenhouse gas emissions (Scope 2)	0.536583	0.523279	0.544811	0.455138	0.5
	Amount of greenhouse gas emissions reduction (scope 2) per production unit			increase 4%	decrease -7%	decrease -10%

SDGs



GRI 305






SDGs



GRI

305

Significant Environmental Issues	Management Approaches	Performance				Goals 2022
		2019	2020	2021	2022	
Management to increase eco-efficiency (Energy management) (Bakery factories, Food factory)	Electricity consumption (M KWh)	-	12.4	12.5	12.1	
	Electricity consumption per production unit (KWh/Ton of production)	-	1,091	1,120	1,007	1,008
	Reduction of electricity consumption per production unit (%)	-	-	+2.7%	-10.1%	-10.0%
	Amount of liquified petroleum gas (LPG) consumption (M KWh/Ton of production)		0.11	0.11	0.11	0.10
	Amount of natural gas consumption (NGV) (M KWh/Ton of production)		0.17	0.17	0.18	0.10
Management to increase eco-efficiency (Energy management) (Bakery Factory, Bangna-Trad)	• Amount of renewable energy (2019 base year)					
	- Solar-generated electricity (K Watt/year)	756,339	721,196	1,232,889	1,145,670	
	- Electricity cost savings from the use of renewable energy (million Baht)	3.02	2.88	4.93	5.18	
	- Ability to reduce greenhouse gas emissions (ton CO2e)	378.1	360.5	616.3	572.7	340.3
	• Transportation efficiency improvement and S&P SMART Distribution Center (2019 base year)					
	- Number of transport trips (trip)	43,808	40,759	34,818	31,998	35,046
	- Distance of transportation (million kilometers)	7.01	6.48	5.71	5.44	5.61
	- Diesel fuel consumption (liters)	778,925	720,158	634,744	604,410	623,140
	- Reduction in diesel fuel consumption	-	-7.5%	-18.5%	-22.4%	-20.0%
	- Greenhouse gas emissions (ton CO2e)	2,134	1,973	1,739	1,656	1,707
	- Ability to reduce greenhouse gas emissions (%)	-	-7.5%	-18.5%	-22.4%	-20%
	<div> <div>SDGs</div> <div> </div> <div>GRI 302 / 306</div> </div>					
Pollution management (Food Factory)	Amount of waste, hazardous waste, and pollutants by type:					
	- Hazardous waste (tonnes)	0.31	0.15	0.10	0.12	
	- Non-hazardous waste (tonnes)	502.00	288.40	292.10	306.50	
	- Recyclable waste (tonnes)	61.33	42.91	36.24	37.98	
	- Non-recyclable waste (tonnes)	131.00	48.8	55.00	48.65	
	<div> <div>SDGs</div> <div> </div> <div>GRI 306</div> </div>					

Significant Environmental Issues	Management Approaches	Performance				Goal 2022
		2019	2020	2021	2022	
Sustainable agriculture practices  SDGs GRI 416 / 308	Sustainable agricultural procurement practices prioritize the balance of ecosystem, high-quality, safe, and pesticide free products, and sufficient supply for farmers and consumers. Self-sufficiency and the importance of supporting local communities	√	√	√	√	√
Climate change  SDGs GRI 305	Assessment of risks from climate change and their potential impacts on business operations	-	-	-	√	√
	Targets, plans, and measures to mitigate the risks of climate change	-	-	-	√	√
Water management  SDGs GRI 303	Water consumption (cubic meter) at 2019 base year	184,613	143,523	138,093	146,926 20.4% reduction	147,690 20% reduction
	Water consumption per unit of production (cubic meter/ ton of production)	12.32	12.65	7.33	7.80 36.7% reduction	9.87 20% reduction
	Wastewater volume (cubic meter)	76,552	80,015	80,688	87,809	
	Reused treated wastewater volume (cubic meter) (Bakery factories 80%, Food factory 100%)	67,852	72,625	73,522	78,785	
	Reused treated wastewater ratio (%)	89%	91%	91%	90%	
Animal welfare  SDGs GRI 308	Guidelines for procuring meat products from suppliers who comply with animal welfare principles: - Create a good environment for farm animals - Use of antibiotics according to control standards	-	-	-	√	√
Biodiversity  SDGs GRI 304	Guidelines on biodiversity conservation cover the Company business process and supply chain	-	-	-	√	√

*Environmental activities***3.4.2.1) Sustainable Packaging**

Processes involved in the operations of food and beverage companies often result in plastic waste, especially in non-biodegradable or non-reusable packaging. Modern consumer behaviors, like food delivery and online shopping, have worsened plastic waste problems, as improper disposal methods such as incineration or landfill, has a negative impact on the environment. Hence, innovative management and plastic waste management processes must be prioritized and continuously developed in order to reduce pollution and impact on ecosystems and marine resources, which may have a far-reaching consequence.

Guidelines for Operations:

The Company operates sustainably based on the efficient use of valuable resources. Every department must operate using resources efficiently to maximize benefits according to the 5Rs principles:

Reuse: By designing packaging that can be used for further benefits and by using revolving containers for transportation.

Reduce: Reducing consumption by modifying packaging by downgauging the plastic as appropriate, as well as choosing alternative packaging materials that are biodegradable.

Recycle: Recycling is done by choosing to use recyclable plastic and improving the packaging to be a single type of plastic (mono material) or using other environmentally friendly materials for packing food and bakery items to enable the recycling process.

Refuse: Rejecting materials that are not environmentally friendly, such as Styrofoam, oxo-degradable plastics, refrigerants that destroy the environment, etc.

Renewable: The Company promotes the use of renewable resources by installing solar roofs at their bakery and food factory, reducing electricity consumption. It also prioritizes environmentally-friendly suppliers and partners who use renewable resources.

In addition, the Company has begun defining and implementing measures to achieve the goal of 100% recycling of plastic waste by the year 2027, according to the Pollution Control Department's draft action plan. Ministry of Natural Resources and Environment, as follows:

Measure 1: Reduce the use of plastics at the source

- Developing and using environmentally friendly packaging

Measure 2: Reduce and replace the use of plastic at the consumption stage

- Building customer engagement and reducing the use of single-use plastics

Measure 3: Reduce plastic waste after consumption

- Supporting the introduction of plastic waste into the recycling process to produce new items according to the principles of the circular economy

Environment Performance

1 "S&P eco-friendly packaging" project



- **Returnable Packaging:** replacing corrugate paper carton for pound cakes transportation (highest sales volume) with reusable plastic crate



• Returnable Packaging Reuse



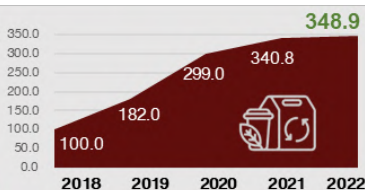
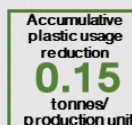
2 "S&P eco-friendly packaging" project



- **Aim toward eco-friendly packaging:** starting with **Reduce** – reducing single-use plastics and choosing compostable plastics that naturally decompose



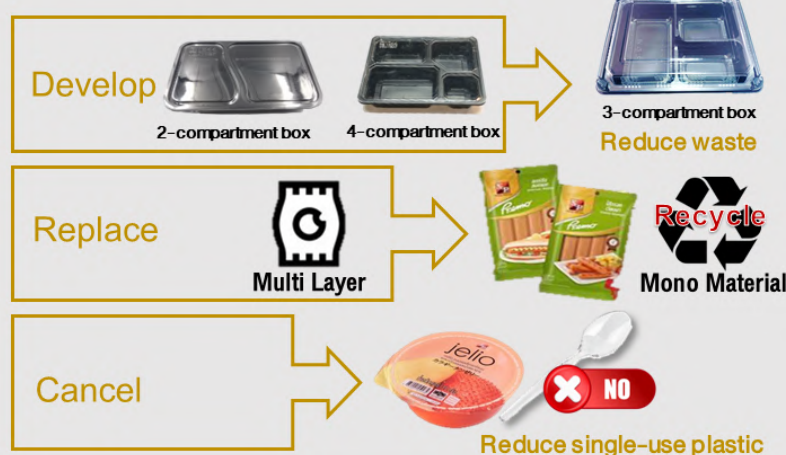
• Eco-friendly packaging Reduce



• Outstanding single-use plastics reduction projects



- 1) Project to develop food packaging by replacing 2-compartment and 4-compartment boxes with a 3-compartment design which helps plastic usage and waste reduction
- 2) Project to replace the jelly and sausage packaging with mono material which enabling recycle process
- 3) Project to cancel plastic spoons for jelly product in order to reduce single-use plastic



3 "S&P eco-friendly packaging" project



- Switching to biodegradable, recyclable, or reusable food packaging



• Recyclable food packaging Recycle



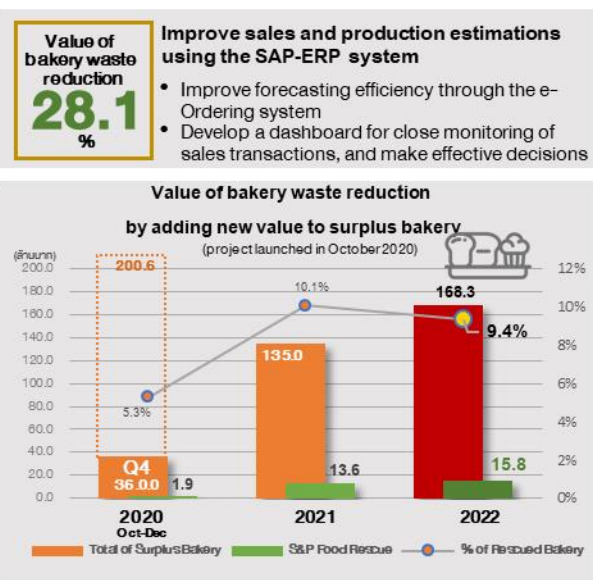
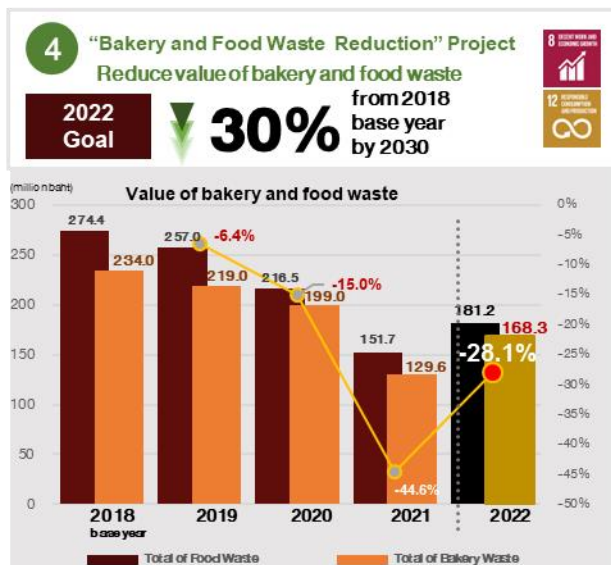
Need to develop plan for remaining 6%

Multi-Layer plastic packaging

Plastic sticker



3.4.2.2) Waste and food waste management

**S&P Food Rescue Project**

For the past three years, the Company has partnered with the Scholars of Sustenance Foundation (SOS) to implement the S&P Food Rescue Project. The project aims to distribute surplus food and bakery from sales to needy communities based on the foundation's allocation. The particular project involves collecting surplus bakery items of high quality that are suitable for consumption and in good condition. In 2022, the Company transported surplus bakery items from 39 locations, including shops in Bangkok, Prachuap Khiri Khan, Phuket, and Chiang Mai, to maximize the use of surplus bakery. This initiative helps minimize the environmental impact of greenhouse gas emissions while promoting good health, happiness, and vitality among the Thai community.

S&P x Yindii Project

S&P, in collaboration with the Yindii application, delivers surplus bakery from S&P stores by offering a random bakery set of Fresh Bake products or food that must be consumed within the day of purchase, with a value of 300 to 320 Baht for sale at a set price of 150 Baht. By offering discounted prices, the Company satisfies the demand of customers who prefer on-the-go consumption while maintaining affordability. The goal is to reduce the amount of food waste that would otherwise need to be disposed of by landfill, which leads to the release of methane or other greenhouse gases into the atmosphere. This is to reduce the impact of the problem of food waste and to protect the environment from the effects of global warming.

In 2022, the Company expanded its sales points to a total of 11 branches, with 911 sets of food sold. This project is considered to be one that effectively manages surplus food.

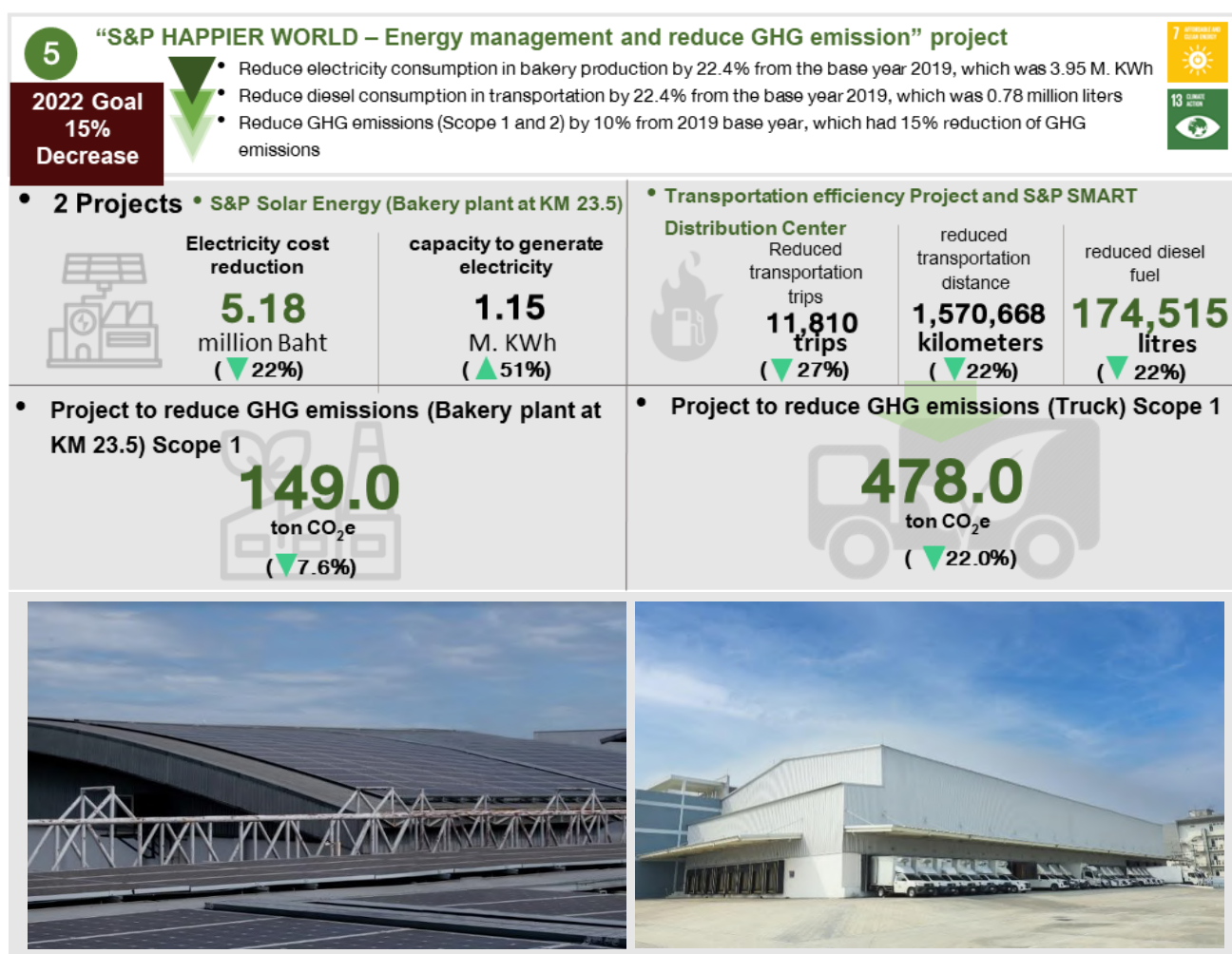


3.4.2.3) Management of Greenhouse Gas Emissions

The Company has made a pledge to consistently decrease adverse environmental impact, with a specific focus on management to reduce greenhouse gases emission into the atmosphere. As a result, the Company's board of directors has decided to allocate funds towards two projects:

- **“S&P Solar Roof Energy Saving Project”** at S&P Bakery Factory, Bangna-Trad Highway, Kilometers Post #23.5: Phase 3 and at S&P Food Factory Ladkrabang. (Currently in progress, expected to be completed in August 2023)

- **“Transportation efficiency Project and S&P SMART Distribution Center”** in 2022



- **“S&P Solar Roof Energy Saving Project” Phase 3 at S&P Bakery Factory, Bangna-Trad Highway, Kilometers Post #23.5: Phase 3 and at S&P Food Factory Ladkrabang**

In 2022, the Solar Roof project, comprising Phases 1 and 2, at S&P Bakery Factory, Bangna-Trad Highway, Kilometer Post #23.5, was set to reduce electricity consumption during the production of bakery and food products by utilizing clean energy. Not only will this help to reduce heat in the building, but it will also alleviate the load on air conditioning and refrigeration systems. By implementing the project, the Company can significantly reduce its carbon footprint by up to 572.7 ton CO₂e annually. This reduction is equivalent to planting around 47,727 trees per year.

“S&P Solar Roof Energy Saving Project” Phase 1-2	2019	2020	2021	2022
Electricity consumption (KWh)	3,946,790	3,438,688	2,750,000	3,075,944
Energy reduction (%)		-13%	-30%	-22%
Electricity cost reduction (million Baht)	3.02	2.88	4.93	5.18
Electricity production capacity (KW/Year)	756,339.00	721,195.75	1,232,889.00	1,145,670
Electricity production capacity (%)		-5%	63%	52%
Carbon footprint reduction capacity (ton CO ₂ e)	378.1	360.5	616.3	572.7
Equivalent to planting trees (trees)	31,508	30,041	51,358	47,727



• **“Transportation efficiency Project and S&P SMART Distribution Center” in 2022**

The Company invests in the construction of the "S&P SMART Distribution Center" in 2021 which is operate continuously to be the Company's center for planning, managing warehouses, and transportation, increase work efficiency, reduce redundancy, and support the Company's future growth. In addition, the Company reduces transportation costs and maximizes resource utilization by replacing temperature-controlled trucks with 10°C trucks and establishing a logistics planning and transport management system for planning and distributing goods. This not only helps maintain product quality but also provides faster and more continuous delivery from the factory to the destination, thereby enhancing the satisfaction of business partners.

Additionally, the Company has a dedication to reducing greenhouse gas emissions by enhancing transportation efficiency, decreasing the reliance on fossil fuels, and minimizing any negative environmental effects. It also plans to install solar roofs in the upcoming year to conserve electricity and further mitigate the effects of global warming.



Transportation efficiency Project and S&P SMART Distribution Center	2019	2020	2021	2022
Number of transportation trips (trip)	43,808	40,759	34,818	31,998
Transport distance (km)	7,010,328	6,481,420	5,712,669	5,439,660
Diesel fuel consumption (litre)	778,925	720,158	634,744	604,410
Reducing Greenhouse gas emissions (tons CO2e)	2,134	1,973	1,739	1,656

3.5 Managing Social Material Topics

The Company is committed to providing the best products and creating the highest level of customer satisfaction and experience in terms of taste, service, and good health. The Company consistently conducts research and development to create healthy, nutritious, and delicious menus for customers that cater to every family member. It also provides high-quality and safe cakes and pastries without trans fats to bring genuine happiness to consumers and spread warmth in Thai families and society for all occasions.

The Company is committed to sustainable value chain management from upstream to downstream by selecting partners who comply with the Company's S&P Code of Conduct for Suppliers. The suppliers must conduct business legally, with ethics, transparency and reliability, as well as comply with human rights principles and social and environmental responsibilities. This approach aims to ensure sustainable business growth based on an ecological system in the long term. The Company is also committed to selecting safe raw materials directly from local farmers which can be traced back, exchanging knowledge and experience with communities, and supporting the creation of jobs and income for local people in the long term to improve the quality of life in Thai society.

In addition, the Company also believes that the key factor for success and driving continuous growth of the business for almost 50 years is "personnel". With the vision of management, who are aware that personnel in the Company, regardless of their location, are important assets that must be developed to their highest potential, the Company prioritizes employees' knowledge and skill development in customer service by effectively linking learning to application. Each individual's potential is drawn out to make progress in their job responsibilities, leading to appropriate income as well as creating pride and value in themselves, which is a way of fulfilling people's happiness in society.

The Company also operates in the social realm by establishing practices that are based on three main issues that impact business operations:

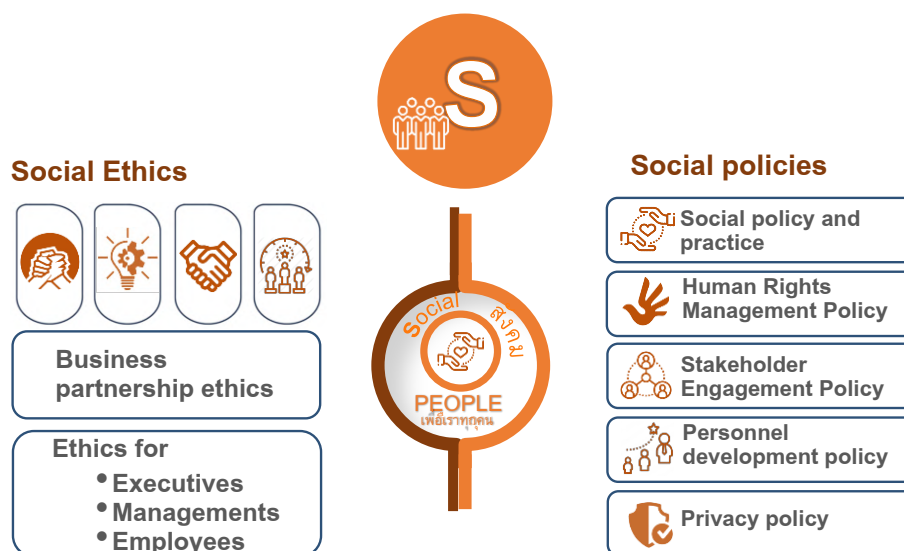
- Well-being and good living conditions for everyone
- Employee development
- Responsible marketing and communication

3.5.1 Social policies and business practices

The Company drives social operations in accordance with its commitment and sustainable management goals of **"Healthier Family Happier World"**. Recognizing that its business operations may affect stakeholders to varying degrees along the value chain, it therefore establishes **social and human rights management policies and practices** to ensure transparency, efficiency, and consideration for all groups involved in every activity. Thus, the Company evaluates and reviews the impact of its business operations to ensure no violation of human rights.

In addition, the Company strives to enhance the local economy by generating employment opportunities and supporting livelihoods for the community while concurrently promoting social and environmental progress to enhance the quality of life, with a focus on community health and pollution prevention. In the absence of gaining trust from affected groups or encountering societal opposition, the Company's future business operations and performance may suffer. As a result, the Company establishes operational guidelines that aim to address, prevent, or mitigate the severity of any potential impacts.







The diagram below illustrates the connection between social policies and ethics, and the equitable and appropriate treatment of all stakeholders throughout the value chain, in compliance with international human rights principles.







Visit <https://www.snpfood.com/en/sustainability/sustainability-strategy> to find the Company's social policies and ethical guidelines.

The Company is committed to promoting sustainable development and creating standards and guidelines for good operations to reduce negative social impacts and minimize their effects on stakeholders in line with the United Nations Sustainable Development Goals. The Company therefore establishes objectives and provides an update on progress made during the defined timeframe, as shown below.

3.5.2 Social Performance

Significant Social Issues	Management Approaches	Performance				Goals 2022
		2019	2020	2021	2022	
Health and well-being for all  SDGs  GRI 403 / 416	100 new healthy menus (with nutritional facts label)	35 menu	2 menu	94 menu	135 menu	100 menu
	Assessing the potential risks of ingredients and products that could affect consumers' health and safety	√	√	√	√	√
	Number of incidents or complaints about health or safety associated with product consumption	14	4	4	1	Zero complaints
Human resource development  SDGs  GRI 404	The human capital return on investment (HCROI) has increased by 20% (compared to 3.08 in the 2018 base year)	3.04 (-1.3%)	3.02 (-2.0%)	3.31 (+7.5%)	3.63 (+17.9%)	3.70 (+20%)
	Human resource development cost (million Baht)	52 million Baht	32 million Baht	30 million Baht	30 million Baht	
	Average training cost (Baht/person/year)	3,072	4,036	3,238	3,555	
	Average employee's training hour (hours/person/year)					
	• Female	27	20	19	15	
	• Male	21	17	16	13	
	• Total	26	19	18	14	
	Average training hours by employee level (hours/person/year)					
	• Executives	44	78	85	79	
	• Managements	29	32	45	42	
	• Employees	24	14	14	12	
Responsible marketing and communication  SDGs  GRI 416 / 417	Product Traceability Showing the number of traceable products which helps build food safety confidence for both producers and consumers	Start the report in 2023				
	Percentage of products with nutrition facts labels	87%	88%	92%	94%	100%
	Overall customer satisfaction survey results	87%	81%	84%	84%	85%
	Customer satisfaction survey results at the restaurant	87%	81%	84%	76%	85%
	Customer satisfaction survey results for delivery service	NA	NA	NA	92%	85%

114

Significant Social Issues	Management Approaches	Performance				Goals 2022
		2019	2020	2021	2022	
Human rights	Incidents or complaints on rights, inequality, and unfair labor practices with remedies	0	0	0	0	None
Privacy protection	Number of Cyber Threats	0	0	0	0	Zero
SDGs GRI 418 	Complaints Regarding Data Insecurity	0	0	0	0	Zero
Community Participation and Development	Number of volunteer (person)	99	11	21	87	
	Community engagement hours (hour)	1,256	267	285	686	
	Administrative expenses (million Baht)	NA	2.58	1.03	11.71	
	Donation expenses (million Baht)	2.97	2.34	3.9	6.95	
	Results of the community-company income distribution project Increase in Income per Household (million Baht)	43.25	27.92	34.43	34.22	
	Organizations/companies/partners involved in community development (organizations)	2	7	9	7	
	People in the community benefitted from the development (person)	NA	NA	NA	NA	
SDGs   	Community-related environmental and human rights incidents or complaints (incidents)	0	0	0	0	Zero
GRI 417 / 413						

Social activities

3.5.2.1) Well-being and quality of life for everyone

S&P wellness menu 2022 project: Promote good health with nutritious, popular, and delicious combo menus.

At the end of 2021, the Company signed a memorandum of understanding with the Faculty of Public Health at Mahidol University to collaborate on promoting good health in society. The partnership aims to promote community well-being through the development and dissemination of knowledge, innovative healthy menus, and nutritious products in line with sustainable living principles.

As part of its "S&P Wellness Menu Delicious and Healthy for Body and Mind" project, the Company has handpicked over 40 nutritious dishes and beverages that are high in protein, fiber, vitamins, and free of preservatives. These healthy food and drink options have been carefully selected to ensure complete nutrition, low fat and cholesterol content, and great taste. Popular menu items include:

- **Grilled salmon salad:** High in protein, low in cholesterol and a source of omega-3, vitamin E, and antioxidants
- **Quinoa Rice - Stir Fried Spicy Minced Pork - Fresh Vegetable:** High in protein, It is a source of dietary fiber and vitamin A, and antioxidants from fresh vegetables
- **Seabass Yellow Curry with Young Coconut Shoot:** High in protein, high in fiber, a source of omega-3, and antioxidants from curry paste
- Traditional Thai snacks such as **Savoury Fish Flakes - Watermelon:** High in protein, low in fat, a source of fiber and vitamin A
- **BlueCup** under the S&P brand, such as hot cappuccino: Rich in antioxidants, helps slow down cell aging, equivalent to consuming 270g of fresh strawberries
- In addition, 9 other BlueCup beverages have been certified with the nutritional symbol for health alternatives, including Americano, Espresso, Cold Brew Coffee, Jasmine and Hot Mountain Tea, Caramelized Mint Hot Cocoa, Cranberry Apple Hot Tea, and Cold Brew Cranberry Apple Tea, and Hot Organic Oolong Cold Brew Tea

1 'S&P HAPPIER FAMILY' project: well-being and good living for everyone

The happiness of the family begins with everyone having good health at S&P

2022 Goal  **100** Wellness Menu provides detailed nutritional information

2  **3** 

Wellness Menu

135 menu

In collaboration with the Faculty of Public Health at Mahidol University

- To develop and disseminate knowledge, and to offer innovative, healthy menus
- To develop nutritious products to promote community well-being



3.5.2.2) Human resource development



• Delivery excellence training program

To enhance the capabilities of the employees and equip them with the necessary skills to provide delivery services, the Company has organized the "Delivery Excellence" training program. This program aims to ensure that their employees are capable of providing impressive customer service by delivering complete and timely orders in excellent condition, with safety and efficiency being a top priority.

• Skill development in the workplace training program

The Company places a strong emphasis on developing its employees' theoretical and practical skills in the kitchen and beverage sectors. This includes providing training on new menus, specialty dishes, and beverages, among others, to ensure that employees are highly skilled and precise in their work. In addition to the ongoing training in basic courses, we also offer training in new menus and specialty dishes for various festivals, all aimed at ensuring that S&P provides its customers with delicious, hygienic, and high-quality food with confidence.

• S&P Learning Center

Recognizing the importance of investing in their employees, S&P's top management has implemented policies and initiatives to establish on-site educational institutions known as "Learning Centers" in accordance with the National Education Act of 1999, approved by the Office of the Education Council. The S&P Learning Center opened in the academic year 2007 with two vocational certificate courses:

1. Vocational Certificate in Commerce, Retail Business Major
2. Vocational Certificate in Home Economics, Food and Nutrition Major

The aim of establishing the S&P Learning Center within the workplace is to provide educational opportunities to both disadvantaged youth and employees, with the goal of developing human resources and producing competent professionals in specific fields that match the needs of the food and service industry. This initiative also aims to reduce educational disparities.



2 **“Personnel Development” Project** The personnel is the most valuable asset of an organization, as they have the ability to enhance their skills, knowledge, and abilities, which in turn increases work efficiency

2022 Goal **20%** Human Capital Return on Investment (HCROI**) (2018 base year was 3.08)

4 QUALITY INCREASE
8 INCREASE IN REVENUE AND ECONOMIC GROWTH

HCROI increase
18%
HCROI = 3.63

- Delivery excellence training program
- Skill development in the workplace training program

• Employee development

Key training programs	Number of attendees (persons)	Benefit to the company and employees
1) Delivery excellence training program	34	The delivery channel generates sales of an average 837.43 million baht per year
2) Skill development in the workplace training program	2,213	Company: Develop new menus, special dishes, special drinks Employees: Skilled and accurate in practical operations



3 “S&P Learning Center”

The company aims to enhance education opportunities for disadvantaged youth, providing them with opportunities to learn and work with S&P

2022 Goal **30%** of graduates work with S&P

Graduates work at S&P

34.5%

- The number of students was 1,260
- The number of graduates was 539
- The number of graduates who were employed by S&P was 186

• Vocational Development Programs



3.5.2.3) Responsible marketing and communications



In addition to offering delicious food made from high-quality ingredients, the Company also uses online infographics to communicate important information to consumers about their menu offerings. This helps create awareness and build confidence in the S&P brand. The infographics highlight key details and benefits of each dish, making it easier for consumers to choose to enjoy the S&P Wellness Menu by looking for the symbol on the menu.

S&P Wellness Menu

อร่อย ดีต่อกาย สายตาดีใจ

S&P ขอแนะนำปริมาณอาหารที่ร่างกายควรได้รับใน 1 วัน

ช่วงอายุ	พลังงาน (กิโลแคลอรี)	ไขมัน (กรัม)	โปรตีน (กรัม)	ใยอาหาร (กรัม)
เด็ก 6-13 ปี	1,600	8	4	6
วัยรุ่น 14-19 ปี	2,000	10	5	9
ผู้ใหญ่ 20-39 ปี	2,400	12	6	12

โปรดดู: คอลัมน์พลังงานอาหารจากโภชนาการที่ดีต่อสุขภาพ สายตาดีใจ ไม่เกิน 1 ใน 3 ของพลังงานที่ควรได้รับในแต่ละวัน

ลดหวาน | ลดมัน | ลดเค็ม

เพื่อบริโภคเพื่อสุขภาพที่ดีอย่างยั่งยืน

S&P Wellness Menu

อร่อย ดีต่อกาย สายตาดีใจ

เครื่องดื่มร้อน 26.65 บาท

เครื่องดื่มเย็น 143.29 บาท

กาแฟสด 26.65 บาท

กาแฟสด 26.65 บาท

กาแฟสด 26.65 บาท

S&P Wellness Menu

อร่อย ดีต่อกาย สายตาดีใจ

สลัดทูน่า 391.10 บาท

สลัดทูน่า 210.83 บาท

สลัดทูน่า 210.83 บาท

S&P Wellness Menu

อร่อย ดีต่อกาย สายตาดีใจ

สลัดทูน่า 387.56 บาท

สลัดทูน่า 298.19 บาท

สลัดทูน่า 298.19 บาท

4. Management Discussion and Analysis: MD&A



Executive Summary

Unit : million Baht

Highlight	3M		Better or (Worse)	FY		Better or (Worse)
	4Q21	4Q22		FY21	FY22	
Revenue	1,417	1,579	162	4,817	5,712	895
Cost of Sales	(619)	(706)	(87)	(2,163)	(2,526)	(363)
Gross Profit	798	873	75	2,654	3,186	532
Gross Profit Margin (%)	56.3%	55.3%	(1.0%)	55.1%	55.8%	0.7%
Selling Expenses and Administrative expenses	(643)	(715)	(72)	(2,299)	(2,659)	(360)
Net Profit – Owners of the parent	122	133	11	340	460	120
Net Profit Margin (%)	8.6%	8.4%	(0.2%)	7.1%	8.1%	1.0%

3M

▶ **4Q22 Net Profit was 133mb, +11mb YoY** mainly driven by the top line, less-but-more promotions, and continuous controls over costs and expenses. Sales significantly increased in Dine-in and Delivery channels with continuous growth on Take-Away.

▶ **4Q22 %Gross Profit was -1.0% YoY** mainly driven by the net impact from raw materials costs increase offset with the lean production and increased productivity at Factories.

▶ **4Q22 Revenue was 1,579mb, +162mb or +11% YoY** mainly came from strong growth in Domestic Restaurant Business +12%, International Restaurant Business +19% and Retail and Food Service +6%

▶ **Dine-in Sales +53% YoY** mainly came from stores in Shopping Mall and Hypermarket

▶ **Take-Away Sales +7% YoY** mainly came from the resumed traffic in all locations especially from stores in Hypermarket

▶ **Delivery Sales +10% YoY** from cake & bakery, festive products, food NPDs, snack boxes, and corporate accounts via stronger alliance with key strategic food aggregators.

FY

▶ **FY22 Net Profit was 460mb, +120mb YoY** mainly came from 1) Sales growth in all channels thru festive products, NPDs, snack boxes, and Corporate sales and Retail & Food Service segment, 2) Turnaround sales from both domestic and international business, 3) Successfully control discount thru “less-but-more” promotion campaigns, 4) alternative sourcing and ingredients, and 5) Keep up the momentum of cost controls and productivity, offset with forex loss impact YoY

▶ **FY22 %Gross Profit was +0.7% YoY** mainly came from less-but-more promotions and campaign design which caused lower %discount, menu redesign, raw materials stock-up and sourcing, the lean production control.

▶ **FY22 Revenue was 5,712mb, +895mb or +19% YoY** due to Dine-in Sales recovery and continuous growth in Delivery Sales for both Domestic and International stores.

▶ **Dine-in Sales +77% YoY** mainly came from the resumed traffic in all locations especially from stores in Shopping Mall and Hypermarket.






▶ **Take-Away Sales +9% YoY** mainly came from the NPDs and festive products sales.

▶ **Delivery Sales +24% YoY** mainly came from cake & bakery, snack boxes, festive products, food NPDs and corporate accounts via stronger alliance with key strategic food aggregators

2022 Key Achievements

- 1 Grow Sales in all channels thru festive products, NPDs, snack boxes, and Corporate sales and Retail & Food Service segment / Turnaround sales from both domestic and international business
- 2 Successfully control discount thru “less-but-more” promotion campaigns design
- 3 Mitigate the impact on raw materials and packaging costs increase
- 4 Go Lean on manufacturing costs by controlling labor productivity and reducing overhead costs
- 5 Keep up the momentum of cost controls and productivity

Number of Stores

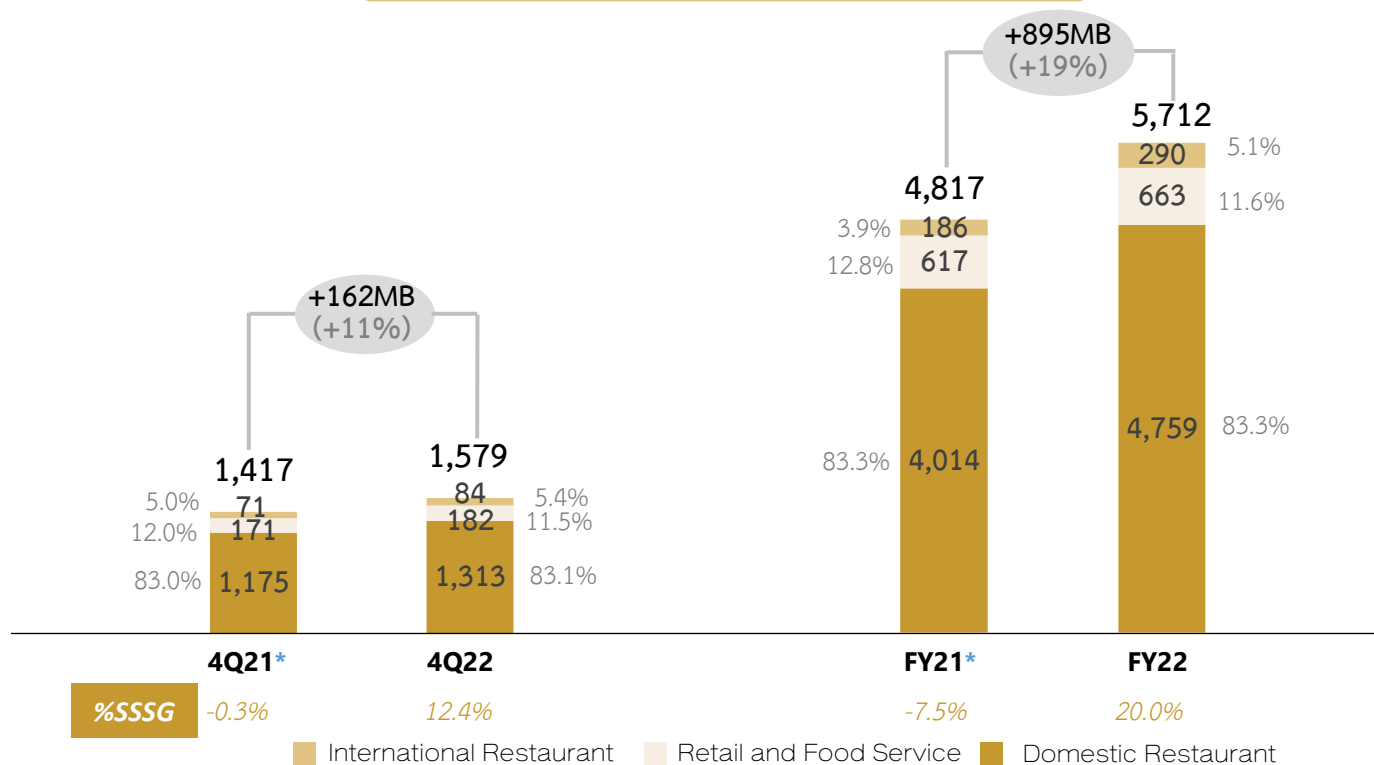
Brand (As of December 31, 2022)	Total Stores	Thailand		International	
		Equity	Franchise	Equity	JV
 S&P Restaurant	138	132	1	5	–
 S&P Bakery Shop	279	277	2	–	–
 S&P DeITA	33	33	–	–	–
 PATIO	1	1	–	–	–
 Patara	8	1	–	3	4
 nais SNP Cake Studio	1	1	–	–	–
 Maisen	11	11	–	–	–
 Umenohana	2	2	–	–	–
Total	473	458	3	8	4



Revenue

Unit : million Baht

Total Group



3M

FY

4Q22 Revenue was 1,579MB, +162MB or +11% YoY mainly came from strong growth in Domestic Restaurant Business +12%, International Restaurant Business +19% and Retail and Food Service +6%

🎯 **Domestic Stores** : +138MB or +12% YoY mainly came from the strong growth in Dine-in and Delivery sales with continuous growth on Take-Away. Key contributors are stores in Shopping Mall and Hypermarket.

🎯 **Retail and Food Service** : +11MB or +6% YoY mainly came from Cookies during New year festival.

🎯 **International Stores** : +13MB or +19% YoY came from Cambodia and UK stores.

FY22 Revenue was 5,712MB, +895MB or +19% YoY due to Dine-in Sales recovery, Take-away Sales growth and continuous growth in Delivery Sales for both Domestic and International stores

🎯 **Domestic Stores** : +745MB or +18% YoY mainly came from the strong growth in Dine-in, Take-Away, and Delivery channels. Key contributors are stores in Shopping mall, Hypermarket, Airport, and Hospital.

🎯 **Retail and Food Service** : +46MB or +8% YoY mainly came from OEM food service for Food Chain accounts. Mooncake and Cookies were the key festive products.

🎯 **International Stores** : +104MB or +56% YoY mainly came from stores in Cambodia and UK.

* Y2021 : Reclassified Store utility expenses from COGS to Selling expenses.

Domestic Revenue Mix



3M

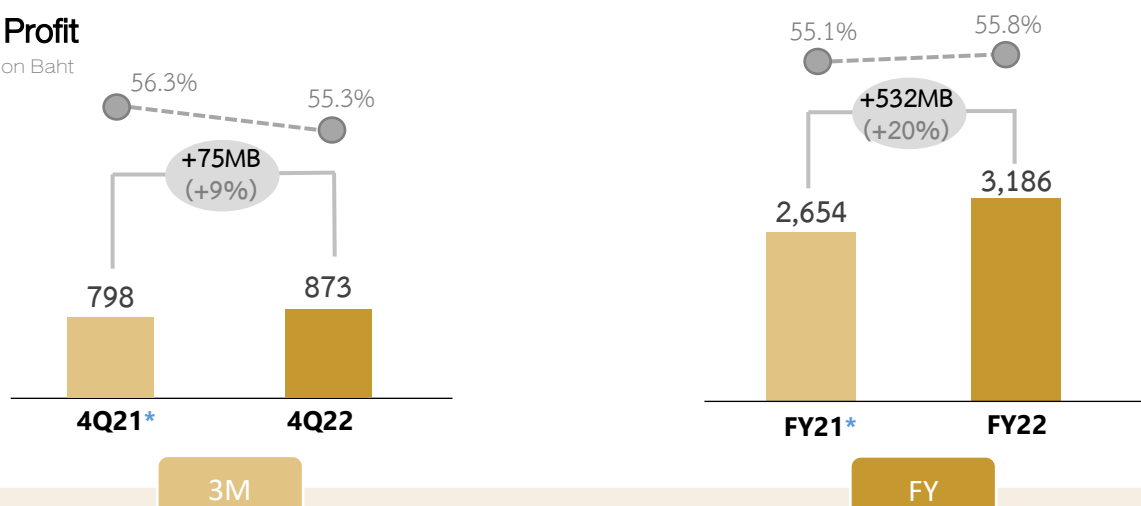
FY

- Dine-in : 3M Revenue +53% YoY and FY Revenue +77% YoY** mainly came from stores in Shopping Mall, Hypermarket and Airport due to situation of COVID-19 back to normal. Both 3M and FY Number of bills significantly increased with higher averaged spending per bill.
- Delivery : 3M Revenue +10% YoY and FY Revenue +24% YoY** mainly came from snack boxes (+70% vs LY), the festive products, food NPDs and corporate accounts via stronger alliance with key strategic food aggregators with attractive campaign and promotions help to increase delivery sales
- Take-Away : 3M Revenue +7% YoY and FY Revenue +9% YoY** mainly came from the resumed traffic in all locations especially from Hypermarket stores. Revenue was mainly driven by the NPDs and festive products.



Gross Profit

Unit : million Baht



4Q22 %Gross Profit was -1.0% YoY mainly driven by the net impact from raw materials costs increase offset with the lean production and increased productivity at Factories.

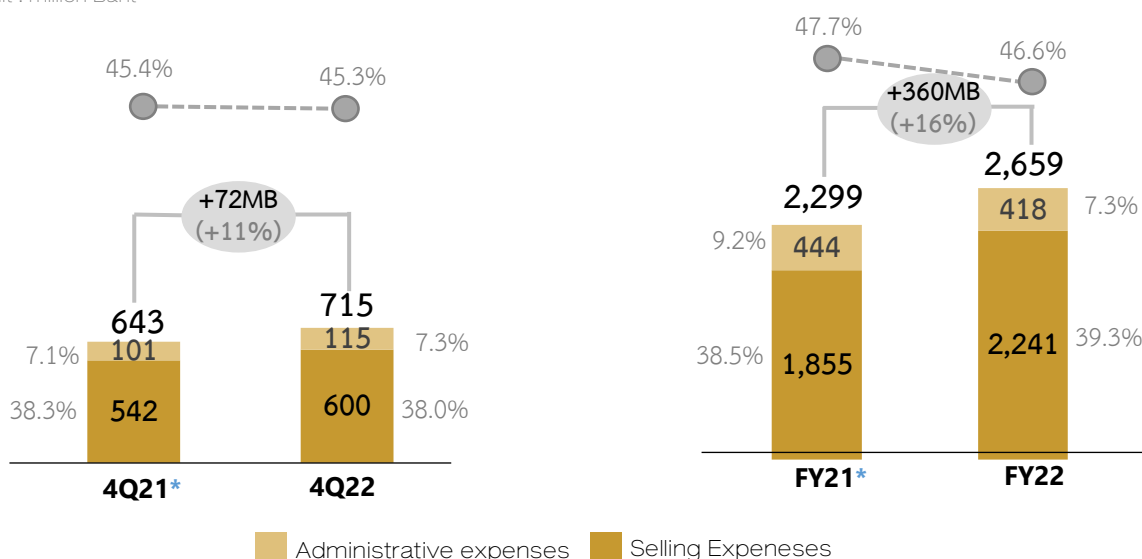
FY22 %Gross Profit was +0.7% YoY despite of the increase in raw materials and packaging, mainly driven by 1) segmented less-but-more promotions and campaigns design to better fit consumers and to cause lower %discount, 2) higher %GP from Dine-in increased sales, 3) key ingredients stock-up from last year, 4) alternative sourcing and ingredients, 5) lean production & increased productivity at Factories, 6) menus redesign, and 7) minimum price adjustment for some menus

* Y2021 : Reclassified Store utility expenses from COGS to Selling expenses.



Selling expenses and Administrative expenses

Unit : million Baht



3M

FY

4Q22 %Total SG&A was 45.3% or 0.1% better than LY

- ▶ 4Q22 %Selling expenses was 38.0% on Net Sales or 0.3% better than LY, mainly due to the top line leverage with the labor productivity and higher efficiency on transportation.
- ▶ 4Q22 Administrative expenses +14MB YoY or 0.2% worse than LY, mainly driven by the incremental accrued bonus in 4Q22. If normalized, the amount was about on par with LY.

FY22 %Total SG&A was 46.6% or 1.1% better than LY despite of the labor costs increased and rental mostly back to the contracts.

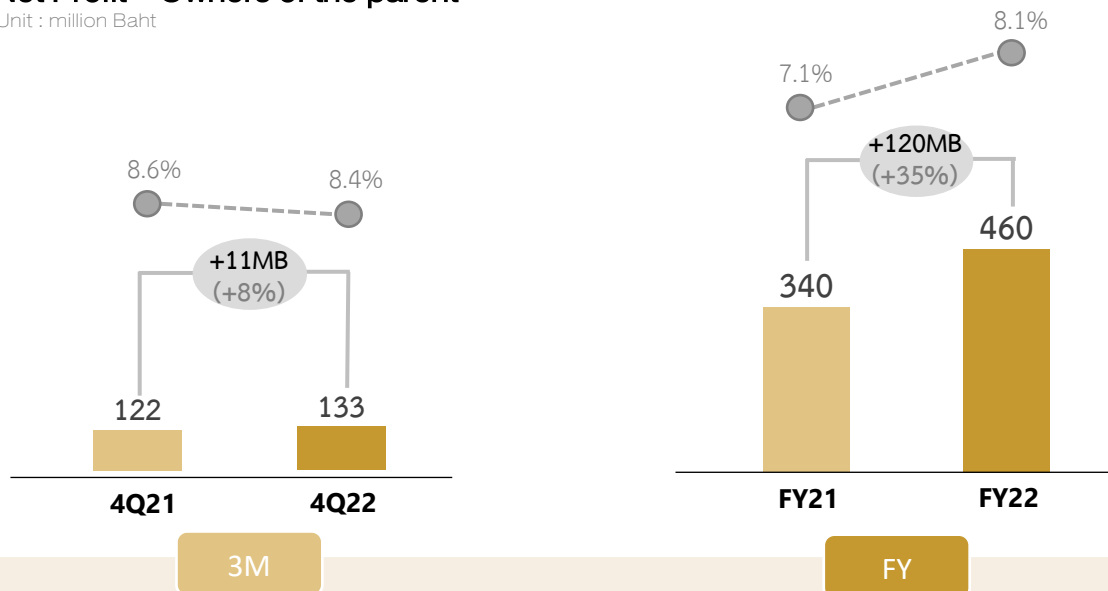
- ▶ FY22 %Selling expenses was 39.3% on Net Sales or 0.8% worse than LY, mainly driven by the labor costs increase, rental expenses mostly back to the contracts, fuel costs increase etc. which were mitigated by the labor productivity and roster planning including upskill & reskill, higher efficiency on transportation and close monitoring on rental expenses.
- ▶ FY22 Administrative expenses 26MB better than LY was primarily due to the restructuring, office space reduction, matured depreciation, costs cut and controls, offset with the new headcounts.

%Administrative expenses was 1.9% better than LY was mainly due to the overall cost down and top line leverage.

* Y2021 : Reclassified Store utility expenses from COGS to Selling expenses.

**Net Profit – Owners of the parent**

Unit : million Baht



4Q22 Net Profit was 133MB, +11MB YoY mainly driven by the top line, less-but-more promotions, and continuous controls over costs and expenses. Sales significantly increased in Dine-in and Delivery channels with continuous growth on Take-Away.

FY22 Net Profit was 460MB, +120MB YoY mainly came from 1) Sales growth in all channels thru festive products, NPDs, snack boxes, and Corporate sales and Retail & Food Service segment, 2) Turnaround sales from both domestic and international business, 3) Successfully control discount thru “less-but-more” promotion campaigns, 4) alternative sourcing and ingredients, and 5) Keep up the momentum of cost controls and productivity, offset with forex loss impact YoY

Cash Flow Statement

For the full year of 2022 the Company reported positive cash flow increased of 100MB from previous year as follows:

- 1) The net cash from **operating activities** of 1,165MB which is mostly from improved operation and well working capital management, offset with;
- 2) The net cash flow used in **investing activities** was (298)MB mainly due to the investing in 31 new branches, store renovation investing in new machinery and equipment in the factories, and additional equipment in the new distribution centers; and
- 3) The net cash from **financing activities** of (767)MB majority from rental fee and dividend payment as well as loan repayment for building the distribution and solar roof installation, offset with drawdown loan for new branch expansion.



Assets / Liabilities and Equity

Statements of Financial Position				
Key Metrics (MB)	As at Dec22		As at Dec21	
	MB	%	MB	%
Cash and cash equivalents	1,082	20%	980	19%
Financial assets at fair value	362	7%	360	7%
Other current assets	607	11%	558	11%
Total Current assets	2,051	39%	1,898	37%
Investment in associate	109	2%	73	1%
Investment in joint ventures	196	4%	206	4%
Property, plant and equipment	1,581	30%	1,486	29%
Right-of-use asset	1,300	24%	1,306	26%
Other non-current assets	88	2%	97	2%
Total non-current assets	3,274	61%	3,168	63%
TOTAL ASSETS	5,325	100%	5,066	100%
Short-term borrowings from financial institutions	2	0%	8	0%
Current portion of long-term borrowings	154	3%	54	1%
Current portion of lease liabilities	335	6%	443	9%
Trade and other payables	861	16%	760	15%
Other current liabilities	116	2%	92	2%
Total Current Liabilities	1,468	28%	1,357	27%
Long-term borrowings from financial institutions	141	3%	196	4%
Non-current provision for employee benefits	162	3%	167	3%
Lease liabilities	736	14%	653	13%
Other non-current liabilities	69	1%	77	2%
Total non-current liabilities	1,108	21%	1,093	22%
TOTAL LIABILITIES	2,576	48%	2,450	48%
Paid-up Capital	513	10%	512	10%
Premium on ordinary shares	690	13%	690	14%
Surplus on gain from transfer of business to JV	80	2%	80	2%
Legal reserve	52	1%	52	1%
Unappropriated	1,370	26%	1,258	25%
Other components of shareholders' equity	-1	0%	-14	0%
Non-controlling interests	45	1%	38	1%
TOTAL EQUITY	2,749	52%	2,616	52%
TOTAL LIABILITIES & EQUITY	5,325	100%	5,066	100%
<i>Authorised share capital</i>	<i>515</i>		<i>515</i>	
<i>Par Value (Baht/Sh.)</i>	<i>1.00</i>		<i>1.00</i>	
<i>No. of share (millions)</i>	<i>515</i>		<i>515</i>	

Cash & Cash equivalent of 1,082MB, +102MB vs. Dec21, In total net increased +102MB was primarily attributable to net cash of operating activities, netted off cash outflow from investing and dividend payment.

Property, plant and equipment : increased +95MB due to investment in stores expansion and renovation for opportunity growth

Right-of-use asset and lease liabilities : decreased due to the depreciation on right-of-use assets and maturity of lease liabilities

Long-term borrowing : In total increased of 46MB mainly from net borrowing for stores expansion (DeITA)

Trade and other Payables: increased of 101MB mainly from trade payable Raw material, stores expansion and DC management fee

Employee benefits obligation : decreased (5)MB due to changes in interest rate of (20)MB, employees retirement (10)MB, and net of provision 2022 accrued 25MB

Retained earnings +112 MB, mainly due to net profit for the period 460MB, net with dividend payment 348 MB

Financial Ratio Analysis

Financial Ratio	Dec 31, 22	Dec 31, 21	Dec 31, 20
Profitability ratio			
Gross Profit Margin (%)	55.8	52.3	52.7
Net Profit Margin (%)	8.1	7.1	3.5
Activity Ratio			
Return on Asset (%)	12.1	9.2	6.5
Return on Equity (%)	17.2	13.8	7.5
Account Receivable Turnover (Times)	22.8	19.8	18.2
Average Collection Period (Days)	16.0	18.5	20.0
Inventory Turnover (Times)	8.5	9.2	9.4
Average Sale (Inventory) Period	43.1	39.5	38.9
Fixed Asset Turnover (Times)	3.7	3.3	3.6
Total Asset Turnover (Times)	1.1	0.9	1.1
Account Payable Turnover (Times)	3.1	3.3	3.3
Average Payment Period (Days)	117.1	111.8	109.8
Liquidity ratio			
*Current Ratio (Times)	1.4	1.4	1.2
Quick Ratio (Times)	1.2	1.2	1.0
Leverage Ratio			
*Debt to Equity Ratio (Times)	0.9	0.9	1.1
*Interest Coverage Ratio (Times)	9.4	6.9	4.0

* Including the adoption of TFRS 16

If excluded, the adoption of TFRS 16

Current Ratio (Times)	1.8	2.1	1.9
D/E Ratio (Times)	0.6	0.5	0.5
Interest Coverage Ratio (Times)	64.6	89.1	49.2

Company's Operation Plan for 2023

In 2022, the strict COVID-19 measures were relaxed along with consumer confidence that was increased, causing businesses in all sectors to gradually recover again and the restaurant business to begin returning to full service again.

In this year of 2023, as the restaurants return to full service in all branches, the Company has lately managed manpower to support more branches that have returned to open. Labor issues are a major problem for the restaurant business as many employees have returned home, started other careers, and

do not want to back to work, resulting in the labor shortage in this restaurant business sector. However, the Company's manpower management has been planned in advance, making it possible to allocate enough manpower to work. Also, the Company has increased the skills and abilities of its employees in order to be able to work in a variety of additional functions to replace in case of a lack of people. As the restaurant rental rates have been adjusted to the original price according to the contract, the Company, therefore, has negotiated with the landlord about the form of rental according to the appropriateness of sales in each branch. This can be either a flat rate or a variable rate. There is also a negotiation for reasonable rental rates for tenants and landlords.

In the past year, for "Domestic Branches," the Company closed 34 inefficient domestic branches, but opened 25 new branches, bringing the total number of domestic branches to 458 branches at the end of 2022. This year, the Company has planned to expand more branches by selecting a quality location suitable for target customers with more Delivery and Takeaway (DeITA) and Bakery Mart store models, while existing branches will be renovated or changed to new store models (Re-type) to suit different customer groups. For "Overseas Branches," the Company has considered opening at least 1 new branch in Cambodia as it is a potential market for further business expansion.

Due to the situation of raw material prices that are still volatile due to war, inflation, economy, and a decrease in the source of raw materials from epidemics in plants and animals, the costs and prices of some raw materials have been increased, while the prices of some have been reduced. The Company, therefore, has a strategic plan to control the price level. For example, during a period of rising raw material prices, the Company has negotiated to buy in advance in order to fix the price; or, during a period when raw material prices are dropping, the materials have been bought and kept as stock. There are medium and long-term contracts with certain vendors to ensure that raw materials can be delivered continuously to reduce the cost impact of the Company along with maintaining the relationship with the original supplier and adding new suppliers for raw materials from a variety of production sources with higher quality. Also, the Company has designed a campaign to manage and control sales discounts under the concept of "Less but More," including the design of a new menu with the use of new raw materials and whose raw material prices have not increased.

For the production and distribution business, the Company has various product development plans to expand customer groups and increase sales in various sales channels such as retail channels, restaurant network group, and contract manufacturing business group which are growing steadily, especially the contract manufacturing business group, both OEM products and services for snacks and food products for various Food Chain groups. The Company has planned to expand more business alliances by developing new products or NPDs to meet the needs of business partners.

The Company has seen business trends from various government measures, such as the return of tourists and government policies to stimulate the economy. Therefore, it is a good opportunity that the Company will be able to increase sales even better. The Company has managed expenses well as a result of the past COVID-19 crisis. The factories and offices have adopted the lean system. There is also a marketing campaign Less but More with better discount management, making the Company more profitable. Therefore, if the direction is like this, we expect that the Company will be able to grow more this year. This is our important "Step" to "Step up... Step Forward... (Elevate the Next)" to grow steadily and strongly. And from the past COVID-19 situation, we have learned a lot in moving forward. Thus, this year will be our deliberate and steady stride with a strategic plan, a professional management team, modern technology, and the "Heart" that we have for all our customers.

5. General Information

5.1 Company Information

Company Name	S&P Syndicate Public Company Limited
Primary Business	Restaurant and bakery shop chain operator; producer of cakes, breads, baked goods, Thai desserts, prepared frozen foods and bakery products; provider of home delivery and outside catering services; investor and operator of Thai restaurants abroad.
Registered Capital	514,928,784 Baht (Five hundred fourteen million nine hundred twenty eight thousand seven hundred and eighty four Baht)
Paid-up Capital	512,814,512 Baht (Five hundred and twelve million eight hundred and fourteen thousand five hundred and twelve Baht) consisting of 512,814,512 ordinary shares. (On January 6, 2023, the Company has registered to change the paid-up capital to 512,814,512 Baht consisting of 512,814,512 ordinary shares) par value of 1 Baht each
Head Office	2034/100-103, Ital Thai Tower, 23 rd Floor, New Petchburi Road, Bangkok, Huaykwang Bangkok 10310 Thailand
Registration No.	0107537001170 (From No. Bor.Mor.Chor. 364)
Telephone	(02) 785-4000
Facsimile	(02) 785-4040
Email Address	presidentoffice@snpfood.com
Company Homepage	www.snpfood.com
Registrar	Thailand Securities Depository Cp., Ltd. (TSD) 93 The Stock Exchange of Thailand Building Rachadapisek Road, Dindaeng, Dindaeng Bangkok 10400, Thailand Tel: (02) 009-9000 Fax: (02) 009-9991
Company Auditor	PricewaterhouseCoopers ABAS Ltd. 15 th Floor Bangkok City Tower 179/74-80 South Sathorn Road Thungmahamek, Sathorn Bangkok 10120 Thailand Tel: (02) 844 1000 Fax: (02) 286 8200

The detail of subsidiaries and associated companies in which 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")



5.2 Other Information

– None –

5.3 Legal Disputes

The Company have currently no lawsuits or disputes that may have a negative impact on the assets of the Company greater than 5 % of the shareholders' equity, or cases that significantly affect to the business operations or cases that are not caused by the normal business operations of the Company.

5.4 Secondary Market

– There is no secondary market and no bonds. –

5.5 Financial Institutions with Regular Contacts (in the case of bond issuing)

– No bond issuance –



Part 2

Corporate Governance



6. Corporate Governance

6.1 Overview on CG Policy and Guidelines

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 2022 by comparing the past-3-years evaluation results and the suggestions on how to compile with the good corporate governance for listed companies from the Good Governance Development & Alliance Department. This evaluation results were proposed to all Company directors in order to obtain the direction to improve the corporate governance.

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

(1) Rights of Shareholders

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

1. Such basic rights as the shareholders should be entitled to in terms of voting, receipt of dividends, transactions or transfers of shares, presence at shareholders' meetings, and equal receipt of sufficient information in a form befitting consideration and at an appropriate time;
2. The right to elect and remove a director especially in the agenda to consider appointing directors. The Company has presented names and information about the directors to be nominated in the meeting invitation letter, where the information regarding the candidates name and professional work experiences of another company, including the agenda to the appointment of auditor;
3. The right to be entitled to a dividend allotment;
4. The right to be aware of the Board's resolutions concerning details of a meeting and the agenda of a meeting of shareholders in advance of the date of the meeting through information disclosed on the Company's website;
5. The right to receive an invitation to a meeting of shareholders and information on the place, time and agenda of the meeting, the criteria and procedure for attendance, and the points for consideration with facts, reasons and the Board's opinion clearly presented in each item on the agenda; to this, the Company will announce such invitation on the Company's website at least 1 months in advance before the meeting, and will publish the invitation in at least one daily newspaper for 3 consecutive days before the date of the

meeting, and the Company will arrange for the time and place that are most convenient for the shareholders to be present at the meeting;

6. The Company accords an opportunity for its shareholders to propose a meeting agenda in advance and to send questions in advance for the meeting of shareholders through the Company's website at least 5 months in advance before the meeting of shareholders;

7. The Company has held the meetings at the place which is situated in the convenient location for shareholders' commute to attend the meetings by various modes of transportation or hold a shareholders' meeting via electronic means (E-Meeting) so that shareholders can thoroughly attend the meeting. And the Company has used a computerized registration system which is capable of instant result processing after the end of each meeting agenda item. Such system renders it convenient to make the voting results verifiable precisely. Furthermore, the legal advisors are assigned to verify the counting of votes, and representatives of shareholders are also present to witness the counting of votes in each agenda item throughout the meeting time. In addition, the Company give an opportunity to the shareholders for asking the questions to the directors during the meeting which will be convenient and truly participate in the meeting.

8. The Company encourages all of its directors to attend meetings of shareholders continuously and regularly every year. In particular, the Chairperson of the Board, the Chairperson of the Audit Committee, Chairperson of sub-committee and Chief Executive Officer are present at every meeting of shareholders in order to clarify or answer questions to shareholders and give an opportunity to all shareholders to have equal rights in asking questions, giving an opinions and suggestions.

The Company has taken account of the integrity-based business operation and has adhered to its responsibilities to all stakeholders. Therefore, the Company has determined the whistle blower policy relating to corruption or non-compliance with the laws, the Company's rules, regulations and the Code of Conduct; whereas, the Company is confident that such policy shall be part of its secure, helps prevent conflicts of interest and sustainable business operation. Therefore, the Company provides a channel for whistleblowing ("whistleblower") for non-compliance with the Code of Conduct, corruption behaviors or misconduct of the Company's employees. The Company set guidelines, channels, whistleblowing and complaints and including having a mechanism to protect the whistleblowers which the details appear on the Company's website subject: Corporate Governance – Whistleblowing.

(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 obtain 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 To facilitate the grantor, 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 In the Meeting of Shareholders, 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. The Company organizes shareholders' meetings via electronic means in accordance with the provisions of the Emergency Decree on Electronic Meetings B.E. 2563 (including any amendments) and support all Shareholders to attend the meeting without complicated conditions for identity verification, proxy, and meeting methods. This is to facilitate the shareholders to be able to attend the meeting despite travel restrictions in the situation of various disease

outbreaks and the Company has also appointed a legal advisor to inspect voting and be the witnesses throughout the meeting

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 the supervision 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. The Company has established guidelines through S&P's Code of Business Conduct, Code of Conduct for directors and executives in various departments, which communicated and educated all directors and Company's employee through the Company's intranet system and website, including the Company has set a policy to refrain from trading securities transactions especially during 1 month before the financial statements are made public via sending electronic mail to notify all directors and executives. Directors and Executives 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. Also, the Company requires directors and executives, including their related persons to report their changes in the Company's securities holding and the latest number of holdings to the Board of Directors' meeting on a quarterly basis. The report of their Company's securities holding by the Board of Directors individually as shown in Attachment 1.

At the 2022 Annual General Meeting of Shareholders, the Company granted all such rights and equalities as mentioned in 1 and 2 above to its shareholders. The Company encourages our shareholders to attend the shareholders' meeting even during the COVID-19 epidemic situation by hold a shareholders' meeting via electronic means (E-Meeting) so that shareholders can thoroughly attend the meeting conveniently from all areas and also prepared an invitation in both Thai and English for foreign shareholders, and for the 2023 Annual General Meeting of Shareholders, 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. 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 and strive 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. The Company has disclosed its operations related to customers and consumers in the "Sustainability Report : Economy Topic".
Employee	The Company holds that an employee is a valuable resource and must be treated fairly in terms of opportunity, recruitment and hiring process must be without gender discrimination and hiring people with physical disabilities who are considered able to work, 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. The Company has disclosed its operations related to customers and consumers in the "Sustainability Report : Society Topic".
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. The Company has disclosed its operations related to customers and consumers in the "Sustainability Report : Society Topic".
Independent organization Mass media and groups of influencers online:	It is a stakeholder in creating value for the economy and society by helping to publicize news and facts 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 Investor Relation Department 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 - 2 7 8 5 - 4 0 0 0 or on the website www.snpfood.com or via the email address : irsnp@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 change 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 considered by the Nomination and Remuneration Committee and propose to the Board of Directors meeting and the meeting of shareholders for approval 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. 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 2022, hold in aggregate of 45.17 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 or representing 33.33% of the Board of 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 conducts 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 Board of Directors 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, Virtue" 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 pay 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. Having the Audit Committee to responsible for overseeing an operations, internal control and internal audits in accordance with the standards of modern and international operating. 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 Internal Audit Office 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. And reviewed annually to be suitable. Apart from the risk based audit planning, the Internal Audit Office 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. The investigation and

protection of informants in order to be efficient and effective, the internal quality assurance has been established by the inspection department compare with the assessments of the Internal Audit Office 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 2022, the risk management committee had 3 meetings, to identify the risk factors of all departments across the organization, risk prioritized, established the guidelines for risk management of the Company, and assigned responsibility to provide the measures to control and manage the risks to an acceptable level in order to achieve the goals and strategies set forth, and build trust with shareholders and other stakeholders which has considered the risks of the Company whether there are any risks that change including changes in economic conditions that may affect the Company in each quarterly. The Risk Management Committee has assessed the risks in the important project, which has been considerate by the executive committee to propose to the Audit Committee to review and propose to the Board of Directors for consideration and screened to ensure that risks are managed and closely monitored and ensured that the risks are at the acceptable level as well as the Company was able to achieve the set goals.

4.6 Meetings of the Board 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 meeting of the Board of Directors, the Company Secretary Office specifies a schedule of meetings of the Board of Directors in advance every year and informs all the directors of this schedule at all times before the Board meetings. The Company Secretary Office 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. 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.

4.7 Reporting by the Board of Directors

The Board of Directors is responsible for consolidated financial statements of the Company and its subsidiaries and for financial information appearing in annual report. 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 the 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

The Nomination and Remuneration Committee has considered the performance evaluation forms of the Board of Directors for evaluating the Board of Directors and the Company sub-committee which the performance evaluation is separated into the self-assessment of the Board of Directors, the assessment of the whole Board of Directors and sub-committees by each directors. Once the performance evaluation forms have been considered, it was proposed in the Board of Directors Meeting.

The Board of Directors approved the performance evaluation forms of the Company, the Board of Directors, and sub-committee used to assess the performance of the Board and sub-committees for the year 2022. 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 board of 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.1/2023 held on February 15, 2023 has considered the summary of the performance evaluation from the entire Board of Directors and the assessment results of all sub-committees and from 12 board members by comparing with the past 3 years results, and proposed it to the Board of Directors’ Meeting No. 1/2023 held on February 23, 2023 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 2023, 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 by encourages the directors and executives attend at least one seminar that is beneficial to their duties, namely Directors Certification Program (DCP) or Directors Accreditation Program (DAP) or Audit Committee Program (ACP), etc. The

Company's directors have attended the above seminars representing 7.5 percent of the total number of committees. The Company has made an orientation ceremony for new directors whenever a new director is appointed. To this, an overall picture will be presented regarding the Company's business and relevant information; the names of the Company's directors and managerial structure; legal documentation and handbooks; rules and regulations of working units concerned; the directors' roles, powers, duties and responsibilities; corporate governance guidelines; certificates, Memorandum and Articles of Association; the Company's rules, visions, targets, and information on the conduct of business and activities of the Company. Directors are also caused to visit businesses and attend meetings related to the setting of visions and business plans in association with high-ranking executives of the Company. The details of training individually of directors and executives appear in Attachment 1.

- 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

Opinion 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 monitored the internal control system and auditing to be efficient and effective to allow shareholders and stakeholders to have confidence in the internal control of the Company. The Board of Directors therefore appointed the Audit Committee consisting of 3 independent directors who are fully qualified according to the regulations and rules of the Capital Market Supervisory Board and the Stock Exchange of Thailand is responsible for reviewing financial reports to be accurate and reliable. The connected transactions or transactions that may cause conflicts of interest to be reasonable and is the most beneficial to the business of the Company including evaluating the adequacy of the risk management system, good and effective corporate governance of the Company pursuant to the Securities and Exchange Act and laws related to the business of the Company as proposed by the Audit Committee in the annual report.

The 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. In addition, the Audit Committee and the Internal Audit Office, using the Internal Control Integrated Framework of the Committee of Sponsoring Organization of the Tread way Commission (COSO) as an idealism and reference of working, which can be described as follows:

1. Organization and Environment

The Company 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 and there is an "Ethics e-Testing" to emphasize, raise awareness for employees 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 the Internal Audit Office 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 2022, no significant change in the Company environment. There is still a suitable business operation to have a good and sufficient internal control system.

2. Risk assessment

The Company has identified risk factors which may cause damage to objectives at the organization level and the operational level of the Company according to the plan appropriately systematically. 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 Including reporting to executives or related persons for acknowledgment to be correct, complete and continuous.

In 2022, the Company has reviewed the Anti-Corruption Policy to be in line with risks and current situations. The risk management working group is responsible for determining the policy framework, appropriate measures including systematic risk management by requiring all departments assess risk factors in various aspects with the impact and managing that risk and having risk management plan to be in line with measures to remain at a clearly acceptable level. As well as managing the risks quickly and effective. 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. Including identifying and evaluating significant changes that may affect the internal control system by considering changes in laws and regulations, the economy and the environment.

In 2022, the person responsible for the risk assessment commented that the identified risk management measures were adequately implemented and satisfactory management various risk factors. There are still no significant changes. This has been reviewed and updated regularly. The risk factors remain unchanged significantly and are regularly reviewed and updated.

3. Performance Control and Controlling Activities

The Company has clear and appropriate internal control activities with KPIs to measure performance. There are "Work Regulations and Code of Conduct" 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 considering the best interests of the company and having the Internal Audit Office 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.

In 2022, the controlled activities mentioned above is still a satisfactory practice. Resulting in various operations having an appropriate control suitable for today's business environment.

4. Information and Communication System

The Company is aware of the importance of data security and communication network systems. and software to support the COVID-19 situation. Including limiting access to information technology systems of employees at various levels.

The Company has provided both internal and external communication channels for shareholders, all Stakeholders, directors and management to receive an information that is accurate, sufficient, reliable and up-to-date. The Important and general information will be disclosed in the

annual report, annual information disclosure form (56-1 One Report) through the website www.snpfood.com and the Stock Exchange of Thailand. There are also communication channels through various systems within the Company for employees to clearly understand the policies, regulations, orders of the Company and important information. In addition, the Company has provided opportunities for employees and stakeholders to report clues of non-compliance with the code of conduct, supervision, rules, regulations and laws, as well as fraudulent acts. The employees can report clues through various channels of the Company or via Whistleline@snpfood.com. As for external stakeholders, they can be notified through the website: www.snpfood.com at any time.

5. Monitoring System and Performance Indicators

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, to review and inspect the operation under the internal control system 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. And the Audit Committee submits the report to the Board of Directors every quarter. In addition, the Audit Committee also have a meeting with the auditor to assess the adequacy and effectiveness of the internal control system.

In 2022, the Internal Audit Office conducted audit work according to the plan and reported audit results and assessed the adequacy of the internal control system including following up on improvements according to the issues found to the Audit Committee, which found no significant defects in the internal control system. This is consistent with the auditor that the Company has an adequate internal control system. There were no significant defects that affected the Company's financial statements.

6. Head of the Internal Audit

Mrs.Chirley Sawangkong, the Internal Audit Director of the Internal Audit Office, whom qualifications and caliber meet the requirement is currently the Secretary to the Audit Committee.

7. Head of the Company's Compliance

Mrs.Chirley Sawangkong, the Head of the Company's Compliance, has handled this job properly.

(7) Human Resource Management and Development Policy

Effective Human Resource Management and Development are key factors in helping organizations to drive development and grow the business in the face of challenges and rapid change. Human resource policies are therefore designed in line with the business vision, **"Strengthen the Core, Create the Next"**



: the management of self-learning and self-development through curriculum and methods that encourage people to earn thinking ability, skills, and expertise to perform effectively in a competitive and constantly-changing business environment.

The Company, therefore, established a framework, guidelines and policies for human resource management and development as follows:

1 "Strengthen the Core" Building strength in standard knowledge and core competencies



1.1

Continuously develop organizational structure. Constantly update job structure and career positions (Organization Design and Development) to respond to fast changing business situations. Allow employees to be more agile & flexible in finding the best solution. Facilitate creation of a working atmosphere that is fun and effective to develop engagement and a sense of camaraderie, belonging, and purpose.



1.2

Focus on improving the development of skills, knowledge, and abilities, including behaviors (Competency) to allow employees to be more adaptive to 'New Normal' working situations -- work as a team, anticipate changes, be more flexible and innovative, etc.



1.3

Design training course outlines and career roadmap. Provide professional trainings in Operation and Production which are core functions of the Company. Allow employees to strengthen their knowledge, skills, expertise, and abilities as well as see opportunities and growth in their careers.



1.4

Design 'Leader Development in Digital Era' programs.

Design and develop management training programs to build up skills and competencies of all leaders with a focus on leadership working styles, work processes, and growth mindset for working in the digital era.



1.5

Establish an effective performance management system to measure KPI achievement. Track and monitor employees' performance to guarantee work efficiency and practical approaches. Increase efficiency, measure productivities, and ensure fair appraisals by introducing online evaluation system with more convenience and better speed.



1.6

Create career management plans to encourage employees to see opportunities and grow their careers. Establish Individual Development Programs with a focus on continuous self-learning and self-development.

2

"Create the Next" Creating new dimensions of organizational capabilities for future success



2.1

Develop talent management programs (Talent: Successor: Master or TSM) to analyze, plan, seek, and develop high potential employees and skilled workers. Utilize systematic work processes to support business growth and create sustainable success.

2.2

Initiate the Next Generation Leader (NGL) program to develop new generation leaders to possess skills, ideas, knowledge, abilities and 'New Normal' working approaches -- flexible, fast, brave, and digital savvy.

2.3

Promote New Normal working styles. Encourage employees to possess multi-skills, work cross-functionally, and utilize information technology system (AI) to reduce and shorten work processes as well as increase work speed and accuracy.

2.4

Cultivate "Customer Centric Mindset" as a foundation and strength for optimal customer experience. Respond to all requests and expectation to the best of customer satisfaction.

2.5

Reskill and Upskill for the digital era to support new businesses and future growth -- Delivery, E-Commerce, etc.



Cake Master

3

Prepare the workforce to support future business expansion and growth (Future Workforce)

Design up-to-date and efficient student programs for 'New Normal' era. Work closely with Office of Vocational Education Commission to prepare vocational students to be S&P quality staff.

3.1 Learning Center of S&P Syndicate Public Company Limited

- Started its operation in the academic year 2007, pursuant to the National Education Act 1999 Section 12.
- Fully certified by the Office of the Education Council.
- Offer Vocational Education Certificate courses in 2 areas of study; Retail Business Program and Food & Nutrition Program.
- With the objective to set up a learning center in the workplace providing essential & basic knowledge and skills to employees and/or underprivileged children. According to the National Education Act 1999 Section 12, S&P Learning Center is one of the very first learning center establishments.
- Provide bilateral vocational education programs.
- Grant/Provide scholarships in Vocational Education Certificate level to underprivileged students with the intention to sustainably produce a professional and quality workforce to Thai society.

3.2 Bilateral Vocational Education Programs in Collaboration with Office of the Vocational Education Commission

Enhance education programs to develop workforce in specialized professional areas. Collaborate and work closely with Office of the Vocational Education Commission in providing 'New Normal' bilateral vocational education. Students will learn the essential & basic knowledge, both theory and practical, at vocational institutes and will have real-world working experiences during the internship at S&P restaurants and shops. The programs will produce a competent workforce for the Company while the students themselves will gain invaluable knowledge and skills for their further study and career.

6.2 Code of Conduct

S&P Syndicate Public Company Limited ("the Company" or "S&P") is committed to conducting business with sustainability and responsibility to stakeholders, which consists of investor/shareholder, government organizations and regulatory agencies, Customers/Consumers, employees, partners, community and society and independent media organizations and a group of influential people in online media, and the Company has an intention to manage our supply chain and production chain to achieve maximum efficiency by considering the long-term environmental protection under the S&P Code of Conduct

The S&P Code of Conduct considers the importance of applying ethics, integrity, international standards and legal provisions. It serves as a compass for our business operations as well as good corporate governance. The Company has used the S&P code of conduct to develop written policies and procedures in the past to establish the following standards of conduct and behavior for directors, executives, employees, and business partners. The company has published and organized training Code of conduct course for directors, executives and employees to acknowledge and comply with such the code of conduct. Also The results of monitoring, communication and compliance with the code of conduct appear in "Sustainability Report, Economic Topics". The details of the Code of Conduct can be summarized as follows:

1. Code of Conduct for Directors, Executives and Employees

The code of conduct for directors, executives, and employees was created with the goal of promoting morality and ethics among the Company's directors, executives, and employees, as well as supervising their behavior. In addition to the following important contents, there are work regulations with the following important contents:

1. Compliance with the Law
2. Security of Goods and Services
3. Environmental Conservation
4. Non-discrimination, Human Rights and Labor
5. Consideration of Safety, Occupational Health and Working Environment
6. Anti-corruption
7. Giving Gifts, Receiving Gifts and Entertainment
8. Prevention of Conflicts of Interest
9. Protecting Company Intellectual Property
10. Confidentiality and Disclosure
11. Security of Information and Information Systems
12. Anti-unfair Competition
13. The Exploitation of Internal Information
14. Procurement Practices
15. Cooperate in Internal Control and Internal Audits.
16. Political Practice
17. Whistleblowing and Inquiries

The Company has disclosed details on the Company's website.

<https://www.snpfood.com/th/documents/code-of-conduct>

2. Code of Conduct for Business Partners

The code of conduct for business partners is intended to be used with the Company's business partners, such as business partners, consultants, contractors, service providers, agents, brokers, and sellers, with the goal of strengthening the supply chain and protecting the interests of all Company stakeholders.

The code of conduct for business partners is regarded by the Company as a standard and minimum requirement, and it is included in the contract between the Company and its business partners. The Company has made the code of conduct for business partners available on its website, in which business partners must sign it before doing business with the Company. The code of conduct for business partners will apply to business partners throughout their relationship with the Company.

In addition, the Company also has measures to verify compliance with the code of conduct for business partners regularly by passing an annual supplier audit random check at the discretion of the Company and investigations according to complaints, etc. Ethics compliance audit process for business partners and complaints is transparent. The Company has clearly defined channels for complaints or whistleblowing. In the event that a business partner violates the code of conduct for business partners and/or business partners fail to take remedial action as specified by the Company, the Company has the right to terminate the contract and the agreement.

The code of conduct for the Company's business partners contains the following important subjects:

1. Compliance with the Law
2. Security of Goods and Services
3. Environment
4. Non-discrimination, Human Rights and Labor
5. Consideration of Safety, Occupational Health, and Working Environment
6. Anti-corruption
7. Giving Gifts, Receiving Gifts and Entertainment
8. Prevention of Conflicts of Interest
9. Intellectual Property
10. Confidentiality and Disclosure
11. Security of Information and Information Systems
12. Anti-unfair Competition
13. The Exploitation of Internal Information
14. Whistleblowing and Inquiries

The Company has disclosed details on the Company's website.

<https://www.snpfood.com/th/documents/code-of-conduct>

3. Privacy Policy on Protection of Personal Information

Company privacy policy was established because of the promulgation of Personal Data Protection Act, B.E. 2562. The Company recognize the importance of enhancing cybersecurity and safeguarding personal data subjects' rights. Previously, the Company assigned experts to conduct risk assessments and develop policies and systems to prevent personal data leakage and misuse. As a result, the Company has developed a system and is providing training to directors, executives, and other relevant employees in order to continuously raise awareness and understanding of this new law.

In addition, the Company has established a Personal Data Control and Protection Committee to effectively control and protect personal data in accordance with law, as well as a privacy policy for the protection of personal data.

The Company's privacy policy has been published on the Company's website and various online service channels, which explains how the Company collects, uses, discloses, transfers, and processes personal data in order to access and use the Company's applications, websites, and other online services, as well as any other marketing and public relations activities that are operated by the Company's, including S&P Delivery application on mobile phone, website: www.snp1344.com, website: www.snpfood.com, and call center Tel. 1344, as well as the right of the personal data subject, which is the right to request access and obtain a copy of the personal data, the right to request the transmission or transfer of personal data, the right to object to collection use or disclose personal information, the right to request removal or destruction or to make personal data non-identifiable to the person who owns the personal data, the right to suspend use of personal data, the right to withdraw consent, the right to request that personal data be corrected up to date, and the right to complain to the expert committee

For comments, suggestions, questions, complaints, or to exercise legal rights relating to personal data, you may notify the Company through the following channels:

Email:	dpo@snpfood.com
Postage	Send to the Personal Data Protection Officer S&P Syndicate Public Company Limited 2034/100-103, Italthai Tower, 23rd Floor, New Petchburi Road, Bangkapi, Huaykhwang, Bangkok 10310

6.3 Milestone Development on the CG Policy, Guidelines and System During the Year

The Company has applied the good corporate governance principles for listed companies of 2017 or corporate governance code (CG Code) issued by the SEC to apply as appropriate for the Company's business for directors, executives and employees at all levels to use. It is a guideline for performing duties with responsibility, honesty, integrity, and ethics, enabling efficient business operations, good performance as well as treating all stakeholders equally and fairly, disclosing information with transparency being political neutral and supporting anti-corruption to move towards becoming a sustainable organization

In 2022, the Company has reviewed Corporate Governance Rating and consideration of the election of directors who retired by rotation consideration of the performance assessment form of directors and evaluation results, consideration of the structure of the Board of Directors and sub-committees, etc. In addition, there are also review of the code of conduct related to employees and related to business partners and review the anti-corruption policy to apply for renewal of certification of a member of the Coalition Against Corruption of the Thai Private Sector (CAC) for the fourth consecutive time.

However, there are issues that the Company has not yet implemented and measures suitable replacements as follows:

1. In the event that the Chairperson of the Board of Directors is not an independent director,

The current Chairperson of the Board of Directors is proposed to the Shareholders meeting and received a resolution from the Shareholders meeting to approve the position for another term. The Board of Directors has determined the roles and clearly review the duties of the Chairperson by emphasizing the interests of the Company, shareholders and all stakeholders as important. All directors are able to discuss and make recommendations at the meeting independently and evaluate the performance of the Chairperson of the Board or Directors every year.

2. The Independent director has been in office for more than 9 years,

The Company does not specify the term of office of an independent directors, since the Company's independent directors are qualified according to the definition of independent directors of the Capital Market Supervisory Board and can express opinions freely in the

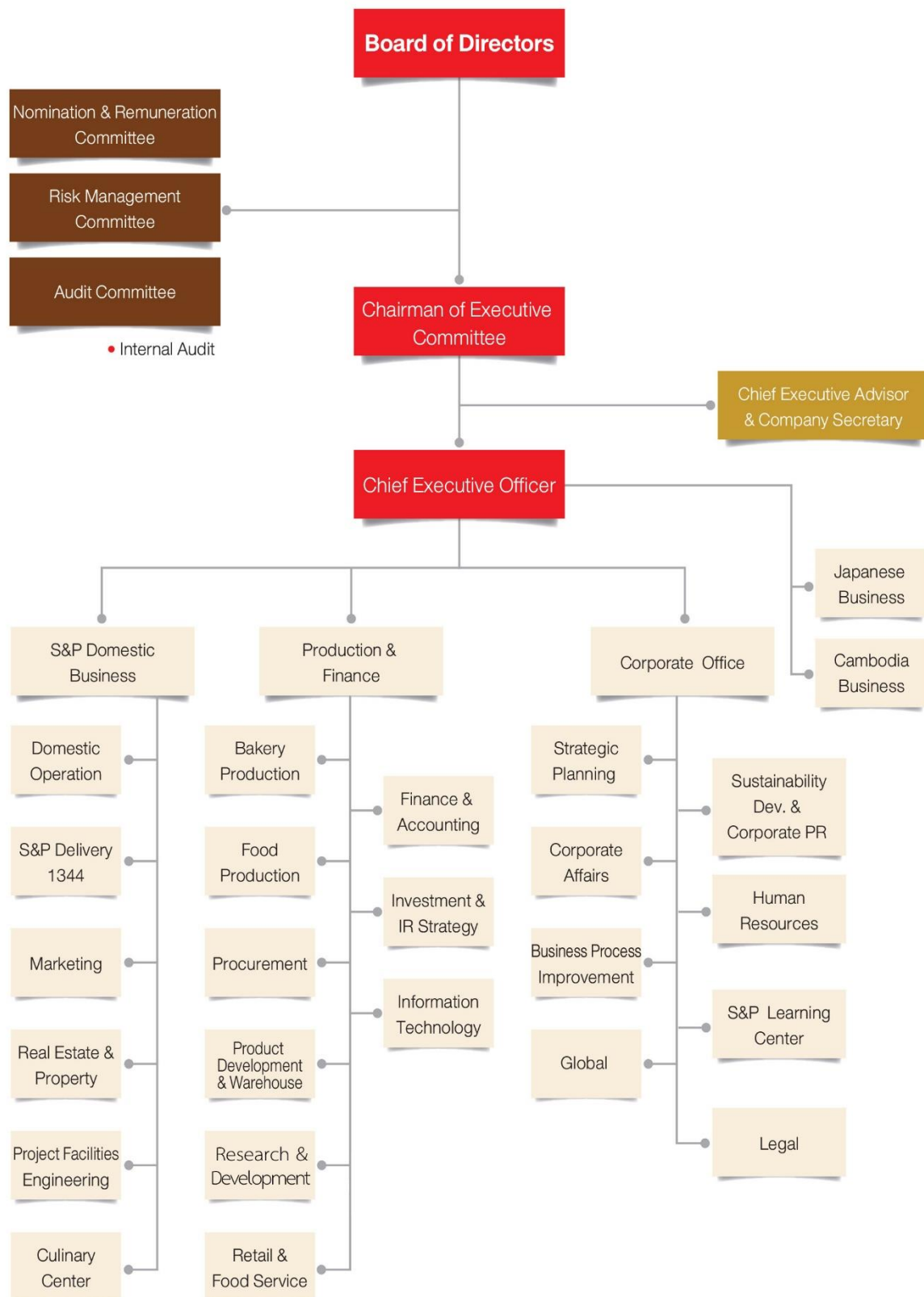
Board of Directors meeting. Independent Directors are independent from the management and major shareholders of the Company and have a good understanding of the Company's business which will be beneficial to the performance of duties to represent minority shareholders and all stakeholders. The Board of Directors considered the independent qualifications of such directors and deemed sufficiently appropriate and agreed to propose to the shareholders' meeting to consider approving the appointment of independent directors who are due to retire by rotation, to be re-appointed as an independent director for another term.

3. The Board of Directors still consists of independent directors less than 50%.

At present, the Board of Directors are fully qualified and have a various skills, expertise, knowledge and appropriate experience as specified which is beneficial to business operations. The Board of Directors has an appropriate proportion of independent directors and is in accordance with the requirements of the law which there are 4 independent directors, representing 33% of the total of the Board of Directors. The structure of the Board of Directors is proper for checks and balances in management. As, the Board of Directors of the Company consists of non-executive directors more than half of all directors. There are 12 members of the Board of Directors, of which 7 are non-executive directors, representing 58%, and 5 are executive directors, representing 42%.

7. Corporate Governance Structure and Key Information Related to Directors, Sub-Committees, Executives, Management, Employees and Others

7.1 The Company's management structure



7.2 Board of Directors

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

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's Meetings 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.

7.3 Sub-Committees

The Company's management structure consists of the Board of Directors and 4 sub-committees comprising (1) Audit Committee (2) Nomination and Remuneration Committee (3) Risk Management Committee and (4) Executive Committee. The details are as follows

(1) Audit Committee

The Board of Directors' meeting No. 4/2020 held on 13 August 13, 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, 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 advise 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 advise 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 5 times per annum, and each meeting summary is directly reported to the Board of Directors. In 2021, there were a total 5 Audit Committee's meetings. Please see the 'Board of Directors' section above for the details of the number of Audit Committee's Meetings, as well as the meeting attendance by Audit Committee members.

(2) Nomination and Remuneration Committee

The Board of Directors' meeting No. 3/2022 held on August 11, 2022, 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.

(3) Risk Management Committee

The Board of Directors' meeting No. 4/2020 held on August 13, 2020, has passed the resolution appointed the same Risk Management Committee, which due to retire by rotation for 3 years period, to be re-elected for another 3 years, in order 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

(4) Executive Committee

Board of Directors Meeting has resolved to approve the appointment of the Executive Committee without a term of office to perform administrative duties and the Board of Directors elects one executive director to be the Chairman of the Executive Committee. The Executive Committee will proceed in accordance with the Executive Committee's Charter.

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 under the rules and regulations of the Company, except those items that are prescribed by law required to receive a resolution of the Shareholder Meetings.
- 2) The Executive Committee has the right to formulate, propose and determine business directive policies and strategies to the Board of Directors.
- 3) The Executive Committee 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 Committee, together with the signatures of authorized director signatories as stated in the Company's Affidavit.
- 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 Committee may be assigned other duties on an individual basis by the Board of Directors.

(5) 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 as follows:

The Company's directors and executives has never had any record of offenses committed against the law during the past 10 years concerning:

- 1) Adjudication by the Court whereby they have committed 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

A person to be appointed to the office of directors 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. Moreover, The Company has given minority shareholders an opportunity to nominate qualified persons to be elected as directors by published on the Company's website from November to January of every year. In 2022, there are no shareholders were proposed. In this regard, the Nomination and Remuneration Committee will consider knowledge, ability, work experience and an overview of the structure of the Board of Directors to ensure that the nomination of directors is in line with the Company's direction and business strategy.

Appointment and Removal of Board Members

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

1. Directors of the Company are elected by a meeting of shareholders and there will be at least 5 directors and not less than one third of the number of directors must be independent directors and not less 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 directors positions of not more than 5 listed companies in any other listed company in the Stock Exchange of Thailand.
3. Members of the Board of Directors will be elected by a meeting of shareholders in accordance with the following criteria and procedures:
 - 3.1 A shareholder has one vote per share;
 - 3.2 Each shareholder must exercise her/his whole votes to elect one candidate or more as director(s) but her/his votes may not be distributed howsoever to elect the candidate(s);
 - 3.3 The candidates receiving the highest votes in respective sequence equal to the number of directors which should be elected at such time will be elected directors. In the event the next elected candidates receive equal votes and their number exceeds the number of directors which should be elected at such time, the chairperson will have a casting vote.
4. At every annual ordinary meeting, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third must retire from office. The directors who have been longest in office must retire. A director retired by rotation is eligible for re-election.
5. A director to resign from office before her/his retirement by rotation must tender a letter of resignation to the Company, and her/his resignation will be effective from the date on which the letter of resignation is delivered to the Company.
6. If the office of a director is vacated otherwise than by rotation, the Board of Directors will elect a new director to replace the director whose office is vacated, and the replacement will retain the office of director only for the remaining tenure of her/his predecessor.
7. A director will be retired from office before the time of her/his retirement by rotation only by resolution of a meeting of shareholders, and not less than three-fourths of the votes of the shareholders present and entitled to vote and having shares in aggregate not less than one half of the number of shares held by the shareholders present and entitled to vote will be required.

Additional information relating to the directors as follows:

The Company's directors and executives has never had any record of offenses committed against the law during the past 10 years concerning:

- 1) Adjudication by the Court whereby they have committed 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

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 a member of the Board of Directors whose qualifications conform to the requirements of the Office of the Securities and Exchange Commission. At least 1 member of the Audit Committee must have financial and accounting knowledge and experience sufficient for the performance of her/his duty to verify the reliability of financial statements.
2. The term of office of the Audit Committee lasts for 3 years each, counting from the date of its appointment, the Audit Committee members whose term of office has expired are eligible for reappointment.
3. The number of the Audit Committee members must be maintained at not lower than 3. If they are reduced to lower than this number, (an) additional member(s) must be appointed to complete the number specified within 3 months from the date of the reduction. The new member(s) of the Audit Committee will retain the office only for the remaining tenure of her/his/their predecessor(s).
4. The 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

7.4 Management Team

As December 31, 2022, the Company's managements team are 12 people as follows:

- | | | | |
|------|----------------|----------------|--|
| (1) | Mr. Vitoon | Sila-On | Chief Executive Officer |
| (2) | Mr. Kamtorn | Sila-on | Chief Financial Officer |
| (3) | Mr. Arth | Prakhunhungsit | Chief Operating Officer |
| (4) | Mrs. Maneesuda | Sila-on | Chief Sustainability Officer |
| (5) | Mr. Somjit | Kititeerakul | Vice President of Bakery Production |
| (6) | Mr. Chongchana | Chantamas | Vice President of Food Production |
| (7) | Mrs. Supawadee | Hutasingh | Vice President of Human Resources |
| (8) | Ms. Attaya | Petrakard | Vice President of Global & Specialty |
| (9) | Mr. Pipith | Laohavirojana | Vice President of Real Estate and Asset Management |
| (10) | Mrs. Phairunya | Supitux | Vice President of Financial |
| (11) | Mr. Thirakorn | Raiva | General Manager of Japanese restaurant business |
| (12) | Mrs. Sathimon | Tawantiang | Assistant Vice President of Warehouse and Logistic |

Scope of powers and duties of managements

Managements have the powers and duties to manage the Company's normal business in order to achieve the Company's objectives and goals as set by the Board of Directors and to supervise the business in order to operate the business for the maximum benefit to stakeholders in all aspects, appropriately and fairly. Also ensuring that general information and financial information of the Company are disclosed in accordance with best practice guidelines including having the power to approve any action which is the normal business operation of the Company with the scope of authority that has been authorized to approve according to the line of work and the value of the transaction which has been clearly defined except for businesses that require approval from the Board of Directors or the shareholders' meeting, as the case may be. However, in the normal business operation of the Company, the management has no authority to approve the transaction, or persons who may have conflicts, have a stake or conflict of interest.

Remuneration for Directors and Management

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. The Company

has set the remuneration of the Executive Committee and Managements to complies with the policies and criteria that consider the suitability of the financial status, operating results and net profit of the Company. The Chief Executive Officer and managements jointly determine performance indicators and evaluations each year in order to continually rising determine remuneration that reflects actual performance and incentivize the efficiency and effectiveness of the performance.

The 2022 Annual General Meeting of Shareholders, held on April 29, 2022, resolved to approve the directors' remuneration divided into the following:

Unit : Baht

Meeting Allowance (Baht/person/time)	Year 2022		
	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

Unit : Baht

Fixed Remuneration (Baht/person/time)	Year 2022		
	Chairperson	Executive Director	Non-Executive Director
Board of Directors	37,500	25,000	25,000
Audit Committee	22,500	-	15,000

The regular remuneration and the meeting allowance mentioned above will be effective as from May 2022 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 proposed to the Meeting of Shareholders for approval.

The annual gratuity of 2022 was fixed at 250,000 Baht for the Chairperson of the board, and 170,000 Baht each for the 11 directors of the Company. The gratuity amounts in total to 2,120,000 Baht, and shall be paid in accordance to the period of holding their position.

The comparison of director's remuneration in 2022 and 2021 are as follows;

Remuneration	Year 2022		Year 2021	
	Person*	Baht	Person	Baht
Regular Remuneration for Non-Executive Director	13	4,377,500	14	4,197,500
Meeting Allowance for only non-executive director	6	1,567,500	8	1,495,000
Gratuity	13	2,119,055	12	1,299,634
Total		8,064,055		6,992,134

Remark * Year 2022, a director is appointed replacing the resigned director.

The comparison of remuneration for the top managements in 2022 and 2021 are as follows;

Remuneration	Year 2022		Year 2021	
	Person	Baht	Person	Baht
Salaries	11	56,410,910	9	46,673,242
Bonuses, special rewards and travel expenses	11	11,912,296	9	7,658,946
Total		68,323,206		54,332,188

The above remuneration was not included the allowance paid to the top Managements which receive remuneration as a Board of Directors, as shown under the heading “Board of Directors”, to calculate.

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.

Performance Evaluation and Consideration of Top Management Remuneration

The Company has determined the performance of the top management of the organization starting from the President by the Nomination and Remuneration Committee, which the conflict director will not involve in the consideration. The evaluate will including the evaluation of the leadership performance, determining policies and strategic plans, applying financial performance indicator and the profitability of the Company, relationships with the board of director and the organization or other outsiders, including the social and environmental responsibility. The focus of the evaluation is to use the evaluation result to performing better. The overall picture of the year 2022, it was seen that most of the top executives performed or action in each issue in a good manner and efficiency.

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

7.5 Employees

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, overtime pay, provident fund and other welfare, separated according to main line of command, are as follows:

Working Units	Year 2022		Year 2021	
	Number of employees*	Remuneration (Million Baht)	Number of employees	Remuneration (Million Baht)
Local Offices	328	283.8	399	264.14
Branch Operation Dept.	2,960	649.4	2,946	604.80
Factories	1,051	344.3	1,110	317.54
Total	4,339	1,277	4,455	1,186.48

Remark * 2022 Total employees as of December 2022

Provident Fund

The Company has established a provident fund as follow the Provident Fund Act B.E. 2530 (including any amendments), there are 2,214 employees of the Company participating in the provident fund, representing 51.03% of the total number of employees of the Company.

7.6 Other Information

Company Secretary

The Board of Directors appointed a Company Secretary clearly at the Board of Directors Meeting, No. 4/2019, on November 8, 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

Supervisor and Taking Care in Accounting

Ms. Charintr Pathawinthanon Assistant Vice President Account, whom qualifications and abilities meet the requirement.

Head of the Internal Audit and Risk Management

Mrs. Chirley Sawangkong Internal Audit Director, whom qualifications and abilities meet the requirement is currently on the duty of the secretary of Audit Committee.

Head of the Company's Regulatory Compliance

Mrs. Chirley Sawangkong Internal Audit Director, the head of the Company's Compliance, has handled this job properly.

Head of Investor Relations and Capital Markets

Mr. Wasan Pornjinda IR Manager, responsibility of managing the work of Investor Relations (IR).

Auditor and Auditor's Remuneration

1) Auditors for the year 2022 are details as follows:

PricewaterhouseCoopers ABAS Ltd., is the auditors for the year 2022 with one of the auditors as listed below as the auditor of the Company for the year 2022.

- | | |
|----------------------------|---------------------|
| 1. Mr. Paiboon Tunkoon | CPA No. 4298 and/or |
| 2. Ms. Sinsiri Thangsombat | CPA No. 7352 and/or |
| 3. Mr. chanchai chaiprasit | CPA No. 3760 |

2) Auditor's Remuneration for the year 2022 are details as follows:

The Company and its subsidiaries have audit fees paid to PricewaterhouseCoopers ABAS Ltd. in 2022 in total of 4,320,000 Baht, divided into the Company's audit fee of 2,680,000 Baht, the subsidiary's audit fee of 1,500,000 Baht and the remuneration for the other services of 140,000 Baht.

8. Corporate Governance Milestones

8.1 Performance of the Board of Directors in 2022

As of December 31, 2022, it appears in the Certificate of Registration of Public Company Limited, the Department of Business Development, Ministry of Commerce, the Board of Directors comprises of 12 members, comprising 4 independent directors. In 2022, the Board of Directors held 5 meetings in total. The meeting was held in both Physical Meeting and E-Meeting and all directors attended every meeting or representing 100 percent.

In the year 2022, the Board of Directors has set a policy regarding the minimum quorum as at the time when the directors will vote in the meeting, the committee must have at least two-thirds of the total number of directors. Without counting the number of the directors which has a conflict of interest and that no right to attend and vote in such meeting. At every previous board meeting, the number of directors attending the meeting will be more than two-thirds of the total number of directors every time.

The details of the meeting and the remuneration of each directors in the year 2022 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)	The Meeting Format		Board of Directors Allowance (Baht)	Total Attendances / Total number of the meeting	Audit Committee Allowance (Baht)	Total Attendances / Total number of the meeting	Nomination and remuneration Committee	Total Attendances / Total number of the meeting	Risk Management Committee* Allowance	Total Attendances / Total number of the meeting	Executive Committee Allowance	
1. Mrs. Patara Sila-On Chairperson of the Board of Directors	6/6	1	5	700,000	-	-	-	-	-	-	-	-	700,000
2. Mr. Pravesvudhi Raiva Vice Chairperson of the Board of Directors, Executive Committee	6/6	3	3	470,000	-	-	-	-	-	-	11/12	-	470,000
3. Mrs. Kessuda Raiva** Chairperson of the Executive Committee, Nomination and Remuneration's Committee, Risk Management Committee	6/6	3	3	470,000	-	-	2/2	-	2/3	-	11/12	-	470,000
4. Mr. Vitoon Sila-On Chief Executive Officer, Executive Committee, Risk Management Committee	6/6	4	2	470,000	-	-	-	-	3/3	-	11/12	-	470,000
5. Ms. Cattleya Saengsastra Independent Director, Chairperson of the Audit Committee	6/6	3	3	620,000	5/5	457,500	-	-	-	-	-	-	1,077,500
6. Ms. Sophavadee Uttamobol Independent Director, Audit Committee	6/6	2	4	620,000	5/5	305,000	-	-	-	-	-	-	925,000
7. Mr. Piya Sosothikul Independent Director, Audit Committee, Nomination and Remuneration's Committee, Chairperson of Risk Management Committee	6/6	-	6	620,000	5/5	305,000	2/2	30,000	3/3	67,500	-	-	1,022,500
8. Mr. Teeranun Srihong ** Independent Director, Chairperson of Nomination and Remuneration's Committee	6/6	2	4	620,000	-	-	2/2	45,000	-	-	-	-	665,000
9. Mr. Kachorndej Raiva Director, Executive Committee	6/6	-	6	470,000	-	-	-	-	-	-	12/12	-	470,000
10. Mr. Kamtorn Sila-On Chief Finance Officer, Executive Committee, Risk Management Committee	6/6	3	3	470,000	-	-	-	-	3/3	-	9/12	-	470,000

Name / Position	Board of Directors				Audit Committee		Nomination and Remuneration Committee		Risk Management Committee		Executive Committee		Total
	Total Attendances/ Total number of the meeting (Including AGM)	The Meeting Format		Board of Directors Allowance (Baht)	Total Attendances / Total number of the meeting	Audit Committee Allowance (Baht)	Total Attendances / Total number of the meeting	Nomination and remuneration Committee	Total Attendances / Total number of the meeting	Risk Management Committee* Allowance	Total Attendances / Total number of the meeting	Executive Committee Allowance	
11. Mr. Kosin Chantikul Director	6/6	1	5	620,000	-	-	-	30,000	-	45,000	-	-	620,000
12. Mr. Kreetakorn Siriatha ¹ Director	6/6	3	3	441,388	-	-	-	30,000	-	45,000	-	-	441,388
Mr. Matthew Kichodhan ¹ Director	-		-	175,167	-	-	-	-	-	-	-	-	175,167
Mrs.Patamawalai Ratanapol Executive Committee	-		-	-	-	-	-	-	-	-	12/12	-	-
Mr. Arth Prakhunhungsit Executive Committee	-		-	-	-	-	-	-	-	-	12/12	-	-
Total	6,766,555				1,067,500		75,000	67,500		67,500	-		7,976,555

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

- Mr. Matthew Kichodhan resigned from the position of the Director on February 18, 2022
- Mr. Kreetakorn Siriatha is appointed the position of the Director on February 22, 2022

Note 2 The remunerations received from holding the position of director are as follows:

- Gratuity was fixed at 250,000 Baht for the chairperson of the board and 170,000 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 Directors 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 the 2022 Annual General Meeting of Shareholders held on April 29, 2022 which specified that the resolution will be effected from May 2022 onward.

8.2 Reports of Audit Committees' Performance This Past Year

The Audit Committee of S&P Syndicate Public Company Limited is appointed by the Board of Directors. It consists of 3 independent directors, all of whom are fully qualified in accordance with the Audit Committee Charter and are independent in performing their duties. The directors are qualified to perform their duties in reviewing the reliability of financial statements in accordance with the regulations of the Stock Exchange of Thailand.

In the past 2022, there have been 5 Audit Committee meetings, with all directors attending a quorum. The Audit Committee has performed its duties and responsibilities in accordance with the Audit Committee Charter approved by the Board of Directors as well as performing duties in accordance with the framework of regulations and guidelines prescribed by the Stock Exchange of Thailand. It covers the following subjects:

- Review of good corporate governance
- Review of financial statements
- Review the appropriateness of disclosure of connected transactions and potential conflicts of interest of benefit
- Review the risk management assessment system.
- Review the suitability the sufficiency of the internal control system
- Review and supervise the work of the internal audit unit to be in accordance with the plan set
- Review the results of fraud investigations
- Consideration, selection and proposing to the Board of Directors to approve the appointment of the auditors and audit fee for the year 2023

The Audit Committee has duties and responsibilities to ensure that the Company operates in accordance with the policies of the Board of Directors with efficiency, transparency and accountability. The Audit Committee has assessed the performance of the Audit Committee for the year 2022 to ensure efficient operation in accordance with the principles of good corporate governance which has a satisfactory assessment result.

8.3 Summary of the performance of other sub-committees

1) Nomination and Remuneration Committee

The Nomination and Remuneration Committee was appointed by the Board of Directors, which in 2022 consisted of 3 directors and 1 secretary of the Nomination and Remuneration Committee. The Chairperson of the Nomination and Remuneration Committee is an independent director. The Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors. In 2022, the Nomination and Remuneration Committee holds a total of 2 meetings to perform duties as assigned by the Board of Directors and report the meeting results to the Board of Directors every time which can be summarized as follows:

- Consider and approve the remuneration of the Chief Executive Officer, high-level executives and employees from the evaluation of the work in relation to the goals and specify objectives, and review and approve the evaluation process and the annual compensation structure of the Company's top executives
- Coordinate with the Board of Directors in developing a succession plan for senior management.
- Recruit qualified persons to be the Company's directors and selected for further present to the Board of Directors and Shareholders to consider and approve by selecting persons who are honest in both personal and work. A selected person should be the person who has the ability to make excellent decisions and is a person who has the ability to perform duties with other directors of the Company for the long term benefit of the shareholder.
- Consider the structure of the sub-committees and make recommendations to the Board of Director to consider, select and recruit the persons with qualifications, qualifications and experience suitable for holding the position in the committee and the chairperson of the Company sub-committee to present to the Board of Directors as necessary.
- Set and give advice for the Board of Directors to consider the annual performance assessment of the Board of Directors and sub-committees by taking care of the annual assessment as mentioned.
- Determine the compensation and benefits which includes the regular remuneration, gratuity and meeting allowances of the Board of Directors and sub-committees in order to present to the Board of Directors for changes as deemed appropriate.

2) Risk Management Committee

The Risk Management Committee has been appointed by the Board of Directors, which in 2022 consists of 4 directors and 1 secretary to the Risk Management Committee. The Chairperson of the Risk Management Committee is an independent director. The Risk Management Committee has performed its duties as assigned by the Board of Director. And

in 2022, the Risk Management Committee has 3 meetings to perform duties as assigned by the Board of Directors, and has reported the meeting results to the Board of Directors every time which can be summarized as follows:

- Closely monitor on the Company's business and operations, including the Company's continuity management plan and plans for business rehabilitation after the COVID-19 situation.
- Review and hold meetings with management about the structure, risk management, risk assessment, practices and guidelines, policies and processes for risk assessment and risk management.
- Review and hold meetings with management regarding acceptable risk and strategies related to major risks such as credit risk, liquidity and fundraising risk, marketing risk, operational risk and reputation risk. Including the formulation of guidelines, policies and processes to control and reduce such risks.
- Acknowledge, consider and approve the results of the risk assessment, guidelines and risk management measures, including an action plan to manage residual risks to ensure that the Company has a reasonable risk management.
- Supervise and support the Company's risk management to achieve the specify objectives and goals. As well as suggest methods to prevent and method to reduce the risk level to an acceptable level; continually monitor the action plan to reduce the risk, and suitable for business conditions to ensure that risks are adequately and appropriately managed
- Report the performance of the Risk Management Committee to the Board of Directors. For continually acknowledgement.

3) Executive Committee

The Executive Committee is appointed by the Board of Directors. At present, the Executive Committee consists of 7 members and the Chairperson of the Executive Committee is the Company's director. In 2022, the Executive Committee holds a total of 12 meetings, whereby the Executive Committee performs its duties as assigned by the Board of Directors for maximum benefits of the Company which can be summarized as follows:

- Consider the Company and subsidiaries' operating results of both domestically and internationally.
- Reviewing the business plan for all parts of the Company.
- Determine the Company's operational policies to keep up to date with the situation.
- Closely monitor, prevent and monitor on businesses and operate of the Company, including planning for business rehabilitation after the COVID-19 situation.
- Determine the important agendas before presenting to the Board of Directors.

9. Internal Control and Intercompany Transactions

9.1 Internal Control

Internal Control System

For the past 49 years, S&P has been dedicated to creating innovative products and services with a strong focus on quality, value, and ethics. To ensure that the Company operates in accordance with these values, S&P places great importance on having an effective and efficient internal control system that is appropriate for its business operations. All employees are instilled with a sense of responsibility and are expected to work in accordance with ethical principles. Performance at both the management and operational levels is evaluated through a system of internal control that covers key areas such as accounting and finance, operational practices, technology, and information systems. Clear roles and responsibilities are defined for staff and management, and the Business Process Improvement Department (BPI) collaborates with various departments to establish and improve control systems and work processes. An internal audit office verifies the operations of all departments, and an audit committee oversees internal auditing to ensure that practices are up to date and meet international standards. The internal control system is regularly evaluated and monitored, and guidance is provided as needed to ensure that the system remains effective and efficient.

Internal Control

The Audit Committee supervises the audit office's operations by upholding professional internal auditing standards. They work independently, ethically, and with fairness, and have established regulations and rules that define their duties, scope of work, authority, and responsibility, as well as clear guidelines for conducting audits to achieve the Company's vision and mission. The committee devises audit strategies and annual plans that align with the current situation, using tools and software for analysis before conducting audits to enhance audit efficiency based on risk-based audit planning. Moreover, the audit office has developed an audit system that focuses on proactive and preventive measures in addition to providing assurance and consultation. This includes internal control evaluations, where audit units assess and compare their evaluations with those of auditors to identify and analyze differences. The audit office then takes into account the assessment of the audit units' opinions to make suitable adjustments.

Risk Management System

S&P is committed to developing an effective and efficient risk management system. In 2022, the risk management committee held three meetings to discuss and distribute risk throughout the organization, rank risk, and establish risk management guidelines. They also assigned responsibilities and designated measures to control and manage risks at an acceptable level, allowing the Company to achieve its goals and strategies, as well as creating confidence for shareholders and stakeholders. The risk management committee evaluates major projects that have been approved by the management committee and recommends them for internal audit review. They also suggest that the management committee consider whether the risks are acceptable and establish measures to manage and monitor the risks closely, ensuring that the risks remain at acceptable levels. This has allowed S&P to achieve its goals.

9.2 Related Transactions

In 2022, the Company had some connected transactions with related persons due to normal business operations. Details of related transactions in 2022 and 2021 can be summarized as follows:

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
1. S&P Global Co., Ltd. (GB)	It is a subsidiary in which the Company holds 80% of the shares and joint directors hold the other 20%. (* Shareholding by such directors increases the potential for joint investment with foreign companies by relying on the director's reputation.)	- Renting space Since June 2013, it has rented some space to use as a company office at Italthai Tower, 23 rd floor. According to the lease agreement, the term is year-to-year, starting from January 1 to December 31 of every year.	210,240.00	210,240.00	GB operates the investment management business of S&P Group abroad. It is necessary to use some office space as the Company has considered that, in proportion to the area, it has a reasonable rate and comparable with the rental rate of similar offices as a basis based on fair value.
		- Management fee It has hired to manage finance, accounting, personnel, law, and others for a term of 1 year, starting from January 1 to December 31 of every year.	714,919.69	742,464.50	GB operates the investment management business of S&P Group abroad, which is required to manage and close the account. The Company has considered that it has a reasonable rate and comparable with the wage rate of similar operators as a fair value basis.
2. Minor Food Group PCL (MFG)	It is a subsidiary of a major shareholder.	- Selling ingredients The Company has sold raw materials and food ingredients to MFG which is a normal and continuous transaction.	24,739,489.00	45,433,507.00	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
		- Service fee The Company has paid service fees for product ordering and delivering through the APP 1112 which is a normal and continuous transaction.	1,242,877.44	1,725,154.77	
		- Purchasing products The Company has purchased products from MFG which is a normal and continuous transaction.	8,174,000.00	-	

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
3. Minor DQ Co., Ltd. (DQ)	It is a subsidiary of a major shareholder.	- Selling ingredients The Company has sold raw materials and food ingredients to DQ which is a normal and continuous transaction.	11,795,858.00	7,249,748.00	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
4. Minor Dairy Co., Ltd. (MD)	It is a subsidiary of a major shareholder.	- Purchasing products The Company has purchased products from MD which is a normal and continuous transaction.	5,910,062.38	498,057.28	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
5. Swensen's (Thai) Co., Ltd. (SW)	It is a subsidiary of a major shareholder.	- Selling ingredients The Company has sold raw materials and food ingredients to SW which is a normal and continuous transaction.	24,585,520.00	12,003,912.00	The Company sees that it is a business cooperation and for the best interests of both parties based on the market price and fair value.
6. S.L.R.T. Co., Ltd. (SLRT)	It is a subsidiary of a major shareholder.	- Selling ingredients The Company has sold raw materials and food ingredients to SLRT which is a normal and continuous transaction.	1,677,125.00	857,365.00	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
7. Chicken Time Co., Ltd.	It is a subsidiary of a major shareholder.	- Selling ingredients The Company has sold raw materials and food ingredients to CFC which is a normal and continuous transaction.	1,514,763.00	-	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
8. Minor Sheet Co., Ltd.	It is a subsidiary of a major shareholder.	- Purchasing products The Company has purchased products from Minor Sheet Co., Ltd. which is a normal and continuous transaction.	1,493,412.00	2,832,422.41	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
9. Minor International PCL (MINT)	It is a major shareholder.	- Selling ingredients The Company has sold raw materials and food ingredients to MINT which is a normal and continuous transaction.	8,789,120.00	-	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
		- Service fee The Company has paid management service fee for warehouses of the Company.	98,675,791.84	-	

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
10. Select Service Partner Co., Ltd. (SSP)	It is a subsidiary of a major shareholder.	- Selling finished products The Company has sold finished products to SSP which is a normal and continuous transaction.	678,627.00	251,970.57	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
		- Initial fee	427,411.92	457,411.92	
		- Monthly license fee The Company has paid monthly according to the contract, representing 3 percent of sales.	183,438.67	57,969.87	
11. Seacon Development Co., Ltd.	It is another related company with joint directors.	- Renting space Since 2004, the Company has rented and utilized some space in Seacon Square Srinakarin Shopping Center with an area of 114.92 sq m. for the business of selling bakery, coffee, and beverages under the name of S&P which is a normal and continuous transaction. According to the space rental and service contract, the term is 3 years. For the year 2022, the total amount is 4,917,205.64 Baht and the total of utility bills is 465,067.53 Baht. The rental and service fees increase by 5 percent per year. - Renting space Since 2016, the Company has rented and utilized some space in Seacon Square Srinakarin Shopping Center with an area of 153.49 sq m. for the business of selling food, bakery, coffee, and beverages under the name of S&P which is a normal and continuous transaction. According to the space rental and service contract, the term is 3 years. It has been closed since April 26, 2021.	6,356,940.97	5,244,120.30	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
11. Seacon Development Co., Ltd. (continue)	It is another related company with joint directors.	Since 1993, the Company had rented and utilized some space in Seacon Bang Khae Shopping Center with an area of 350 sq m. Later in 2014, the area was reduced to 60 sq m. for the business of selling bakery, coffee, and beverages under the name of S&P which is a normal and continuous transaction. According to the space rental and service contract, the term is 3 years. For the year 2022, the total amount is 877,950.11 Baht and the total of utility bills is 96,717.69 Baht. The rental and service fees increase by 5 percent per year.			
12. Royal Garden Plaza Co., Ltd.	It is a subsidiary of a major shareholder.	- Renting space Since April 2017, the Company has rented and utilized some spaces in the Royal Garden Plaza Pattaya Shopping Center with an area of 180 sq m. to operate the business of selling food, bakery, and beverages under the name of S&P which is a normal and continuous transaction. According to the space rental and service contract, the term is 3 years. It has been closed since June 10, 2022.	38,600.00	828,012.97	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.
13. Chao Phraya Resort Co., Ltd.	It is a subsidiary of a major shareholder.	Since February 2016, the Company has rented and utilized some spaces in the Riverside Plaza Charoennakorn Shopping Center with an area of 206.93 sq m. to operate the business of selling food, bakery, coffee, and beverages under the name of S&P which is a normal and continuous transaction. According to the space rental and service contract, the term is 3 years. For the year 2022, the total amount is 3,081,657.84 Baht and the total of utility bills is 637,211.48 Baht. The rent increases by 15 percent every three years.	3,743,969.32	3,919,807.13	The Company sees that it is a business cooperation and for the best interests of both parties based on market price and fair value.

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
13. Chao Phraya Resort Co., Ltd. (continue)	It is a subsidiary of a major shareholder.	Since April 2016, the Company has rented and utilized some spaces in the Riverside Plaza Charoennakorn Shopping Center with an area of 19.20 sq m. to be used as a storage room which is a normal and continuous transaction. According to the contract, the term is 3 years. For the year 2022, the total amount is 25,100.00 Baht.			
Director 14. Mrs. Patara Sila-On	Director and major shareholder of the Company	<p>- Renting space</p> <p>Since 1999, the Company has rented and utilized land area of 1 rai and warehouse building area of 600 sq m. at Krungthep Kreetha Road for the waste materials, which is a normal and continuous transaction. According to the contract, the term is year-to-year starting from January 1 to December 31 of every year. The rental rate is 10,000 Baht per month.</p> <p>- Renting space</p> <p>Since March 2005, the Company had rented land, buildings, restaurants, villas located at No. 9 Soi Sathit Chomphon, Jerm Chomphon Road, Sriracha Sub-District, Sriracha District, Chonburi Province, including fixtures and equipment from a group of people between Mrs. Patara Sila-On, Lieutenant Warakorn Raiva, Mr. Kajorndej Raiva, and Mr. Prawetwut Raiva to operate the business of restaurants, residences, and entertainment for the Company's employees. Later, the right was transferred from the aforementioned group of persons on April 1, 2015, which was a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1</p>	120,000.00	150,000.00	The Company needs to use a large warehouse to store waste materials. The land and warehouses are close to the Company's office, making it convenient to transport, store, and bring such materials, such as cabinets and showcases, to use in the business. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and warehouses as a fair value basis.
			240,000.00	240,000.00	The Company needs to rent land and buildings, restaurants, and villas to operate the business of restaurants, residences, and entertainment for the Company's employees. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and buildings as a fair value basis.

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
14. Mrs. Patara Sila-On (continue)	Director and major shareholder of the Company	<p>to December 31 of every year. The rental rate is 20,000 Baht per month.</p> <p>- Renting space The 2-storey guesthouse is located at No.139/2, Moo 4, Bang Phra Sub-District, Si Racha District, Chonburi Province, including the surrounding land, buildings, furnishings, fittings, and crops on the land from a group of persons between Mrs. Patara Sila-On, Lieutenant Warakorn Raiva, Mr. Khachondej Raiva, and Mr. Prawetwut Raiva for use in residence, organizing training seminars, and entertainment for the Company's employees. It was later transferred from the aforementioned group of persons on April 1, 2015, which is a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 47,500 Baht per year.</p> <p>* Rental fee of the space for the year 2022 was paid on March 7, 2023.</p>	47,500.00	35,625.00	The Company needs to rent land and buildings for use in its business. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and buildings as a fair value basis.
15. Mr. Amaret Sila-On	Major shareholder of the Company	<p>- Renting space Since April 2021, the Company has rented and utilized the land area of 1 rai and the warehouse building area of 600 sq m. on Krunghthep Kreetha Road for the waste materials which is a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 10,000 Baht per month.</p>	120,000.00	90,000.00	The Company needs to use a large warehouse to store waste materials. The land and warehouses are close to the Company's office, making it convenient to transport, store, and bring such materials, such as cabinets and showcases, to use in the business. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and warehouses as a fair value basis.

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
16. Mr. Kajorndej Raiva	Director and major shareholder of the Company	<p>- Renting space</p> <p>Since 1999, the Company has rented and utilized the land area of 1 rai 1 wa and the warehouse building area of 756 sq m. on Krunghthep Kreetha Road for storage of waste materials which is a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 10,000 Baht per month.</p>	120,000.00	120,000.00	The Company needs to use a large warehouse to store waste materials. The land and warehouses are close to the Company's office, making it convenient to transport, store, and bring such materials, such as cabinets and showcases, to use in the business. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and warehouses as a fair value basis.
		<p>- Renting space</p> <p>Since March 2005, the Company had rented land, buildings, restaurants, villas located at No. 9 Soi Sathit Chomphon, Jerm Chomphon Road, Sriracha Sub-District, Sriracha District, Chonburi Province, including fixtures and equipment from a group of people between Mrs. Patara Sila-On, Lieutenant Warakorn Raiva, Mr. Kajorndej Raiva, and Mr. Prawetwut Raiva to operate the business of restaurants, residences, and entertainment for the Company's employees. Later, the right was transferred from the aforementioned group of persons on April 1, 2015, which is a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 20,000 Baht per month.</p>	240,000.00	240,000.00	The Company needs to rent land and buildings, restaurants, and villas to operate the business of restaurants, residences, and entertainment for the Company's employees. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and buildings as a fair value basis.
		<p>- Renting space</p> <p>The 2-storey guesthouse is located at No. 139/2, Moo. 4, Bang Phra Sub-District, Si Racha District, Chonburi Province, including the surrounding land, buildings, furnishings, fittings, and crops on land from a group of persons between Mrs. Patara Sila-On, Lieutenant Warakorn Raiva, Mr. Khachondej Raiva, and</p>	47,500.00	35,625.00	The Company needs to rent land and buildings for use in its business. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and buildings as a fair value basis.

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
16. Mr. Kajomdej Raiva (continue)	Director and major shareholder of the Company	Mr. Prawetwut Raiva for use in residence, organizing training seminars, and entertainment for the Company's employees. It was later transferred from the aforementioned group of persons on April 1, 2015, which was a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 47,500 Baht per year. * Rental fee of the space for the year 2022 was paid on March 7, 2023.			
17. Lieutenant Warakorn Raiva	Related person as a close relative of directors	- Renting space Since March 2005, the Company had rented land, buildings, restaurants, villas located at No. 9 Soi Sathit Chomphon, Jerm Chomphon Road, Sriracha Sub-District, Sriracha District, Chonburi Province, including fixtures and equipment from a group of people between Mrs. Patara Sila-On, Lieutenant Warakorn Raiva, Mr. Kajomdej Raiva, and Mr. Prawetwut Raiva to operate the business of restaurants, residences, and entertainment for the Company's employees. Later, the right was transferred from the aforementioned group of persons on April 1, 2015, which is a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 20,000 baht per month.	240,000.00	240,000.00	The Company needs to rent land and buildings restaurants, and villas to operate the business of restaurants, residences, and entertainment for the Company's employees. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and buildings as a fair value basis.
		- Renting space The 2-storey guesthouse is located at No. 139/2, Moo. 4, Bang Phra Sub-District, Si Racha District, Chonburi Province, including the surrounding land, buildings, furnishings, fittings, and crops on land from a group of persons between Mrs. Patara Sila-On,	47,500.00	35,25.00	The Company needs to rent land and buildings for use in its business. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and buildings as a fair value basis.

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
17. Lieutenant Warakorn Raiva (continue)	Related person as a close relative of directors	<p>Lieutenant Warakorn Raiva, Mr. Khachondej Raiva, and Mr. Prawetwut Raiva for use in residence, organizing training seminars, and entertainment for the Company's employees. It was later transferred from the aforementioned group of persons on April 1, 2015, which was a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 47,500 Baht per year.</p> <p>* Rental fee of the space for the year 2022 was paid on March 7, 2023.</p>			
18. Mr. Prawetwut Raiva	Director and major shareholder of the Company	<p>- Renting space</p> <p>Since March 2005, the Company had rented land, buildings, restaurants, villas located at No. 9 Soi Sathit Chomphon, Jerm Chomphon Road, Sriracha Sub-District, Sriracha District, Chonburi Province, including fixtures and equipment from a group of people between Mrs. Patara Sila-On, Lieutenant Warakorn Raiva, Mr. Kajorndej Raiva, and Mr. Prawetwut Raiva to operate the business of restaurants, residences, and entertainment for the Company's employees. Later, the right was transferred from the aforementioned group of persons on April 1, 2015, which is a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 20,000 Baht per month.</p>	240,000.00	240,000.00	The Company needs to rent land and buildings restaurants, and villas to operate the business of restaurants, residences, and entertainment for the Company's employees. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and buildings as a fair value basis.

Name of Company and Related Person	Characteristics of Relationships That Cause Conflicts	Characteristics of Important Transactions	Transaction Value (Baht)		The Company's Approval on the Necessity and Reasonableness of the Transaction
			2022	2021	
18. Mr. Prawetwut Raiva (continue)	Director and major shareholder of the Company	<p>- Renting space</p> <p>The 2-storey guesthouse is located at No. 139/2, Moo. 4, Bang Phra Sub-District, Si Racha District, Chonburi Province, including the surrounding land, buildings, furnishings, fittings, and crops on land from a group of persons between Mrs. Patara Sila-On, Lieutenant Warakorn Raiva, Mr. Khachondej Raiva, and Mr. Prawetwut Raiva for use in residence, organizing training seminars, and entertainment for the Company's employees. It was later transferred from the aforementioned group of persons on April 1, 2015, which was a normal and continuous transaction. According to the contract, the term is year-to-year, starting from January 1 to December 31 of every year. The rental rate is 47,500 Baht per year.</p> <p>* Rental fee of the space for the year 2022 was paid on March 7, 2023.</p>	47,500.00	35,625.00	The Company needs to rent land and buildings for use in its business. The Company has considered that the value of the transaction is reasonable and comparable to the rental rate of nearby land and buildings as a fair value basis.

For transactions with other subsidiaries and associated companies, including related transactions between subsidiaries and associated companies that are not held by persons with conflicts of interest, the Company has disclosed the information in the remark No. 30 of the financial statements for the year ended on December 31, 2022. The auditor has stated that such transactions are in the normal course of business based on general market prices or in accordance with the contracts agreed upon for transactions without market prices.

Necessity and Reasonableness of Related-Party Transactions

The Company has entered into related transactions with its subsidiaries and associated companies as well as other related parties in the normal course of business. The related transactions that occur are necessary and reasonable for the utmost interest of the Company. The Company assigns the Audit Committee to give opinions on the suitability of the transaction, which is approved by the Board of Directors in accordance with the established policy criteria. Also, the auditor has expressed an opinion that the above related transactions in 2022 and 2021 are transactions with agreed terms and prices that are in the normal course of business and not significantly different from the fair value.

Policy or Trend of Related-Party Transactions

The Company has the policy to conduct related party transactions with persons who may have conflicts in the future by stipulating various conditions in accordance with the normal course of business and determining measures for the approval of related party transactions. In a transaction conducted in the normal course of business, a director, an executive director, or another person who may have conflicts of interest will not have the right to vote on that matter. As for important transactions, the Audit Committee will review and/or ask the Company's auditor or independent experts to comment on the appropriateness of the price and the reasonableness of the transactions in considering the approval of such related transactions. In this regard, the Board of Directors will comply with the law on securities and the stock exchange and any regulations, announcements, or requirements of the Stock Exchange of Thailand, including complying with the requirements regarding the disclosure of information about related transactions and the acquisition or disposition of important assets of the Company or its subsidiaries. The Company will disclose the related-party transactions in the remarks of the financial statements audited by the Company's auditor.

Subsidiaries registered in foreign countries consist of S&P Restaurant Company Limited, Patara (Geneva) SA Company Limited, Patara International Restaurant Management (Beijing) Company Limited, Patara Restaurant Vienna GmbH Company Limited, Shanghai Yua Chue Management Company Limited held by Patara International Restaurant Management (Beijing) Company Limited, indirectly held by S&P Global Company Limited, and Patara Fine Thai Cuisine Company Limited, indirectly held by S&P Development Holding Company Limited, Suda Company Limited, and MSP Company Limited, held by Patara Fine Thai Cuisine Company Limited, indirectly held by S&P Development Holding Company Limited. All such subsidiaries have not prescribed or amended the regulations regarding related transactions and the acquisition or disposition of important assets by the subsidiaries in a manner consistent with the regulations of the Stock Exchange of Thailand. However, the Company has measures to supervise such transactions, whereby the approval of such transactions, according to the regulations of the Stock Exchange of Thailand, must be endorsed by the Audit Committee with the Company's representatives who are directors of the subsidiary voting in the Board of Directors' meeting or the shareholders' meeting of that subsidiary under the approval of the Audit Committee and in accordance with the guidelines provided by the Board of Directors, taking fairness and appropriateness of the said transaction into account.



Part 3

Financial Statements

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 Financial Reporting Standards and requirements under the Securities and Exchange Act, and in accordance with the consolidated interim financial statements and the separate interim financial statements in accordance with Thai Accounting Standard No. 34, regarding "Interim Financial Reporting" and generally accepted accounting practices in Thailand. An additional information is disclosed in accordance with the regulations of the Securities and Exchange Commission adequate disclosure of important information in the notes to the financial statements.

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

The Board of Directors has an opinion that the audited financial statements, notes to the financial statements, statements of financial position, operating results and cash flows of S&P Syndicate Public Company Limited and Subsidiaries 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

13. Financial Information

13.1 Financial Statements

Independent Auditor's Report

To the shareholders of S&P Syndicate Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of S&P Syndicate Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p><i>Recoverable amount of investment in joint venture</i></p> <p>Refer to Note 7 to the consolidated financial statements for critical accounting estimates and judgements related to investment in joint venture.</p> <p>The Group has investment in joint venture with carrying amount of Baht 196 million on the consolidated financial statements as at 31 December 2022, which mainly related to restaurant business in the United Kingdom. The Group was required to test cash generating unit impairment of investment when there is indicator of impairment.</p> <p>For the year ended 31 December 2022, the management has performed an impairment assessment of the investment in joint venture balance by:</p> <ol style="list-style-type: none"> 1. Calculating the value in use for each Cash Generating Unit ("CGU") using a discounted cash flow model. These models used cash flows (revenues and expenses) for each CGU for 5 years, with constant terminal growth rate applied after the 5th year. These cash flows were then discounted to net present value using the weighted average cost of capital (WACC). 2. Comparing the resulting value in use of each CGU to their respective book values. <p>Based on the impairment test, the management concluded that no further impairment was required to be recorded in the current year as the value in use computed higher than net book value. The key assumptions were disclosed in note 13.</p> <p>I focused on this area because the impairment assessment process involved significant management judgement, which was based on assumptions that were affected by expected future market and economic conditions.</p>	<p>The audit procedures included the followings;</p> <ul style="list-style-type: none"> • Understanding and evaluating the composition of management's cash flow forecasts and the process by which they were developed, including testing of the mathematical accuracy by the management. • Assessing management's key assumptions by comparing them to historical results and economic and industry outlook. Those assumptions included growth rate of the business, estimated cost and estimated expenses in the future. • Testing parameters used to determine the discount rate applied and re-performing the calculations. • Assessing an adequacy of their sensitivity calculations over their CGUs. The valuation of investment in joint venture was sensitive to changes in key assumptions, in case they were not achieved, could reasonably be expected to give rise to impairment charge in the future. • Evaluating the adequacy of the disclosures made in notes of the financial statements, including those regarding the key assumptions and sensitivity of those assumptions. <p>Based on the above procedures, I considered management's key assumptions used in assessing the impairment was reasonable based on available evidences.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my 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 my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities 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

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

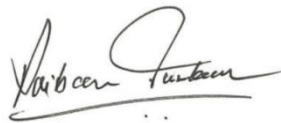
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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 the directors.
- Conclude on the appropriateness of the directors' 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I 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. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read 'Paiboon Tunkoon', with a horizontal line underneath.

Paiboon Tunkoon

Certified Public Accountant (Thailand) No. 4298

Bangkok

23 February 2023

S&P Syndicate Public Company Limited and its subsidiaries**Statements of Financial Position****As at 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Assets					
Current assets					
Cash and cash equivalents	9	1,082,384,978	980,417,445	936,790,097	865,681,128
Financial assets measured at fair value through profit or loss	6	361,503,534	360,295,976	361,503,534	360,295,976
Trade and other receivables	10	254,864,504	245,333,878	239,283,708	228,306,555
Short-term loans to related party	30	12,368,190	25,458,139	12,368,190	22,323,800
Current portion of long-term loans to subsidiaries	30	-	-	1,200,000	7,598,933
Inventories	12	323,855,713	272,193,885	314,467,955	263,094,941
Other current assets		15,736,979	14,105,322	10,867,063	8,419,117
Total current assets		2,050,713,898	1,897,804,645	1,876,480,547	1,755,720,450
Non-current assets					
Deposits used as collateral		810,648	810,007	785,427	784,924
Financial assets measured at amortised cost	11	10,000,000	10,000,000	10,000,000	10,000,000
Investments in subsidiaries	14	-	-	155,865,554	170,750,669
Investments in associate	13	108,676,485	73,239,251	4,997,000	4,997,000
Investments in joint ventures	13	196,047,208	205,900,922	37,000,000	35,000,000
Long-term loans to subsidiaries	30	-	-	35,795,800	37,481,707
Property, plant and equipment	15	1,581,288,930	1,486,349,139	1,529,227,187	1,428,145,799
Right-of-use assets	16	1,300,323,219	1,306,441,431	1,108,557,422	1,066,132,918
Intangible assets	17	16,016,204	16,755,747	15,976,683	16,713,874
Deferred tax assets	18	60,314,687	67,961,117	54,431,372	63,727,071
Other non-current assets		640,396	680,773	608,923	665,521
Total non-current assets		3,274,117,777	3,168,138,387	2,953,245,368	2,834,399,483
Total assets		5,324,831,675	5,065,943,032	4,829,725,915	4,590,119,933

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

S&P Syndicate Public Company Limited and its subsidiaries
Statements of Financial Position (Cont'd)
As at 31 December 2022

		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institutions	19	1,597,112	7,658,175	-	-
Current portion of long-term borrowings from financial institutions	19	154,403,320	53,953,320	154,403,320	53,953,320
Current portion of long-term borrowings from related party	19,30	1,114,739	1,065,955	-	-
Trade and other payables	20	860,902,440	760,006,858	797,037,459	714,665,999
Current portion of lease liabilities		334,664,164	442,871,332	293,916,125	399,425,035
Corporate income tax payable		57,544,943	44,699,622	53,118,578	42,739,487
Employee benefit obligations - current portion	21	11,018,541	8,273,082	10,949,126	8,273,082
Other current liabilities		45,842,886	38,781,054	31,171,396	27,474,477
Total current liabilities		1,467,088,145	1,357,309,398	1,340,596,004	1,246,531,400
Non-current liabilities					
Long-term borrowings from financial institutions	19	141,230,290	195,633,610	141,230,290	195,633,610
Long-term borrowings from related party	30	-	1,114,739	-	-
Lease liabilities		736,390,125	653,014,872	602,305,927	477,377,969
Employee benefit obligations - non-current portion	21	162,249,224	167,061,202	157,574,851	160,147,464
Other non-current liabilities		68,584,851	75,787,106	38,359,865	44,014,637
Total non-current liabilities		1,108,454,490	1,092,611,529	939,470,933	877,173,680
Total liabilities		2,575,542,635	2,449,920,927	2,280,066,937	2,123,705,080

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

S&P Syndicate Public Company Limited and its subsidiaries**Statements of Financial Position (Cont'd)****As at 31 December 2022**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorized share capital					
514,928,784 ordinary shares					
at par value of Baht 1 each					
(2021: 514,928,784 ordinary shares					
at par value of Baht 1 each)					
		514,928,784	514,928,784	514,928,784	514,928,784
Issued and paid-up share capital					
512,814,512 ordinary shares					
fully paid-up of Baht 1 each					
(2021: 511,512,758 ordinary shares					
fully paid-up of Baht 1 each)					
22		512,814,512	511,512,758	512,814,512	511,512,758
Premium on ordinary shares	22	689,980,549	689,980,549	689,980,549	689,980,549
Surplus on gain from transfer of business					
to a joint venture entity					
		79,905,178	79,905,178	-	-
Retained earnings					
Appropriated - Legal reserve					
24		52,343,137	52,343,137	52,343,137	52,343,137
Unappropriated					
		1,370,271,225	1,257,830,351	1,233,255,209	1,167,374,199
Other components of shareholders' equity					
		(954,356)	(13,853,507)	61,265,571	45,204,210
Equity attributable to owners of the parent					
		2,704,360,245	2,577,718,466	2,549,658,978	2,466,414,853
Non-controlling interests					
		44,928,795	38,303,639	-	-
Total equity					
		2,749,289,040	2,616,022,105	2,549,658,978	2,466,414,853
Total liabilities and equity					
		5,324,831,675	5,065,943,032	4,829,725,915	4,590,119,933

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

S&P Syndicate Public Company Limited and its subsidiaries

Statement of Comprehensive Income

For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Revenues from sales	8	5,711,505,750	4,817,123,674	5,289,710,666	4,556,447,878
Cost of sales		(2,526,458,842)	(2,163,372,179)	(2,410,930,740)	(2,077,276,903)
Gross Profit		3,185,046,908	2,653,751,495	2,878,779,926	2,479,170,975
Other income		86,723,516	96,250,323	81,405,466	107,884,598
Distribution costs		(2,241,368,944)	(1,855,264,406)	(1,997,230,207)	(1,715,758,128)
Administrative expenses		(417,796,763)	(444,123,529)	(398,884,938)	(502,473,874)
Gain (Loss) on exchange rate		(8,851,049)	14,203,995	(5,192,674)	9,189,116
Share of profit (loss) from investments in associate and joint ventures		23,583,521	2,272,633	-	-
Finance costs	25	(66,770,579)	(67,223,899)	(57,463,456)	(56,274,427)
Profit (loss) before income tax expense		560,566,610	399,866,612	501,414,117	321,738,260
Income tax expense	27	(96,808,855)	(58,599,715)	(87,616,594)	(55,146,809)
Profit (loss) for the year		463,757,755	341,266,897	413,797,523	266,591,451
Other comprehensive income (expense)					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of employee benefits obligation - net of tax		16,771,460	-	16,061,361	-
Items that will be reclassified subsequently to profit or loss					
Currency translation difference		(647,521)	5,287,955	-	-
Total other comprehensive income (expense) for the year - net of tax		16,123,939	5,287,955	16,061,361	-
Total other comprehensive income (expense) for the year		479,881,694	346,554,852	429,858,884	266,591,451
Profit (loss) attributable to:					
Owners of the parent		460,357,387	340,019,932	413,797,523	266,591,451
Non-controlling interests		3,400,368	1,246,965	-	-
		463,757,755	341,266,897	413,797,523	266,591,451
Total comprehensive income (expense) attributable to:					
Owners of the parent		473,256,538	344,250,296	429,858,884	266,591,451
Non-controlling interests		6,625,156	2,304,556	-	-
		479,881,694	346,554,852	429,858,884	266,591,451
Earnings (loss) per share	28				
Basic earnings (loss) per share (baht)		0.90	0.69	0.81	0.54
Diluted earnings (loss) per share (baht)		0.90	0.69	0.81	0.54

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

S&P Syndicate Public Company Limited and its subsidiaries

Statements of Changes in Equity

For the year ended 31 December 2022

Consolidated financial statements											
Attributable to owners of the Parent											
Notes	Surplus on gain from transfer of business to joint-venture entity			Retained earnings		Other components of equity					
				Appropriated legal reserve	Unappropriated	Other comprehensive income (expense)					Total equity
						Translation of financial statements	Remeasurement of employee benefit obligations	Total other components of equity	Total Owners of the parent	Non-controlling interests	
	Issued and paid-up share capital	Premium on ordinary shares		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning balances as at 1 January 2021	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
Changes in equity for the year											
Warrants exercised	23 21,104,393	-	-	-	-	-	-	-	21,104,393	-	21,104,393
Total comprehensive income (expense) for the year	-	-	-	-	340,019,932	4,230,364	-	4,230,364	344,250,296	2,304,556	346,554,852
Dividend paid	29 -	-	-	-	(147,122,485)	-	-	-	(147,122,485)	-	(147,122,485)
Ending balances as at 31 December 2021	<u>511,512,758</u>	<u>689,980,549</u>	<u>79,905,178</u>	<u>52,343,137</u>	<u>1,257,830,351</u>	<u>(61,460,907)</u>	<u>47,607,400</u>	<u>(13,853,507)</u>	<u>2,577,718,466</u>	<u>38,303,639</u>	<u>2,616,022,105</u>
Beginning balances as at 1 January 2022	511,512,758	689,980,549	79,905,178	52,343,137	1,257,830,351	(61,460,907)	47,607,400	(13,853,507)	2,577,718,466	38,303,639	2,616,022,105
Changes in equity for the year											
Warrants exercised	23 1,301,754	-	-	-	-	-	-	-	1,301,754	-	1,301,754
Total comprehensive income (expense) for the year	-	-	-	-	460,357,387	(518,017)	13,417,168	12,899,151	473,256,538	6,625,156	479,881,694
Dividend paid	29 -	-	-	-	(347,916,513)	-	-	-	(347,916,513)	-	(347,916,513)
Ending balances as at 31 December 2022	<u>512,814,512</u>	<u>689,980,549</u>	<u>79,905,178</u>	<u>52,343,137</u>	<u>1,370,271,225</u>	<u>(61,978,924)</u>	<u>61,024,568</u>	<u>(954,356)</u>	<u>2,704,360,245</u>	<u>44,928,795</u>	<u>2,749,289,040</u>

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

S&P Syndicate Public Company Limited and its subsidiaries

Statements of Changes in Equity

For the year ended 31 December 2022

Separate financial statements						
Notes	Issued and paid-up share capital Baht	Premium on ordinary shares Baht	Retained earnings		Other components of equity	Total shareholders' equity Baht
			Appropriated legal reserve Baht	Unappropriated Baht	Other comprehensive income (expense)	
					Remeasurement of employee benefit obligations Baht	
Beginning balances as at 1 January 2021	490,408,365	689,980,549	52,343,137	1,047,905,233	45,204,210	2,325,841,494
Changes in equity for the year						
Warrants exercised	23	21,104,393	-	-	-	21,104,393
Total comprehensive income (expense) for the year		-	-	266,591,451	-	266,591,451
Dividend paid	29	-	-	(147,122,485)	-	(147,122,485)
Ending balances as at 31 December 2021	511,512,758	689,980,549	52,343,137	1,167,374,199	45,204,210	2,466,414,853
Beginning balances as at 1 January 2022	511,512,758	689,980,549	52,343,137	1,167,374,199	45,204,210	2,466,414,853
Changes in equity for the year						
Warrants exercised	23	1,301,754	-	-	-	1,301,754
Total comprehensive income (expense) for the year		-	-	413,797,523	16,061,361	429,858,884
Dividend paid	29	-	-	(347,916,513)	-	(347,916,513)
Ending balances as at 31 December 2022	512,814,512	689,980,549	52,343,137	1,233,255,209	61,265,571	2,549,658,978

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

S&P Syndicate Public Company Limited and its subsidiaries
Statement of Cash Flows
For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Profit (loss) before income tax		560,566,610	399,866,612	501,414,117	321,738,260
Adjustments for:					
Depreciation and amortisation	26	634,454,941	706,877,865	573,022,336	637,862,265
Unrealised (gain) loss from changes in fair value of financial assets		(1,207,558)	(30,940)	(1,207,558)	(45,300)
Expected credit loss - trade receivables		-	3,713,464	-	3,713,464
Impairment charge on investment in subsidiaries		-	-	-	50,000,000
Impairment charge on investment in joint venture (reversal)		-	(30,174,190)	-	-
Impairment charge on property, plant and equipment (reversal)	15	(15,480,000)	9,045,000	(15,480,000)	14,690,000
Loss on write-off of property, plant and equipment and intangible assets		20,149,180	18,413,544	20,104,408	11,930,026
Gain on disposals of property, plant and equipment		(5,516,164)	(5,775,928)	(4,086,986)	(4,338,958)
(Gain) loss on reassessment of lease liabilities		(63,928,984)	2,434,117	(58,212,349)	(136,570)
Gain on disposals of financial assets		-	(854,121)	-	(854,121)
Employee benefit obligations	21	29,540,578	27,055,938	30,925,528	26,102,763
Customer loyalty program expenses		2,779,230	1,718,507	2,779,230	1,177,573
Dividend income	30	-	-	(16,529,254)	(41,512,358)
Interest income		(2,350,992)	(1,760,054)	(3,378,541)	(3,706,578)
Finance costs	25	66,770,579	67,223,899	57,463,456	56,274,427
(Gain) loss on exchange rate		7,768,470	(1,940,516)	13,985	(8,566,494)
Share of (profit) loss from investments in an associate and joint ventures		(23,583,521)	(2,272,633)	-	-
Changes in working capital:					
Trade and other receivables		(9,861,209)	(5,007,635)	(11,826,343)	(15,372,951)
Inventories		(51,661,828)	(47,584,765)	(51,373,014)	(49,293,063)
Other current assets		(1,631,657)	8,126,244	(2,447,946)	7,194,811
Other non-current assets		40,377	3,774,803	56,598	1,800,460
Trade and other payables		113,562,004	75,148,065	70,679,822	101,901,454
Other current liabilities		4,282,602	(8,383,029)	917,689	(3,453,919)
Employee benefits paid	21	(10,745,097)	(5,426,333)	(10,745,097)	(5,426,333)
Cash generated from operations		1,253,947,561	1,214,187,914	1,082,090,081	1,101,678,858
Interest paid		(8,608,092)	(5,155,968)	(8,563,408)	(5,126,709)
Income tax paid		(80,407,644)	(56,384,258)	(71,957,444)	(52,653,802)
Net cash generated from operating activities		1,164,931,825	1,152,647,688	1,001,569,229	1,043,898,347

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

S&P Syndicate Public Company Limited and its subsidiaries

Statements of Cash Flows (Cont'd)

For the year ended 31 December 2022

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Cash paid for interest in joint venture		(2,000,000)	-	(2,000,000)	-
Cash received from capital reduction of a subsidiary	14	-	-	17,467,350	-
Cash invested in financial assets measured at amortised cost		-	(10,000,000)	-	(10,000,000)
Proceeds from disposals of financial assets at fair value through profit or loss		-	120,000,000	-	120,000,000
Payments for purchase of property, plant and equipment and intangible assets		(322,704,955)	(281,787,282)	(288,290,479)	(308,596,898)
Proceeds from disposals of property, plant and equipment		11,874,728	6,767,067	11,204,252	6,544,849
Short-term loans to related party	30	11,988,859	(21,788,000)	8,854,520	(21,788,000)
Repayment of long-term loans to subsidiaries	30	-	-	8,084,840	28,831,650
Dividends received		-	19,988,000	16,529,254	41,512,358
Interest received		3,014,719	1,760,054	4,042,406	4,972,719
Net cash used in investing activities		(297,826,649)	(165,060,161)	(224,107,857)	(138,523,322)
Cash flows from financing activities					
Proceeds from short-term borrowings from financial institutions		10,000,000	80,626,160	10,000,000	75,000,000
Repayments on short-term borrowings from financial institutions		(16,061,063)	(130,000,000)	(10,000,000)	(130,000,000)
Proceeds from long-term borrowings from financial institutions		100,000,000	167,000,000	100,000,000	167,000,000
Repayments on long-term borrowings from financial institutions		(53,953,320)	(39,305,880)	(53,953,320)	(39,305,880)
Repayments on long-term borrowing from related party	30	(1,065,955)	(619,306)	-	-
Repayments on lease liabilities	16	(458,582,170)	(531,642,209)	(404,157,330)	(473,490,830)
Issuance of ordinary shares	23	1,301,754	21,104,393	1,301,754	21,104,393
Dividend paid	29	(348,233,198)	(146,847,706)	(348,233,198)	(146,847,706)
Net cash used in financing activities		(766,593,952)	(579,684,548)	(705,042,094)	(526,540,023)
Net increase (decrease) in cash and cash equivalents		100,511,224	407,902,979	72,419,278	378,835,002
Beginning balance of cash and cash equivalents		980,417,445	577,281,733	865,681,128	478,902,962
Exchange gains (losses) on cash and cash equivalents		1,456,309	(4,767,267)	(1,310,309)	7,943,164
Ending balance of cash and cash equivalents		1,082,384,978	980,417,445	936,790,097	865,681,128
Non-cash items					
Payable balances from purchase of property, plant and equipment and intangible assets		48,740,461	61,090,199	48,693,336	60,701,660
Dividend payables		423,162	739,848	423,162	739,848

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

1 General information

S&P Syndicate Public Company Limited (“the Company”) is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

2034/100-103, 23 Floor, Italthai Tower, New Petchburi Rd., Bangkapi, Huaykwang, Bangkok 10310, Thailand.

The principal business operations of the Company and its subsidiaries (“the Group”) are the operations 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.

The consolidated and separate financial statements are presented in Thai Baht and rounded to the nearest thousand, unless otherwise stated.

The consolidated and separated financial statements were authorised for issue by Board of Directors on 23 February 2023.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except certain financial assets.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

Reclassifications

Certain figures in the comparative information have been reclassified in accordance with the announcement relating to financial statement presentation of Department of Business Development, related Thai Financial Reporting Standard and management perspective on financial performance analysis based on materiality and the nature of transactions. The reclassification transactions were shown as follows:

	Consolidated financial statements			Separate financial statements		
	As previously reported Baht'000	Reclassifications Baht'000	As reclassified Baht'000	As previously reported Baht'000	Reclassifications Baht'000	As reclassified Baht'000
Statement of Comprehensive Income for the year ended 31 December 2021						
Cost of sales	(2,296,068)	132,696	(2,163,372)	(2,201,995)	124,718	(2,077,277)
Distribution costs	(1,722,568)	(132,696)	(1,855,265)	(1,591,040)	(124,718)	(1,715,758)

3 New and amended financial reporting standards

3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 and have impacts to the Group

- a) **Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

b) Accounting guidance on temporary relief measures for entities assisting debtors affected by the COVID-19 pandemic

The Group which assists debtors affected by the COVID-19 pandemic can apply the accounting guidance announced by TFAC based on BOT circular For. Nor. Sor 2. Wor. 802/2564 to help debtors between 1 January 2022 and 31 December 2023. The key relief measures involve, for example, the consideration for debt staging for ECL calculation where there is debt restructuring, revising EIR for the restructured debt and ECL calculation regarding unused credit line.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2022 do not have material impact on the Group.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and relating to the Group

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- d) **Amendment to TFRS 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group. Management is currently assessing the impact of the new and amended Thai Financial Reporting Standards effective for the accounting periods.

4 Accounting policies

4.1 Principles of consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method.

In the separate financial statements, investments in associates are accounted for using cost method.

c) Joint arrangements

Investments in joint arrangements are classified as joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method.

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

4.2 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

4.3 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date

4.4 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in note 5.1.2(ii).

4.5 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the weighted average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs, overhead costs and directly attributable costs in bringing the inventories to their present location and condition.

4.6 Financial asset

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

c) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are two measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

d) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss included in administrative expenses.

4.7 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings and building improvements	5 - 30 years
Factory building	5 - 40 years
Machinery and equipment	5 - 15 years
Furniture and equipment	3 - 10 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

4.8 Intangible assets

Acquired computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 5 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

4.9 Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.10 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise kitchen equipment.

The Group has adopted the practical expedient in relation to COVID-19 Related Rent Concessions from 1 January 2021. The practical expedient allows lessees to elect not to assess whether a rent concession related to COVID-19 is lease modification. Lessees adoption this election may account for qualifying rent concessions in the same way they would if they were not lease modifications. The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- b) Any reduction in lease payments affects only payments due on or before 30 June 2022; and
- c) There is no substantive change to other terms and conditions of the lease.

4.11 Financial liabilities

a) Classification

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

4.12 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

4.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.14 Employee benefits

a) *Short-term employee benefits*

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) *Defined contribution plan*

The Group pays contributions to a separate fund on a basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) *Defined benefit plans*

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated every three year by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

4.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

4.16 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares (net of tax) are shown as a deduction in equity.

4.17 Revenue recognition

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 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.

4.18 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5 Financial risk management

The Group's exposure to financial risks and how these risks could affect the future financial performance are as follows:

Risk	Exposure arising from	Measurement	Management
Market risk - foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in Thai Baht	Cash flow forecasts Sensitivity analysis	Management considers that Market risk - foreign exchange is immaterial.
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Management considers that Market risk - interest is immaterial.
Credit risk	Cash and cash equivalents, trade and other receivables, and debt and equity investment	Aging analysis Credit ratings	Diversification of bank deposits and Guidelines for debt and equity investments
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

5.1 Financial risk**5.1.1 Market risk****a) Foreign exchange risk**

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Pound Sterling Baht'000	Pound Sterling Baht'000	Pound Sterling Baht'000	Pound Sterling Baht'000
Cash and cash equivalents	131,713	106,910	81,670	69,294
Trade receivables	9,635	18,644	2,263	5,789
Short-term loans to related party	12,368	22,324	12,368	22,324
Short-term borrowings from financial institutions	-	2,158	-	-
Trade and other payables	-	17,561	-	-

The aggregate net foreign gains/losses recognised in profit or loss were:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht'000	Baht'000	Baht'000	Baht'000
Net foreign exchange gain/(loss) included in gain (loss) on exchange rate	(8,851)	14,204	(5,193)	9,189

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht/Pound Sterling exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets denominated in Pound Sterling.

	Consolidated financial statements		Separate financial statements	
	Impact to net profit		Impact to net profit	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Pound Sterling to Baht exchange rate - increase 1% (2021: 1%)*	1,537	1,318	963	979
Pound Sterling to Baht exchange rate - decrease 1% (2021: 1%)*	(1,537)	(1,318)	(963)	(979)

* Holding all other variables constant

b) Cash flow and fair value interest rate risk

The Group's borrowings and receivables are carried at amortised cost. The borrowings are periodically contractually repriced (see table below) and to that extent are also exposed to the risk of future changes in market interest rates.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	Consolidated financial statements			
	2022		2021	
	Baht'000	% of total borrowings	Baht'000	% of total borrowings
Fixed rate borrowings				
Less than 1 year	157,115	52.66	62,677	24.16
1 - 5 years	141,230	47.34	196,749	75.84
	298,345	100	259,426	100

Separate financial statements				
2022			2021	
	Baht'000	% of total borrowings	Baht'000	% of total borrowings
Fixed rate borrowings				
Less than 1 year	154,403	52.23	53,953	21.62
1 - 5 years	141,230	47.77	195,634	78.38
	295,633	100	249,587	100

The percentage of total loans shows the proportion of loans that are currently at fixed rates in relation to the total amount of borrowings. An analysis by maturities is provided in note 5.1.3 (b).

The Group do not apply hedge accounting.

Sensitivity

Profit or loss is sensitive to higher or lower interest expenses from borrowings as a result of changes in interest rates.

	Consolidated financial statements		Separate financial statements	
	Impact to net profit		Impact to net profit	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Interest rate - increase by 1% (2021: 1%)*	(4,060)	(3,096)	(2,528)	(1,564)
Interest rate - decrease by 1% (2021: 1%)*	4,060	3,096	2,528	1,564

* Holding all other variables constant

5.1.2 Credit risk

Credit risk arises from cash and cash equivalents and loans, contractual cash flows of debt instruments carried at amortised cost-and at fair value through profit or loss (FVPL), and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'BBB' are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers.

ii) Impairment of financial assets

The Group has financial assets that are subject to the expected credit loss model as follows:

- Trade and other receivables
- Debt investments
- Financial asset at fair value through profit or loss

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31 December 2022 or 31 December 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance was determined as follows for both trade receivables:

Consolidated financial statements						
	Current Baht'000	Up to 3 months Baht'000	3 - 6 months Baht'000	6 - 12 months Baht'000	Over 12 months Baht'000	Total Baht'000
31 December 2022						
Gross carrying amount						
- trade receivables - other	103,488	96,524	876	569	10,326	211,783
- trade receivables - related parties	3,784	620	43	8	3,331	7,786
Loss allowance	-	-	-	-	(3,713)	(3,713)
31 December 2021						
Gross carrying amount						
- trade receivables	88,603	96,084	3,638	853	10,331	199,509
- trade receivables - related parties	2,115	5,377	181	739	7,886	16,298
Loss allowance	-	-	-	-	(3,713)	(3,713)
Separate financial statements						
	Current Baht'000	Up to 3 months Baht'000	3 - 6 months Baht'000	6 - 12 months Baht'000	Over 12 months Baht'000	Total Baht'000
31 December 2022						
Gross carrying amount						
- trade receivables	96,016	96,524	876	569	10,326	204,311
- trade receivables - related parties	6,094	756	43	8	-	6,901
Loss allowance	-	-	-	-	(3,713)	(3,713)
31 December 2021						
Gross carrying amount						
- trade receivables	80,953	96,084	3,638	853	10,331	191,859
- trade receivables - related parties	4,363	7,000	44	15	-	11,422
Loss allowance	-	-	-	-	(3,713)	(3,713)

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Opening loss allowance at 1 January	3,713	-	3,713	-
Increase In loss allowance recognised in profit or loss during the year	-	3,713	-	3,713
Closing loss allowance at 31 December	3,713	3,713	3,713	3,713

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments or cannot be contacted for a period greater than 365 days past due.

Impairment losses on trade receivables are presented as net impairment losses within profit before finance costs and income taxes. Subsequent recoveries of amounts previously written off are credited against the same line item.

Debt investments

Debt investments measured at amortised cost.

All of the debt investments at amortised cost, except loans to related parties, are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Financial assets at fair value through profit or loss

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments of Baht 361.50 million (2021: Baht 360.30 million).

5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 989 million (2021: Baht 891 million) that are expected to readily generate cash inflows for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group, in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining financing plans.

a) Financing arrangements

The Group had access to the following undrawn credit facilities as at 31 December:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht'000	Baht'000	Baht'000	Baht'000
Floating rate				
Expiring within one year				
- Bank overdraft and bill facility	749,000	1,240,000	749,000	1,240,000
Expiring beyond one year				
- Bank loans	166,000	112,000	166,000	112,000
	915,000	1,352,000	915,000	1,352,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. The unsecured bill acceptance facility may be drawn at any time and is subject to annual review.

b) Maturity of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Consolidated financial statements (Unit: Baht'000)						
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Carrying amount
Contractual maturities of financial liabilities As at 31 December 2022						
Non-derivatives						
Short-term borrowings from financial institutions	1,597	-	-	-	1,597	1,597
Trade and other payables	-	860,902	-	-	860,902	860,902
Lease liabilities	-	378,375	980,122	99,308	1,457,805	1,071,054
Long-term borrowings from financial institutions	-	154,403	137,256	3,975	295,634	295,634
Long-term borrowing from related party	-	1,115	-	-	1,115	1,115
Total non-derivatives	1,597	1,394,795	1,117,378	103,283	2,617,053	2,230,302
Consolidated financial statements (Unit: Baht'000)						
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Carrying amount
Contractual maturities of financial liabilities As at 31 December 2021						
Non-derivatives						
Short-term borrowings from financial institutions	7,658	-	-	-	7,658	7,658
Trade payables	-	760,007	-	-	760,007	760,007
Lease liabilities	-	479,856	885,695	63,702	1,429,253	1,095,886
Long-term borrowings from financial institutions	-	53,953	195,634	-	249,587	249,587
Long-term borrowing from related party	-	1,066	1,115	-	2,181	2,181
Total non-derivatives	7,658	1,294,882	1,082,444	63,702	2,448,686	2,115,319
Separate financial statements (Unit: Baht'000)						
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	Carrying amount
Contractual maturities of financial liabilities As at 31 December 2022						
Non-derivatives						
Trade and other payables	-	797,037	-	-	797,037	797,037
Lease liabilities	-	329,581	848,311	51,287	1,229,179	896,222
Long-term borrowings from financial institutions	-	154,403	137,256	3,975	295,634	295,634
Total non-derivatives	-	1,281,021	985,567	55,262	2,321,850	1,988,893

Contractual maturities of financial liabilities As at 31 December 2021	Separate financial statements (Unit: Baht'000)					Carrying amount
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total	
Non-derivatives						
Trade and other payables	-	714,666	-	-	714,666	714,666
Lease liabilities	-	434,834	750,935	-	1,185,769	876,803
Long-term borrowings from financial institutions	-	53,953	195,634	-	249,587	249,587
Total non-derivatives	-	1,203,453	946,569	-	2,150,022	1,841,056

Of Baht 141.23 million disclosed in the 2022 borrowings time band '1-5 years', the Group is considering early repayment of Baht 38.65 million in the first quarter of the 2023 financial year.

5.2 Capital management

Risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on the basis of the following gearing ratio.

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Net debt	1,396,400	1,355,312	1,191,856	1,126,390
Total equity (including non-controlling interests)	2,749,289	2,616,022	2,549,659	2,466,415
Net debt to equity ratio	0.51	0.52	0.47	0.46

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- Net debt to equity ratio must be not more than 2 times, and
- Debt Service Coverage Ratio (DSCR) must be not less than 1.2 times.

The Group has complied with these covenants throughout the reporting period. As at 31 December 2022, the ratio of Net debt to equity ratio was 0.50 and Debt Service Coverage Ratio (DSCR) was 4.08 (2021 Net debt to equity ratio was 0.52 and Debt Service Coverage Ratio (DSCR) was 4.42).

6 Fair value

The following table presents fair value of financial assets and liabilities recognised by their fair value hierarchy.

Consolidated financial statements (Baht'000)								
	Level 1		Level 2		Level 3		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Assets								
Financial assets at fair value through profit or loss								
Fixed Income Fund	-	-	337,290	336,083	-	-	337,290	336,083
Private fund	-	-	24,214	24,213	-	-	24,214	24,213
Total assets	-	-	361,504	360,296	-	-	361,504	360,296
Separate financial statements (Baht'000)								
	Level 1		Level 2		Level 3		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Assets								
Financial assets at fair value through profit or loss								
Fixed Income Fund	-	-	337,290	336,083	-	-	337,290	336,083
Private fund	-	-	24,214	24,213	-	-	24,214	24,213
Total assets	-	-	361,504	360,296	-	-	361,504	360,296

Fair values are categorised into hierarchy based on inputs used as follows:

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments

All of the resulting fair value estimates are included in level 2, except for unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Fair value of certain financial assets

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in note 6.

b) Investment in subsidiary, associate, and joint venture impairment

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in note 13. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

c) Useful life of intangible asset

The Group estimates the useful life of internally developed software to be at least 3 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than the determined life, depending on technical innovations.

d) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in note 21.

e) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

f) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

g) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

8 Segment and revenue information

The Group's management has determined segment information in respect of geographic segments and the Group's business in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decision principally based on operating results of each segment.

Consolidated financial statements (Baht'000)							
For the year ended 31 December 2022							
	Domestic restaurants and bakery shops	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter-segment	Total
Revenue from sales	4,744,368	688,205	289,570	45,409	5,767,552	(56,046)	5,711,506
Operating results	824,768	87,796	20,382	(1,777)	931,169	(20,109)	911,060
Unallocated income (expenses)							
Other income							86,724
Distribution costs and administrative expenses							(385,179)
Gain (loss) on exchange rate							(8,851)
Finance costs							(66,771)
Share of profit (loss) from investment in associate and joint ventures							23,584
Profit (loss) before income tax expense							560,567
Income tax expense							(96,809)
Profit (loss) for the year							463,758
Total other comprehensive income (expense) for the year - net of tax							16,124
Total comprehensive income (expense)							479,882
Timing of revenue recognition							
At a point in time	4,744,368	688,205	289,570	45,409	5,767,552	(56,046)	5,711,506

Consolidated financial statements (Baht'000)							
For the year ended 31 December 2021							
	Domestic restaurants and bakery shops	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter-segment	Total
Revenue from sales	4,013,297	657,440	185,574	119,833	4,976,144	(159,020)	4,817,124
Operating results	605,033	86,421	(6,666)	580	685,368	(45,985)	639,383
Unallocated income (expenses)							
Other income							96,250
Distribution costs and administrative expenses							(285,019)
Gain (loss) on exchange rate							14,204
Finance costs							(67,224)
Share of profit (loss) from investment in associate and joint ventures							2,273
Profit (loss) before income tax expense							399,867
Income tax expense							(58,600)
Profit (loss) for the year							341,267
Total other comprehensive income (expense) for the year - net of tax							5,288
Total comprehensive income (expense)							346,555
Timing of revenue recognition							
At a point in time	4,013,297	657,440	185,574	119,833	4,976,144	(159,020)	4,817,124

9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Cash at bank and on hand	989,403	891,368	855,120	796,387
Time deposits (maturity less than 3 months)	92,982	89,049	81,670	69,294
Total	1,082,385	980,417	936,790	865,681

As at 31 December 2022, the average interest rate of time deposits was 0.4% - 2.3% per annum and had a maturity less than 3 months (2021: 0.15% - 0.30% per annum and had a maturity less than 3 months).

10 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Trade receivables - third parties	211,783	199,509	204,311	191,859
Trade receivables - related parties (note 30)	7,786	16,298	6,901	11,422
<u>Less</u> Expected credit loss (note 5.1.2)	(3,713)	(3,713)	(3,713)	(3,713)
	215,856	212,094	207,499	199,568
Other receivables - third parties	17,324	13,887	8,505	7,718
Advance payment to related parties (note 30)	70	384	1,180	1,604
Accrued income - related parties (note 30)	2,611	7,159	3,711	8,064
Prepayments	19,004	11,810	18,389	11,353
Total	254,865	245,334	239,284	228,307

11 Financial assets and financial liabilities

Financial assets and liabilities can be analysed by valuation method, together with fair value as follows:

	Consolidated financial statements									
	31 December 2022					31 December 2021				
	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Current assets										
Cash and cash equivalents	-	-	1,082,385	1,082,385	1,082,385	-	-	980,417	980,417	980,417
Financial assets measured at fair value through profit or loss	361,504	-	-	361,504	361,504	360,296	-	-	360,296	360,296
Trade and other receivables	-	-	254,865	254,865	254,865	-	-	245,334	245,334	245,334
Short-term loans to a related party	-	-	12,368	12,368	12,368	-	-	25,458	25,458	25,458
Non-current assets										
Deposits used as collateral	-	-	811	811	811	-	-	810	810	810
Financial assets measured at amortised cost	-	-	10,000	10,000	10,000	-	-	10,000	10,000	10,000

Consolidated financial statements										
31 December 2022					31 December 2021					
FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	
Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Current liabilities										
Short-term borrowings from financial institutions	-	-	1,597	1,597	1,597	-	-	7,658	7,658	7,658
Current portion of long-term borrowings										
from financial institutions	-	-	154,403	154,403	154,403	-	-	53,953	53,953	53,953
Current portion of long-term borrowing from related party	-	-	1,115	1,115	1,115	-	-	1,066	1,066	1,066
Trade and other payables	-	-	860,902	860,902	860,902	-	-	760,007	760,007	760,007
Non-current liabilities										
Long-term borrowings from financial institutions	-	-	141,230	141,230	141,230	-	-	195,634	195,634	195,634
Long-term borrowing from related party	-	-	-	-	-	-	-	1,115	1,115	1,115

Separate financial statements										
31 December 2022					31 December 2021					
FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	
Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Current assets										
Cash and cash equivalents	-	-	936,790	936,790	936,790	-	-	865,681	865,681	865,681
Financial assets measured at fair value through profit or loss	361,504	-	-	361,504	361,504	360,296	-	-	360,296	360,296
Trade and other receivables	-	-	239,284	239,284	239,284	-	-	228,307	228,307	228,307
Short-term loans to a related party	-	-	12,368	12,368	12,368	-	-	22,324	22,324	22,324
Current portion of long-term loans to subsidiaries	-	-	1,200	1,200	1,200	-	-	7,599	7,599	7,599
Non-current assets										
Deposits used as collateral	-	-	785	785	785	-	-	785	785	785
Financial assets measured at amortised cost	-	-	10,000	10,000	10,000	-	-	10,000	10,000	10,000
Long-term loans to subsidiaries	-	-	35,796	35,796	35,796	-	-	37,482	37,482	37,482

Separate financial statements										
31 December 2022					31 December 2021					
FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	
Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Current liabilities										
Current portion of long-term borrowings										
from financial institutions	-	-	154,403	154,403	154,403	-	-	53,953	53,953	53,953
Trade and other payables	-	-	797,037	797,037	797,037	-	-	714,666	714,666	714,666
Non-current liabilities										
Long-term borrowings from financial institutions	-	-	141,230	141,230	141,230	-	-	195,634	195,634	195,634

11.1 Other financial assets at amortised cost

Classification of financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

11.2 Financial assets at fair value through profit or loss

Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments for which the entity has irrevocably not elected at initial recognition to recognise fair value gains and losses through OCI

The following gains/(losses) were recognised in profit or loss during the year as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Fair value gains (losses) on debt instruments at FVPL recognised in other income	1,208	899	1,208	899

Significant acquisitions and disposals financial assets during the year

During the year 2022, the Group does not have any disposal of securities measured at FVPL (2021 : Baht 120 million).

For the information about the methods used in determining fair value refer to note 6.

12 Inventories

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Raw material	161,800	114,753	157,398	107,746
Work in progress	1,376	1,372	1,376	1,372
Finished goods	98,908	98,896	96,551	98,562
Packaging material	54,696	50,765	53,434	50,356
Spare parts and supplies	7,076	6,408	5,709	5,059
<u>Less</u> Allowance for net realisable value	-	-	-	-
Total	323,856	272,194	314,468	263,095

As at 31 December, amounts recognised as cost of sales in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Inventories recognised as an expense	1,907,379	1,570,980	1,778,690	1,479,517

13 Interests in associates, and joint ventures

Interests in associates and joint ventures

As at 31 December, the material investments in associates and joint ventures are as follows:

Name of entity	Country of incorporation	Nature of business			Consolidated financial statements		Separate financial statements	
			% of ownership interest		Investment at equity method		Investment at Cost method	
			2022	2021	2022	2021	2022	2021
			%	%	Baht'000	Baht'000	Baht'000	Baht'000
Associates:								
Foodhouse Catering Services Co., Ltd.	Thailand	Food services	49.97	49.97	108,676	73,239	4,997	4,997
Total					108,676	73,239	4,997	4,997
Joint ventures:								
MSC Thai Cuisine Co., Ltd.	Thailand	Culinary school	50.00	50.00	21,680	22,712	35,000	35,000
S&P SF Co., Ltd.	Thailand	Manufacturing	40.00 ¹	-	2,007	-	2,000	-
Patara Fine Thai Cuisine Limited	United Kingdom	Restaurant	50.00	50.00	172,360	183,189	-	-
Total					196,047	205,901	37,000	35,000

¹ Although the Group holds equity interest of 40%, the Group has the jointly control as agreed in the agreement; therefore, this investment is still classified as interests in joint venture

There are no contingent liabilities in respect of the Group's interest in associates and joint ventures.

As at 31 December 2022, the recoverable amount of investment in joint venture are determined based on value-in-use calculation. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the investment operates.

The key assumptions used for value-in-use calculation is as follows:

	Percentage per annum
Gross margin ¹	78% - 80%
Growth rate ²	2% - 15%
Long-term growth rate ³	2%
Pre-tax discount rate ⁴	8%

¹ Based on past performance and management's expectations for the future.

² Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.

³ This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.

⁴ Reflect specific risks relating to the relevant segments and the countries in which they operate.

These assumptions have been used for the analysis of investment

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with economic forecast and growth rate achievable in the past. The discount rates used are pre-tax and reflect specific risks relating to the investments.

a) *Summarised financial information for associates*

The table below is summarised of financial information for associates that are material to the Group. The financial information is included in associates own financial statements which has been adjusted with the adjustments necessary for the equity method including, adjusting fair value and differences in accounting policy.

	Foodhouse Catering Services Co., Ltd	
	2022 Baht'000	2021 Baht'000
<i>Summarised of performance</i>		
Revenue	785,548	570,552
Profit (loss) from continuing operations	70,917	53,346
Other comprehensive income (expense)	-	-
Total comprehensive income (expense)	70,917	53,346
Dividend received from associate	-	19,988
<i>Summarised of statement of financial position</i>		
Current assets	316,992	186,995
Non-current assets	36,825	32,146
Current liabilities	(136,334)	(72,575)
Net assets	217,483	146,566
Reconciliation to carrying amounts:		
Opening net assets	146,566	133,220
Profit for the year	70,917	53,346
Dividends paid	-	(40,000)
Closing net assets	217,483	146,566
Group's share in associates (%)	49.97	49.97
Group's share in associates (Baht)	108,676	73,239
Goodwill	-	-
Associates carrying amount	108,676	73,239

b) *Summarised financial information for joint ventures*

The table below is summarised of financial information for joint ventures that are material to the Group. The financial information is included in joint ventures own financial statements which has been amended to reflect adjustments necessary for the equity method, including adjusting fair value and differences in accounting policy.

	Patara Fine Thai Cuisine Limited	
	2022 Baht'000	2021 Baht'000
<i>Summarised of performance</i>		
Revenue	189,528	145,219
Profit (loss) from continuing operations	(19,869)	(41,919)
Other comprehensive income (expense)	-	-
Total comprehensive income (expense)	(19,869)	(41,919)
<i>Summarised of statement of financial position</i>		
Cash and cash equivalents	97,990	41,265
Other current assets	77,518	25,402
Total current assets	175,508	66,667
Total non-current assets	314,836	453,629
Current liabilities	(109,721)	(63,286)
Non-current liabilities	(35,903)	(90,632)
Net assets	344,720	366,378
Reconciliation to carrying amounts:		
Opening net assets	366,378	393,653
Profit for the year	(19,869)	(41,919)
Adjustment to exchange differences on translation of financial statements	(1,789)	14,644
Closing net assets	344,720	366,378
Group's share in joint ventures (%)	50.00	50.00
Group's share in joint ventures (Baht)	172,360	183,189
Goodwill	-	-
Joint ventures' carrying amount	172,360	183,189

c) *Individually immaterial joint venture*

The table below is the carrying amount of its interests, in aggregate, all individually immaterial joint venture that are accounted for using equity method.

	2022 Baht'000	2021 Baht'000
Aggregate carrying amount of individually immaterial joint ventures	23,687	22,712
Aggregate amounts of the Group's share of:		
Profit (loss) from continuing operations	(2,045)	(2,034)
Other comprehensive income (expense)	-	-
Total comprehensive income (expense)	(2,045)	(2,034)

14 Investment in subsidiaries

As at 31 December 2022, the subsidiaries included in consolidated financial statement are listed below. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Entity name	Country of incorporation	Nature of business	Ownership interest held by Company		Carrying amount	
			2022 (%)	2021 (%)	2022 Baht'000	2021 Baht'000
S&P Global Co., Ltd.	Thailand	Investing in other companies	80.00	80.00	40,000	40,000
S&P Delivery Co., Ltd.	Thailand	Food delivery	99.93	99.93	999	999
S&P International Foods Co., Ltd.	Thailand	Restaurant	99.99	99.99	49,997	49,997
Umenohana S&P Co., Ltd.	Thailand	Restaurant	59.99	59.99	15,000	15,000
S&P International Foods (Cambodia) Co., Ltd.	Kingdom of Cambodia	Restaurant	99.99	99.99	33,485	48,370
S&P Development Holding Co., Ltd.	Thailand	Investing in other companies	99.99	99.99	15,385	15,385
S&P Training Co., Ltd.	Thailand	Training for employees	99.98	99.98	1,000	1,000
					155,866	170,751

During the year, S&P International Foods (Cambodia) Co., Ltd. had the capital reduction, totalling USD 0.46 million equivalent to Baht 17.47 million, and the investment portion remains 99.99% interest.

15 Property, plant and equipment

	Consolidated financial statements							Total Baht'000
	Land Baht'000	Buildings and building improvements Baht'000	Factory buildings Baht'000	Machinery and equipment Baht'000	Furniture and equipment Baht'000	Vehicles Baht'000	Construction In progress Baht'000	
At 1 January 2021								
Cost	474,503	87,845	200,131	1,170,192	2,803,064	49,429	126,017	4,911,181
<u>Less</u> Accumulated depreciation	-	(58,711)	(157,771)	(974,600)	(2,251,863)	(48,401)	-	(3,491,346)
<u>Less</u> Accumulated impairment	-	-	-	-	(10,178)	-	-	(10,178)
Net book amount	474,503	29,134	42,360	195,592	541,023	1,028	126,017	1,409,657
Reclassifications	-	-	-	-	(12,208)	-	-	(12,208)
At 1 January 2021 - as reclassified	474,503	29,134	42,360	195,592	528,815	1,028	126,017	1,397,449
For the year ended 31 December 2021								
Opening net book amount	474,503	29,134	42,360	195,592	528,815	1,028	126,017	1,397,449
Additions	-	-	-	28,533	52,812	152	228,297	309,794
Disposals, net	-	-	-	(233)	(2,162)	-	-	(2,395)
Write-offs, net	-	-	-	(1,085)	(17,316)	-	-	(18,401)
Reclassification	-	-	-	312	308,199	-	(308,511)	-
Transfer from (to) other accounts	-	(1,910)	-	(1,313)	563	1,139	-	(1,521)
Depreciation charge	-	(1,899)	(3,659)	(47,922)	(141,225)	(1,121)	-	(195,826)
Reversal (impairment loss)	-	-	-	-	(9,045)	-	-	(9,045)
Exchange differences	-	3,060	-	908	2,326	-	-	6,294
Closing net book amount	474,503	28,385	38,701	174,792	722,967	1,198	45,803	1,486,349
At 31 December 2021								
Cost	474,503	90,538	200,131	1,146,151	2,972,461	46,116	45,803	4,975,703
<u>Less</u> Accumulated depreciation	-	(62,153)	(161,430)	(971,359)	(2,230,271)	(44,918)	-	(3,470,131)
<u>Less</u> Accumulated impairment	-	-	-	-	(19,223)	-	-	(19,223)
Net book amount	474,503	28,385	38,701	174,792	722,967	1,198	45,803	1,486,349

Consolidated financial statements

	Land Baht'000	Buildings and building improvements Baht'000	Factory buildings Baht'000	Machinery and equipment Baht'000	Furniture and equipment Baht'000	Vehicles Baht'000	Construction In progress Baht'000	Total Baht'000
For the year ended 31 December 2022								
Opening net book amount	474,503	28,385	38,701	174,792	722,967	1,198	45,803	1,486,349
Additions	-	-	370	43,888	99,190	4,009	156,049	303,556
Disposals, net	-	-	-	(609)	(6,548)	(18)	-	(7,175)
Write-offs, net	-	-	-	(701)	(19,439)	-	-	(20,140)
Reclassification	-	-	4,600	10,096	128,807	839	(144,342)	-
Transfer from (to) other accounts	-	-	-	872	72	-	-	944
Depreciation charge	-	(1,561)	(4,121)	(42,003)	(145,001)	(783)	-	(193,469)
Reversal (impairment loss)	-	-	-	-	15,480	-	-	15,480
Exchange differences	-	(2,124)	-	(2,954)	872	-	-	(4,206)
Closing net book amount	474,503	24,700	39,550	183,381	796,400	5,245	57,510	1,581,289
At 31 December 2022								
Cost	474,503	87,033	205,101	1,153,613	3,040,854	30,039	57,510	5,048,653
<u>Less</u> Accumulated depreciation	-	(62,333)	(165,551)	(970,232)	(2,240,711)	(24,794)	-	(3,463,621)
<u>Less</u> Accumulated impairment	-	-	-	-	(3,743)	-	-	(3,743)
Net book amount	474,503	24,700	39,550	183,381	796,400	5,245	57,510	1,581,289

	Separate financial statements							
	Land Baht'000	Buildings and building improvements Baht'000	Factory buildings Baht'000	Machinery and equipment Baht'000	Furniture and equipment Baht'000	Vehicles Baht'000	Construction In progress Baht'000	Total Baht'000
At 1 January 2021								
Cost	474,503	38,184	200,131	1,091,572	2,581,260	48,646	126,015	4,560,311
<u>Less</u> Accumulated depreciation	-	(37,671)	(157,773)	(909,325)	(2,066,593)	(47,615)	-	(3,218,977)
<u>Less</u> Accumulated impairment	-	-	-	-	(3,833)	-	-	(3,833)
Net book amount	474,503	513	42,358	182,247	510,834	1,031	126,015	1,337,501
Reclassifications	-	-	-	-	(8,079)	-	-	(8,079)
At 1 January 2021 - as reclassified	474,503	513	42,358	182,247	502,755	1,031	126,015	1,329,422
For the year ended 31 December 2021								
Opening net book amount	474,503	513	42,358	182,247	502,755	1,031	126,015	1,329,422
Additions	-	-	-	28,062	52,146	152	227,141	307,501
Disposals, net	-	-	-	(152)	(2,054)	-	-	(2,206)
Write-offs, net	-	-	-	(489)	(11,428)	-	-	(11,917)
Reclassification	-	-	-	400	306,952	-	(307,352)	-
Transfer from (to) other accounts	-	-	-	-	-	1,139	-	1,139
Depreciation charge	-	(513)	(3,771)	(43,500)	(132,198)	(1,121)	-	(181,103)
Reversal (impairment loss)	-	-	-	-	(14,690)	-	-	(14,690)
Closing net book amount	474,503	-	38,587	166,568	701,483	1,201	45,804	1,428,146
At 31 December 2021								
Cost	474,503	38,184	200,131	1,094,080	2,765,918	45,194	45,804	4,663,814
<u>Less</u> Accumulated depreciation	-	(38,184)	(161,544)	(927,512)	(2,045,912)	(43,993)	-	(3,217,145)
<u>Less</u> Accumulated impairment	-	-	-	-	(18,523)	-	-	(18,523)
Net book amount	474,503	-	38,587	166,568	701,483	1,201	45,804	1,428,146

	Separate financial statements							Total Baht'000
	Land Baht'000	Buildings and building improvements Baht'000	Factory buildings Baht'000	Machinery and equipment Baht'000	Furniture and equipment Baht'000	Vehicles Baht'000	Construction In progress Baht'000	
For the year ended 31 December 2022								
Opening net book amount	474,503	-	38,587	166,568	701,483	1,201	45,804	1,428,146
Additions	-	-	370	41,089	93,271	4,009	155,654	294,393
Disposals, net	-	-	-	(522)	(6,548)	(18)	-	(7,088)
Write-offs, net	-	-	-	(564)	(19,531)	-	-	(20,095)
Reclassification	-	-	4,600	10,094	128,423	839	(143,956)	-
Depreciation charge	-	-	(4,430)	(38,644)	(137,752)	(783)	-	(181,609)
Reversal (impairment loss)	-	-	-	-	15,480	-	-	15,480
Closing net book amount	474,503	-	39,127	178,021	774,826	5,248	57,502	1,529,227
At 31 December 2022								
Cost	474,503	38,184	205,101	1,101,996	2,827,732	29,224	57,502	4,734,242
Less Accumulated depreciation	-	(38,184)	(165,974)	(923,975)	(2,049,863)	(23,976)	-	(3,201,972)
Less Accumulated impairment	-	-	-	-	(3,043)	-	-	(3,043)
Net book amount	474,503	-	39,127	178,021	774,826	5,248	57,502	1,529,227

Borrowing costs of Baht 2.12 million in 2021, arising from financing specifically entered into for the construction of a new warehouse and distribution center, were capitalised during the year and are included in 'additions'. A capitalisation rate of 2.18% was used representing the actual borrowing cost of the loan used to finance the project. In 2022, the Group has no borrowing costs capitalized.

Depreciation recognised in profit and loss that are related to property, plant and equipment are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Cost of sales	49,663	55,145	49,663	55,145
Distribution costs	133,404	123,318	121,544	108,595
Administrative expenses	10,402	17,363	10,402	17,363
	193,469	195,826	181,609	181,103

16 Right-of-use assets

As at 31 December, right-of-use asset balances are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Building	1,285,599	1,284,342	1,097,460	1,050,636
Leasehold right	10,925	16,420	7,298	9,818
Vehicles	3,799	5,679	3,799	5,679
Total	1,300,323	1,306,441	1,108,557	1,066,133

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Depreciation charge of right-of-use assets:				
Building	(426,975)	(491,974)	(380,411)	(439,549)
Leasehold right	(5,495)	(5,075)	(2,519)	(3,241)
Vehicles	(1,756)	(2,232)	(1,756)	(2,232)
Total	(434,226)	(499,281)	(384,686)	(445,022)
Addition to the right-of-use assets during the year	153,409	46,399	135,524	37,713
Total cash outflow for leases	(458,582)	(531,642)	(404,157)	(473,491)
Interest expense (included in finance cost)	58,162	61,983	48,900	51,148
Expense relating to short-term leases	68,808	33,555	66,808	33,555
Expense relating to leases of low-value assets	14,913	9,393	14,913	9,393
Expense relating to variable lease payments	214,547	194,587	214,547	194,587

17 Intangible assets

	Computer software	
	Consolidated financial statements Baht'000	Separate financial statements Baht'000
At 1 January 2021		
Cost	90,688	89,503
<u>Less</u> Accumulated amortisation	(71,891)	(70,754)
Net book amount	18,797	18,749
For the year ended 31 December 2021		
Opening net book amount	18,797	18,749
Additions	9,739	9,715
Write-offs, net	(13)	(14)
Amortisation charge	(11,770)	(11,736)
Exchange differences	3	-
Closing net book amount	16,756	16,714
At 31 December 2021		
Cost	100,509	99,189
<u>Less</u> Accumulated amortisation	(83,753)	(82,475)
Net book amount	16,756	16,714
For the year ended 31 December 2022		
Opening net book amount	16,756	16,714
Additions	6,030	6,000
Write-offs, net	(9)	(9)
Amortisation charge	(6,761)	(6,728)
Closing net book amount	16,016	15,977
At 31 December 2022		
Cost	105,139	103,752
<u>Less</u> Accumulated amortisation	(89,123)	(87,775)
Net book amount	16,016	15,977

Amortisation recognised in profit and loss that are related to intangible assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Cost of sales	446	493	446	493
Distribution costs	3,664	147	3,631	113
Administrative expenses	2,651	11,130	2,651	11,130
	6,761	11,770	6,728	11,736

18 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Deferred tax assets:	60,315	67,961	54,431	63,727
Deferred tax liabilities:	-	-	-	-
Deferred tax assets, net	60,315	67,961	54,431	63,727

The movements in deferred tax assets during the year is as follows:

	Consolidated financial statements (Baht'000)			
	1 January 2022	(Charged)/ Credited to profit or loss	(Charged)/ Credited to other comprehensive income	31 December 2022
Deferred tax assets resulted from				
Revaluation of financial assets	(357)	116	-	(241)
Loss allowance	743	-	-	743
Buildings and equipment - difference of depreciation rate	3,496	3,601	-	7,097
Customer loyalty programme	544	556	-	1,100
Unearned revenues	1,683	328	-	2,011
Effects from employee benefits	33,625	4,572	(4,091)	34,106
Provision for costs of dismantling, removing and restoring the site	7,096	(747)	-	6,349
Unused tax losses	-	300	-	300
Lease liabilities	17,426	(9,185)	-	8,241
Allowance for impairment fixed asset	3,705	(3,096)	-	609
Deferred tax assets	67,961	(3,555)	(4,091)	60,315

Consolidated financial statements (Baht'000)				
	1 January 2021	(Charged)/ Credited to profit or loss	(Charged)/ Credited to other comprehensive income	31 December 2021
Deferred tax assets resulted from				
Revaluation of financial assets	(177)	(180)	-	(357)
Loss allowance	-	743	-	743
Buildings and equipment - difference of depreciation rate	2,968	528	-	3,496
Customer loyalty programme	732	(188)	-	544
Unearned revenues	2,488	(805)	-	1,683
Effects from employee benefits	29,490	4,135	-	33,625
Provision for costs of dismantling, removing and restoring the site	7,126	(30)	-	7,096
Unused tax losses	437	(437)	-	-
Lease liabilities	12,070	5,356	-	17,426
Allowance for impairment fixed asset	767	2,938	-	3,705
Deferred tax assets	55,901	12,060	-	67,961
Separate financial statements (Baht'000)				
	1 January 2022	(Charged)/ Credited to profit or loss	(Charged)/ Credited to other comprehensive income	31 December 2022
Deferred tax assets resulted from				
Revaluation of financial assets	(357)	116	-	(241)
Loss allowance	743	-	-	743
Buildings and equipment - difference of depreciation rate	2,768	372	-	3,140
Customer loyalty programme	544	556	-	1,100
Unearned revenues	1,683	328	-	2,011
Effects from employee benefits	33,625	4,094	(4,015)	33,704
Provision for costs of dismantling, removing and restoring the site	6,977	(1,060)	-	5,917
Lease liabilities	14,039	(6,591)	-	7,448
Allowance for impairment fixed asset	3,705	(3,096)	-	609
Deferred tax assets	63,727	(5,281)	(4,015)	54,431

	Separate financial statements (Baht'000)			31 December 2021
	1 January 2021	(Charged)/ Credited to profit or loss	(Charged)/ Credited to other comprehensive income	
Deferred tax assets resulted from				
Revaluation of financial assets	(177)	(180)	-	(357)
Loss allowance	-	743	-	743
Buildings and equipment - difference of depreciation rate	2,241	527	-	2,768
Customer loyalty programme	732	(188)	-	544
Unearned revenues	2,488	(805)	-	1,683
Effects from employee benefits	29,490	4,135	-	33,625
Provision for costs of dismantling, removing and restoring the site	7,054	(77)	-	6,977
Lease liabilities	10,821	3,218	-	14,039
Allowance for impairment fixed asset	767	2,938	-	3,705
Deferred tax assets	53,416	10,311	-	63,727

19 Borrowings

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Current				
Short-term borrowings from financial institutions	1,597	7,658	-	-
Current portion of long-term borrowings				
Borrowings from financial institutions	154,403	53,953	154,403	53,953
Borrowings from related party (note 30)	1,115	1,066	-	-
Total current borrowings	157,115	62,677	154,403	53,953
Non-current				
Borrowings from financial institutions	141,230	195,634	141,230	195,634
Borrowings from related party (note 30)	-	1,115	-	-
Total non-current borrowings	141,230	196,749	141,230	195,634
Total	298,345	259,426	295,633	249,587

As at 31 December 2022, the Company had unsecured long-term borrowings from the financial institution. The borrowings carry a fixed interest rate of MLR deduct a fixed rate.

20 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Trade payables - third parties	406,201	361,946	379,968	330,963
Trade payables - related parties (note 30)	50,791	2,230	53,098	14,827
Other payables - third parties	64,707	71,766	61,756	67,497
Other payables - related parties (note 30)	19,634	5,857	-	-
Accounts payable - acquisition of fixed assets	48,740	61,090	48,693	60,702
Unearned revenues	34,959	33,971	34,719	34,423
Accrued expenses	235,870	223,147	218,804	206,254
Total	860,902	760,007	797,038	714,666

21 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Statement of financial position:				
Employee benefit obligations - current portion	11,019	8,273	10,949	8,273
Employee benefit obligations - non-current portion	162,249	167,061	157,575	160,148
Liability in the statement of financial position	173,268	175,334	168,524	168,421

Retirement benefits

This benefit is about a retirement plan. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The movements in the defined benefit obligations for the years are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
At 1 January	175,334	153,705	168,421	147,744
Current service cost	27,094	24,954	26,491	24,094
Interest expense	2,447	2,101	2,366	2,009
Transfer from a subsidiary	-	-	2,068	-
	204,875	180,760	199,346	173,847
Remeasurements: (Gain)/loss from change in financial assumptions	(20,862)	-	(20,077)	-
	(20,862)	-	(20,077)	-
Payment from plans: Benefit payment	(10,745)	(5,426)	(10,745)	(5,426)
At 31 December	173,268	175,334	168,524	168,421

The significant actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate	2.65% - 4.07%	1.28% - 2.73%	2.65%	1.36%
Turnover rate	0% - 49%	0% - 49%	0% - 41%	0% - 41%
Salary growth rate	0% - 3%	0% - 3%	0% - 3%	0% - 3%

Sensitivity analysis for each significant assumption used is as follows:

Consolidated financial statements						
Change in assumption		Impact on retirement benefits				
		Increase in assumption		Decrease in assumption		
2022	2021	2022	2021	2022	2021	2021
Discount rate	1%	1%	Decrease by 8.76%	Decrease by 8.57%	Increase by 10.63%	Increase by 9.80%
Turnover rate	1%	1%	Decrease by 9.36%	Decrease by 9.23%	Increase by 6.09%	Increase by 5.71%
Salary growth rate	1%	1%	Increase by 11.97%	Increase by 9.53%	Decrease by 10.16%	Decrease by 8.52%

Separate financial statements						
Change in assumption		Impact on retirement benefits				
		Increase in assumption		Decrease in assumption		
2022	2021	2022	2021	2022	2021	2021
Discount rate	1%	1%	Decrease by 8.09%	Decrease by 8.33%	Increase by 9.24%	Increase by 9.52%
Turnover rate	1%	1%	Decrease by 8.72%	Decrease by 8.98%	Increase by 5.45%	Increase by 5.69%
Salary growth rate	1%	1%	Increase by 10.04%	Increase by 9.26%	Decrease by 8.94%	Decrease by 8.28%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the retirement benefits obligation to significant actuarial assumptions, the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 27.34 years (2021: 27.34 years).

Expected maturity analysis of undiscounted retirement benefits are as follows:

Consolidated financial statements					
	Less than 1 year Baht'000	Between 1-2 years Baht'000	Between 2-5 years Baht'000	Over 5 years Baht'000	Total Baht'000
At 31 December 2022					
Retirement benefits	11,019	38,254	66,569	1,742,324	1,858,166
At 31 December 2021					
Retirement benefits	8,273	28,870	44,263	1,785,032	1,866,438
Separate financial statements					
	Less than 1 year Baht'000	Between 1-2 years Baht'000	Between 2-5 years Baht'000	Over 5 years Baht'000	Total Baht'000
At 31 December 2022					
Retirement benefits	10,949	37,065	57,577	1,664,472	1,770,063
At 31 December 2021					
Retirement benefits	8,273	28,454	43,181	1,698,428	1,778,336

22 Share capital and premium on share capital

	Number of Shares Shares	Ordinary Shares Baht'000	Share Premium Baht'000	Total Baht'000
At 1 January 2021	490,408,365	490,408	689,981	1,180,389
Exercise warrants (note 23)	21,104,393	21,104	-	21,104
At 31 December 2021	511,512,758	511,512	689,981	1,201,493
Exercise warrants (note 23)	1,301,754	1,302	-	1,302
At 31 December 2022	512,814,512	512,814	689,981	1,202,795

23 Warrants

The Group has outstanding warrants to subscribe for ordinary shares to existing shareholders of the Company, which have been approved by shareholders' meeting.

					As at 31 December 2021	Increase during the period	Decrease during the period					As at 31 December 2022
Issued by	Allotted to	Approval date	Determined exercising date		Outstanding Warrant Million unit	Warrant Million unit	Exercise Million unit	Exercise ratio for ordinary shares per 1 warrant	Issue of ordinary shares during the period Million shares	Exercise price Baht	Amount Baht Million	Outstanding warrant Million unit
			First exercise	Last exercise								
The Company	Existing-shareholder (SNP-W2)	28 May 2021	30 December 2021	18 May 2023	3.42	-	-	1:1	1.30	1.00	1.30	2.11
	Total issuance by the Company				3.42	-	-		1.30		1.30	2.11

On 30 December 2022, the Company reported the result in which 1,301,754 shares were exercised with the net cash amount received of Baht 1.30 million.

On 30 December 2021, the Company reported the result in which 21,104,393 shares were exercised with the net cash amount received of Baht 21.1 million.

On 30 April 2021, the shareholders at the annual general meeting passed a resolution to approve the issuance of the Company's warrants on ordinary shares (SNP-W2), not exceeding 24,520,282 units for offering to existing shareholders, having a term of not exceeding 2 years from the initial issuance date, and having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price of Baht 1 per share. The warrants were issued on 19 May 2021.

24 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
At 1 January	52,343	52,343	52,343	52,343
Appropriation during the year	-	-	-	-
At 31 December	52,343	52,343	52,343	52,343

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. This reserve is not available for dividend distribution.

25 Finance costs

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Interest and finance charges paid for lease liabilities (note 16)	58,162	61,983	48,900	51,148
Borrowings from financial institutions	8,528	5,109	8,563	5,126
Borrowings from a related party	80	132	-	-
Total	66,770	67,224	57,463	56,274

26 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Changes in inventories of finished goods and work in process	775,002	593,066	646,313	501,603
Raw material and consumables used	1,132,377	977,914	1,132,377	977,914
Staff costs	1,361,467	1,214,535	1,263,832	1,079,260
Loss allowance (note 5.1.2)	-	3,713	-	3,713
Impairment of investment in subsidiary	-	-	-	50,000
Depreciation on property, plant and equipment (note 15)	193,469	195,826	181,609	181,103
Depreciation on right-of-use assets (note 16)	434,226	499,281	384,686	445,022
Amortisation on intangible assets (note 17)	6,761	11,770	6,728	11,736

27 Income tax expense

Income tax expense for the year comprises the following:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Current tax:				
Current tax on profits for the year	93,320	70,288	83,558	66,805
Adjustments in respect of prior year	(66)	372	(1,222)	(1,347)
Total current tax	93,254	70,660	82,336	65,458
Deferred income tax:				
Decrease (increase) in deferred tax assets (note 18)	3,555	(12,060)	5,281	(10,311)
Income tax expense	96,809	58,600	87,617	55,147

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht'000	Baht'000	Baht'000	Baht'000
Profit before tax	560,567	399,867	501,414	321,738
Tax calculated at a tax rate of 20% (prior year: 20%)	112,113	79,973	100,283	64,348
Tax effect of:				
Associates' results reported net of tax	(1,357)	(455)	-	-
Effect of different tax rate	(2,638)	(9,662)	-	-
Income not subject to tax	(3,306)	(9,628)	(3,306)	(8,302)
Additional tax deductible expenses	(10,700)	(11,182)	(10,700)	(11,182)
Expenses not deductible for tax purpose	2,763	14,331	2,562	11,630
Tax losses for which no deferred income tax asset was recognised	-	(5,149)	-	-
Adjustment in respect of prior year	(66)	372	(1,222)	(1,347)
Tax charge	96,809	58,600	87,617	55,147

The tax (charge)/credit relating to component of other comprehensive income is as follows:

	Consolidated financial statements					
	2022			2021		
	Before tax	Tax (charge) credit	After tax	Before tax	Tax (charge) credit	After tax
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Remeasurement on retirement benefit obligations	20,862	(4,091)	16,771	-	-	-
Currency translation difference	(810)	162	(648)	6,610	(1,322)	5,288
Other comprehensive income	20,052	(3,929)	16,123	6,610	(1,322)	5,288

	Separate financial statements					
	2022			2021		
	Before tax Baht'000	Tax (charge) credit Baht'000	After tax Baht'000	Before tax Baht'000	Tax (charge) credit Baht'000	After tax Baht'000
Remeasurement on retirement benefit obligations	20,077	(4,015)	16,062	-	-	-
Other comprehensive income	20,077	(4,015)	16,062	-	-	-

28 Earnings per share

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Shares'000	Shares'000	Shares'000	Shares'000
As at 31 December				
Weighted average number of ordinary shares for earnings (loss) per share	511,960	490,524	511,960	490,524
Effect of dilutive potential ordinary shares				
Dilutive potential ordinary shares	1,987	1,975	1,987	1,975
Weighted average number of ordinary shares for diluted earnings (loss)	513,947	492,499	513,947	492,499
Profit (loss) for the year attributable to ordinary shareholders (Baht'000)	460,357	340,020	413,798	266,591
Basic earnings (loss) per share (Baht)	0.90	0.69	0.81	0.54
Diluted earnings (loss) per share (Baht)	0.90	0.69	0.81	0.54



29 Dividends per share

On 11 August 2022, 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 30 June 2022 at Baht 0.10 per share for 512,391,132 shares, totaling Baht 51.24 million which were paid on 9 September 2022.

On 29 April 2022, the shareholders at the annual general meeting passed a resolution to approve payment of annual dividend from the operations of the year 2021 in addition to interim dividends for 511,512,758 shares at Baht 0.58 per share, totaling Baht 296.68 million. The dividends were paid to shareholders on 19 May 2022.

On 11 August 2021, 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 30 June 2021 at Baht 0.05 per share for 490,408,365 shares, totaling Baht 24.52 million which were paid on 10 September 2021.

On 30 April 2021, the shareholders at the annual general meeting passed a resolution to approve payment of annual dividend from the operations of the year 2020 in addition to interim dividends for 490,408,365 shares at Baht 0.25 per share, totaling Baht 122.60 million. The dividends were paid to shareholders on 19 May 2021.

30 Related party transactions

a) Transactions with related parties

Transactions with related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Subsidiaries				
Revenue from sales	-	-	24,710	40,864
Rental income - buildings and equipment	-	-	2,850	3,113
Interest income	-	-	1,252	2,092
Other income	-	-	9,322	11,779
Dividend income	-	-	16,529	21,524
Purchases of goods	-	-	(376)	(7,728)
Rental and other expenses	-	-	(30,808)	(72,802)
Service expenses	-	-	-	(35,853)
Associate				
Revenue from sales	522	208	522	208
Other income	480	480	480	480
Dividend income	-	19,988	-	19,988
Joint ventures				
Rental income - buildings and equipment	3,000	3,000	3,000	3,000
Interest income	618	670	618	531
Other income	3,287	3,514	3,287	1,973
Purchases of goods	-	(14)	-	(14)
Rental and other expenses	(1,200)	(1,880)	(1,200)	(1,880)
Service expenses	(2,687)	-	(2,687)	-
Related parties				
Revenue from sales	73,099	65,544	73,099	65,544
Purchases of goods	(15,577)	(3,330)	(15,577)	(3,330)
Rental and other expenses	(2,990)	(3,808)	(2,990)	(3,808)
Service expenses	(100,711)	(2,665)	(100,711)	(2,665)
Interest expense	(80)	(132)	-	-
Entities with common directors				
Rental and other expenses	(1,864)	(966)	(1,864)	(966)
Service expenses	(4,493)	(4,278)	(4,493)	(4,278)
Directors				
Rental and other expenses	(1,320)	(1,463)	(1,320)	(1,463)

b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balance at the end of the period ended in relation to transactions with related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2022 Baht'000	31 December 2021 Baht'000	31 December 2022 Baht'000	31 December 2021 Baht'000
Trade receivables (note 10)				
Subsidiaries	-	-	2,683	4,180
Associate	521	179	521	179
Joint ventures	3,568	9,057	-	-
Related parties	3,697	7,062	3,697	7,063
	7,786	16,298	6,901	11,422
Advance payments to related parties (note 10)				
Subsidiaries	-	-	1,110	1,219
Joint venture	70	384	70	385
	70	384	1,180	1,604
Accrued income (note 10)				
Subsidiaries	-	-	1,100	1,469
Associate	301	301	301	301
Joint ventures	2,310	6,858	2,310	6,294
	2,611	7,159	3,711	8,064
Trade payables (note 20)				
Subsidiaries	-	-	2,307	12,597
Related parties	50,791	2,230	50,791	2,230
	50,791	2,230	53,098	14,827
Other payables (note 20)				
Joint venture	19,634	5,857	-	-

c) Short-term loans to related party

The movements of short-term loans to related party were as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Baht'000	Baht'000	Baht'000	Baht'000
Joint venture				
Opening book value	25,458	2,825	22,324	-
Additions	-	21,788	-	21,788
Settlements	(11,989)	-	(8,855)	-
Currency translation differences	(1,101)	845	(1,101)	536
Closing book value	12,368	25,458	12,368	22,324

Short-term loans to joint venture is unsecured and denominated in Pound sterling. The loan is partially due for repayment at call and partially due for repayment according to payment schedule and carry a market rate of interest as referenced by the interest rates quoted by commercial banks.

d) Long-term loans to subsidiaries

The movements of long-term loans to subsidiaries were as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Baht'000	Baht'000	Baht'000	Baht'000
Opening book value	-	-	45,081	73,912
Repayments	-	-	(8,085)	(28,831)
Closing book value	-	-	36,996	45,081

Long-term loans to subsidiaries are unsecured and denominated in Thai Baht. The loans are due for repayment according to payment scheduled and carry a market rate of interest as referenced to the interest rates quoted by commercial banks.

e) Long-term borrowings from related party

The movements of long-term borrowings from related party were as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2022 Baht'000	31 December 2021 Baht'000	31 December 2022 Baht'000	31 December 2021 Baht'000
Opening book value	2,181	2,800	-	-
Repayments	(1,066)	(619)	-	-
Closing book value	1,115	2,181	-	-

Long-term borrowings from related party is unsecured and denominated in Thai Baht. It is due for repayment upon payment schedule and the final repayment will be due in 2023 and carry a market rate of interest as referenced to the interest rates quoted by commercial banks.

f) Key management compensation

The compensation paid or payable to key management for the year ended 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Short-term benefits	56,584	54,797	56,584	54,797
Long-term benefits	2,429	2,517	2,429	2,517
	59,013	57,314	59,013	57,314

31 Commitments

a) Capital expenditure commitments

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Property, plant and equipment	25,186	20,680	25,186	20,680
Intangible assets	11,923	11,703	11,923	11,703
Total	37,109	32,383	37,109	32,383

b) Commitments

S&P International Foods Co., Ltd., a subsidiary, entered into a License Agreement with an overseas company located in Japan which its period is from 1 January 2022 to 31 December 2031 for operating the restaurant business in Thailand. A subsidiary is required 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.

c) Letter of guarantees

As at 31 December 2022, the Company and its subsidiaries had letters of guarantee of Baht 63.85 million (31 December 2021: Baht 67.28 million) issued by banks on behalf of the Company to guarantee electricity usage and shop rental under the normal course of business. Such amount included the letters of guarantee of Baht 0.23 million which a deposit at bank of the Company was used as collateral.

32 Events occurring after the reporting date

On 23 February 2023, the Board of Directors' Meeting of the Company passed a resolution to approve payment of annual dividend from the operations of the year 2022 in addition to interim dividends for 512,814,512 shares at Baht 0.70 per share, totaling Baht 358.97 million. The dividends will be paid to shareholders on 19 May 2023. The Board of Directors will propose to the shareholders at the Annual General Shareholders' Meeting for an approval of the dividend payment.



Part 4

Attachment

Certification of the Accuracy of Information

The Company has carefully reviewed the information in this 56-1 One Report and hereby certified that such information is correct, complete, unfalse and not mislead others or lack of essential information that should be reported. In addition, the Company certifies that

(1) The financial statements and financial information, summarized in 56-1 One Report, have presented accurate and complete information on essential aspects of the financial position, performance and cash flows of the Company and its subsidiaries.

(2) The Company has established a good information disclosure system to ensure that the Company has disclosed the information that is important to both the Company and its subsidiaries correctly and completely, as well as to control and supervise the implementation of the such system.

(3) The Company has set up a good internal control system and supervision to ensure compliance with such system. The Company has notified information on the assessment of internal control system as of 22 February 2023 to the auditors and the Audit Committee of the Company, which covers the shortcomings and significant changes of the internal control system, including wrongful acts that may affect the preparation of financial reports of the Company and its subsidiaries.

In this regard, to prove that all documents are the same set of documents that the Company has certified, the Company has assigned Mr. Vitoon Sila-on to sign this document on every page. If any document does not have the signature of Mr. Vitoon Sila-on, the Company will assume that it is not the information that I have certified the accuracy of the information mentioned above.

Name	Position	Signature
1. Mrs. Kessuda Raiva	Chairperson of the Executive Committee	
2. Mr. Vitoon Sila-on	Chief Executive Officer	
Assignee Mr. Vitoon Sila-on	Chief Executive Officer	




Attachment 1



Information of the Board of Directors, Executives, Controlling Executives, the Person Appointed to Take the Highest Responsibility in Finance and Accounting, the Person Appointed to Directly Supervise Accounting, Company Secretary, and Contacting Representative in Case of Being a Foreign Company

Details of All Company Directors and Executives (as of 31 December 2022)

Mrs. Patara Sila-On – Chairperson of the Board of Directors


Age	80 Years		
The Date of First Appointment as Director	20 April 1994		
Academic qualifications	<ul style="list-style-type: none">• Honorary Degree – Business Administration in Management Rajamangala University Of Technology Isan• Doctor of Letters (Honorary) Pine Manor College, Massachusetts, USA• Business Administration Boston University, USA		
Equity stake (share number) ¹	Beginning of 2022	42,327,645 shares (equal to 8.63%)	
	End of 2022	44,444,027 shares (equal to 8.67%)	
	Change	2,116,382 shares (From exercising the SNP-W2)	
Family relations between Executives	Eldest sister		
Previous 5-year work experience	Past 5 years / Chairperson of the Board of Directors	S&P Syndicate Public Co., Ltd. / Food and Beverage Business	
	1990 – Present / Chairperson of the Board of Directors	S&P Global Co., Ltd. / Operate Restaurant Business abroad	
	1975 – Present / Director	Triparada Co., Ltd. / Consulting Service Business	
	1987 – Present / Director	SR Estate Co., Ltd. / Real Estate Business	
	2009 – Present / Director	Patara International Restaurant Management (Beijing) Co., Ltd. / Operate Thai restaurants under "Patara" brand in Beijing, China	

Mr. Pravesvudhi Raiva – Vice Chairperson / Executive Committee Director


Age	71 Years	
The Date of First Appointment as Director	20 April 1994	
Academic qualifications	<ul style="list-style-type: none">• BBA Political Science University of Indiana, USA• Modern Managers Program (MMP) Modern Marketing Management (MMM) Chulalongkorn University Training Program• Director Certification Program Certificate (DCP / Class135)• Director Accreditation Program Certificate (DAP)• Role of The Chairman Program Certificate (Class 42) Thai Institute of Directors (IOD)• Power of the Kingdom Class 2 Chula Unisearch, Chulalongkorn University• Top Executive Program in Commerce and Trade (TEPCOT) Class 8 Commerce Academy, University of the Thai Chamber of Commerce	

Equity stake (share number)¹	Beginning of 2022	30,524,310 shares (equal to 6.22%)
	End of 2022	32,050,525 shares (equal to 6.25%)
	Change	1,526,215 shares (From exercising the SNP-W2)
Family relations between Executives	Third brother	
Previous 5-year work experience	Past 5 years / Vice Chairperson 2015 – December 2018/ Chairman of the Executive Committee 1994 – 2015 / President	S&P Syndicate Public Co., Ltd. / Food and Beverage Business
	2014 – Present / Independent Director, Chairman of Remuneration Committee	Charnlssara Development Public Co., Ltd. / Property Development Business
	1990 – Present / Executive Director	S&P Global Co., Ltd. / Operate Restaurant Business abroad
	1987 – Present / Executive Director	SR Estate Co., Ltd. / Real Estate Business
	2012 – Present / Executive Director	S&P International Food Co., Ltd. / Japanese Restaurant namely "MAISEN"
	1990 – Present / Director	S&P Restaurants Limited / Thai Restaurant Business in abroad
	1998 – Present / Director	Patara (Geneva) SA / Thai Restaurant Business in abroad
	2009 – Present / Director	Patara International Restaurant Management (Beijing) Co., Ltd. / Thai Restaurant Business in abroad
	2014 – Present / Director	MSC Thai Cuisine Co., Ltd. / Thai Culinary Scholl named "The Thai Cuisine"
	2014 – Present / Director	S&P International Foods (Cambodia) Company Limited / Thai Restaurant Business in abroad
	2015 – Present / Director	Patara Fine Thai Cuisine Limited / Thai Restaurant Business in abroad
	2015 – Present / Director	S&P Development Holding Co., Ltd. / Provide service support for the business of affiliated company and restaurant business
	2010 – Present / Director	Suda Limited / Thai Restaurant Business in abroad
	2016 – Present / Director	MSP Property Limited / Operate real estate business
	2016 – Present / Director	Shanghai Yueshi Restaurant Management / Thai Restaurant Business in abroad
	2017 – Present / Director	S&P Training Co., Ltd. / Training business for skill development for employees of S&P Syndicate PLC and affiliates
	2006 – 2022 / Executive Director	S&P Delivery Co., Ltd. / Land Transportation Service Business

Mr. Kachorndej Raiva – Director / Executive Committee Director

Age	72 Years		
The Date of First Appointment as Director	20 April 1994		
Academic qualifications	<ul style="list-style-type: none">• BBA Accounting Chulalongkorn University• Director Certification Program Certificate (DCP) Thai Institute of Directors Association (IOD)		
Equity stake (share number) ¹	Beginning of 2022	10,275,705 shares (equal to 2.10%)	
	End of 2022	10,789,490 shares (equal to 2.10%)	
	Change	513,785 shares (From exercising the SNP-W2)	
Family relations between Executives	Second brother		
Previous 5-year work experience	Past 5 years / Executive Committee Director, Director	S&P Syndicate Public Co., Ltd. / Food and Beverage Business	
	1990 – Present Executive Director	S&P Global Co., Ltd. / Operate Restaurant Business abroad	
	1987 – Present Executive Director	SR Estate Co., Ltd. / Real Estate Business	
	1990 – Present / Director	S&P Restaurants Limited / Thai Restaurant Business in abroad	
	2014 –2019 / Director	S&P International Foods (Cambodia) Co., Ltd. / Thai Restaurant Business in abroad	


Mrs. Kessuda Raiva – Chairperson of the Executive Committee / Nomination and Remuneration Committee Director / Risk Management Committee Director

Age	68 Years	
The Date of First Appointment as Director	20 April 1994	
Academic qualifications	<ul style="list-style-type: none">• Honorary Doctorate Degree Business Administration in Management, Rajamangala University Of Technology Bangkok• Economics North Eastern University, Boston, USA• MBA Business Administration, Finance and Banking Assumption University (ABAC)• Director Accreditation Program Certificate (DAP) 45/2005• Director Certification Program Certificate (DCP) Class 251/2018• Role of The Chairman Program Certificate Class 36 Thai Institute of Directors Association (IOD)• Capital Market Academy Leader Program 10/2010 Capital Market Academy• Top Executive of the Country Program “Poom Palung Pandin”, Class of 1st	

	<p>Chulalongkorn University</p> <ul style="list-style-type: none"> • Top Executive Program in Commerce and Trade, Class of 6th (TEPCoT) <p>Commerce Academy, University of the Thai Chamber of Commerce</p> <ul style="list-style-type: none"> • Top Executive Program in Energy Technology, Class of 6th Thailand Energy Academy • Top Executive Program in Industrial Business Development and Investment, Class of 1st Institute of Business and industrial Development • Business Revolution and Innovation Network Program (BRAIN), Class of 2nd <p>The Federation of Thai Industries</p> <ul style="list-style-type: none"> • Health Ambassador Certificate Class 1 <p>Chulabhorn Royal Academy</p>	
Equity stake (share number)¹	<p>Beginning of 2022 37,973,550 shares (equal to 7.74%)</p> <p>End of 2022 39,872,227 shares (equal to 7.78%)</p> <p>Change 1,898,677 shares (From exercising the SNP-W2)</p>	
Family relations between Executives	Spouse of Mr. Pravesvudhi Raiva	
Previous 5-year work experience	2019 – Present/ Chairperson of the Executive Committee	S&P Syndicate Public Co., Ltd. / Food and Beverage Business
	2020 – Present / Risk Management Committee	
	2013 – Present / Nomination and Remuneration Committee	
	1994 – Present / Executive Committee Director	
	2017 – December 2018 / Chief Executive officer,	
	2015 – 2016 / President	
	1990 – Present/ President, Director	
	1987 – Present Executive Director	
	1990 – Present / Director	
	1998 – Present / Director	Patara (Geneva) SA / Thai Restaurant Business in abroad
	2009 – Present / Director	Patara International Restaurant Management (Beijing) Co., Ltd. / Thai Restaurant Business in abroad
	2012 – Present / Executive Director	S&P International Food Co., Ltd. / Japanese Restaurant namely "MAISEN"
	2013 – Present Director	Umenohana S&P Co., Ltd. / Restaurant Business


	2014 – Present Director	MSC Thai Cuisine Co., Ltd. / Thai Culinary Scholl named “The Thai Cuisine”
	2014 – Present / Director	S&P International Foods (Cambodia) Company Limited / Thai Restaurant Business in abroad
	2015 – Present / Director	Patara Fine Thai Cuisine Limited / Thai Restaurant Business in abroad
	2015 – Present Director	S&P Development Holding Co., Ltd. / Provide service support for the business of affiliated company and restaurant business
	2016 – Present / Director	Shanghai Yueshi Restaurant Management / Thai Restaurant Business in abroad
	2016 – Present / Director	MSP Property Limited / Operate real estate business
	2010 – Present / Director	Suda Limited / Thai Restaurant Business in abroad
	2017 – Present / Director	S&P Training Co., Ltd. / Training business for skill development for employees of S&P Syndicate PLC and affiliates
	2014 – 2022 Executive Director	S&P Delivery Co., Ltd. / Land Transportation Service Business

**Mr. Vitoon Sila-On – Chief Executive Officer / Executive Committee Director /
Risk Management Committee Director**

Age	54 Years		
The Date of First Appointment as Director	11 August 2010		
Academic qualifications	<ul style="list-style-type: none">• MBA Business Administration University of North Carolina Chapel Hill, NC, USA• BBA Hospitality and Food Administration Boston University USA• Directors Certification Program Certificate (DCP)• Directors Accreditation Program Certificate (DAP) Thai Institute of Directors Association (IOD)• Capital Market Academy Program Class of 23th Capital Market Academy• Thai-Chinese Leadership Studies (WorTorJor.) Class 2 Huachiew Chalermprakiet University		
Equity stake (share number) ¹	Beginning of 2022 8,148,300 shares (equal to 1.66%) End of 2022 8,555,715 shares (equal to 1.67%) Change 407,415 shares (From exercising the SNP-W2)		
Family relations between Executives	First Son of Mrs. Patara Sila-On		
Previous 5-year work experience	2019 – Present / Chief Executive Officer 2019 – Present / Risk Management Committee Director 2017 – December 2018 / Operation and Human Resource	S&P Syndicate Public Co., Ltd. / Food and Beverage Business	


	2012 – 2019 / Chairperson of Risk Management Committee Director 2010 – Present / Executive Committee, Director 2008 – 2016 / Senior Vice President Domestic Operations	
	2008 – Present / Director	Food House Catering Services Co., Ltd. / Nutrition Service Business
	2012 – Present / Director	S&P International Food Co., Ltd. / Japanese Restaurant namely "MAISEN"
	2009 – Present / Director	Patara International Restaurant Management (Beijing) Co., Ltd. / Thai Restaurant Business in abroad
	2013 – Present / Director	Umenohana S&P Co., Ltd. / Restaurant Business
	2014 – Present / Director	S&P International Foods (Cambodia) Company Limited / Thai Restaurant Business in abroad
	2014 – Present / Director	Triparada Co., Ltd. / Consulting Service Business
	2017 – Present / Director	S&P Training Co., Ltd. / Training business for skill development for employees of S&P Syndicate PLC and affiliates
	November 2018 – 2022 / Director	S&P Delivery Co., Ltd. / Land Transportation Service Business

**Mr. Kamtorn Sila-on – Chief Financial Officer / Executive Committee Director /
Risk Management Committee Director**


Age	52 Years	
The Date of First Appointment as Director	23 February 2016	
Academic qualifications	<ul style="list-style-type: none"> • MBA Financial Engineering, MIT Sloan School of Management Massachusetts, USA, • MEng Chemical Engineering; Associate of the City and Guilds Institute Upper Second Class Honours Imperial College of Science Technology and Medicine, London, England • Audit Committee Program Certificate (ACP) • Director Certification Program Certificate (DCP) Thai Institute of Directors Association (IOD) • TLCA Executive Development Program (EDP) Class 2 Thai Listed Companies Association • Top Executive Program in Commerce and Trade (TEPCoT) Commerce Academy, University of the Thai Chamber of Commerce 	
Equity stake (share number)¹	Beginning of 2022 7,821,700 shares (equal to 1.59%) End of 2022 8,222,785 shares (equal to 1.60%) Change 401,085 shares (From exercising the SNP-W2)	

Family relations between Executives	2nd Son of Mrs. Patara Sila-On	
Previous 5-year work experience	2017 – Present Chief Financial Officer	S&P Syndicate Public Co., Ltd. / Food and Beverage Business
	2016 – Present / Director	
	2015 – Present / Risk Management Committee Director	
	2014 – Present / Executive Committee Director	
	2011 – Present / Chairperson of Remuneration Committee, Independent Director, Nomination Committee, 2017 – Present Chairperson of Audit and Corporate Governance Committee 2020 – Present / Chairperson of Sustainability and Risk Committee 2011 – April 2017 / Audit and Corporate Governance Committee	Precious Shipping Public Co., Ltd. / Transportation & Logistic Business
	2014 – Present / Director	Triparada Co., Ltd. / Consulting Service Business
	2015 – Present / Director	S&P Development Holding Co., Ltd. / Provide service support for the business of affiliated company and restaurant business
	2015 – Present / Director	Chao Phraya Express Boat Co., Ltd. / River transportation service Business
	2016 – Present / Director	Shanghai Yueshi Restaurant Management / Thai Restaurant Business in abroad
	2017 – Present / Director	S&P Training Co., Ltd. / Training business for skill development for employees of S&P Syndicate PLC and affiliates
	2014 – Present / Director	S&P International Foods (Cambodia) Company Limited / Thai Restaurant Business in abroad
	2020 – Present / Director	Food House Catering Services Co., Ltd. / Nutrition Service Business
	2021 – Present / Independent Director	Inter Pharma Public Co., Ltd. / Business of development, innovation and distribution of health products and beauty innovations for people and health products for pets and livestock.
	2022 – Present / Liquidator November 2018 – 2022 / Director	S&P Delivery Co., Ltd. / Land Transportation Service Business


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

Age	74 Years		
The Date of First Appointment as Director	14 August 1998		
Academic qualifications	<ul style="list-style-type: none">• BBA Accounting (Hons.) Chulalongkorn University• Controllership Training Program Thammasat University• Management Development Program – JJ Kellogg Northwestern University• Director Accreditation Program Certificate (DAP) Thai Institute of Directors Association (IOD)		
Equity stake (share number) ¹	Beginning of 2022 60,055 shares (equal to 0.012%) End of 2022 60,055 shares (equal to 0.012%) Change -		
Family relations between Executives	None		
Previous 5-year work experience	Past 5 years / Independent Director, Chairperson of the Audit committee	S&P Syndicate Public Co., Ltd. / Food and Beverage Business	
	1994 – Present / Company Secretary 1994 – 2022 / Director	Dynasty Ceramic Public Co., Ltd. / Construction Material Business	
	2018 – Present/ Company Secretary	Royal Ceramic Industry Public Co., Ltd. / Construction Materials Business	

Ms. Sophavadee Uttamobol – Independent Director / Audit Committee Director


Age	62 Years		
The Date of First Appointment as Director	28 February 2001		
Academic qualifications	<ul style="list-style-type: none">• MBA Business Administration Chulalongkorn University,• BBA Bachelor of Law Thammasat University• Director Accreditation Program Certificate (DAP)• Audit Committee Program Certificate (ACP) Thai Institute of Directors Association (IOD)		
Equity stake (share number) ¹	Beginning of 2022	–	
	End of 2022	–	
	Change	–	
Family relations between Executives	None		
Previous 5-year work experience	Past 5 years / Independent Director, Audit Committee Director	S&P Syndicate Public Co., Ltd. / Food and Beverage Business	
	2001 – Present / Independent Director, Audit Committee Director	Bumrungrad Hospital Public Co., Ltd. / Health Care Services Business	
	2017 – Present / Limited Partnership	Kao Pin Petch Limited Partnership / Consumer Product Business	

Mr. Piya Sosothikul – Independent Director / Audit Committee Director / Nomination and Remuneration Committee Director / Chairperson of Risk Management Committee

Age	51 Years		
The Date of First Appointment as Director	9 November 2011		
Academic qualifications	<ul style="list-style-type: none">• MBA Business Administration Harvard University, U.S.A.• ME Chemical Engineering Massachusetts Institute of Technology (MIT), U.S.A.• BE Chemical Engineering Massachusetts Institute of Technology (MIT), U.S.A.• BA Economics Massachusetts Institute of Technology (MIT), U.S.A.• Director Accreditation Program Certificate (DAP) Class 35/2005• Corporate Governance for Capital Market Intermediaries (CG) Class 4/2015 Thai Institute of Directors Association (IOD)		
Equity stake (share number) ¹	Beginning of 2022	-	
	End of 2022	-	
	Change	-	
Family relations between Executives	None		
Previous 5-year work experience	2019 – Present Chairperson of Risk Management Committee Director	S&P Syndicate Public Co., Ltd. / Food and Beverage Business	
	2012 – 2019/ Risk Management Committee Director		
	2011 – Present / Independent Director, Audit Committee Director, Nomination and Remuneration Committee Director		
	2011 – Present / Director	Seacon Co., Ltd. / Construction Business	
	2011 – Present / Director	Thaichuros Co., Ltd. / Food Flavor Enhancer Business	
	2011 – Present / Director	Nanyang Marketing Co., Ltd. / Shoes Business	
	2011 – Present / Director	Nanyang Industry Co., Ltd. / Shoes Business	
	2011 – Present / Director	Seacon Development PLC / Space Rental Business	


	2010 – Present / Managing Director	Erawana Co., Ltd. / Real Estate Developing Business
	2010 – Present / Executive Director	Bualuang Securities PLC. / Finance & Securities
	2012 – Present / Executive Committee	Siam Housing Co., Ltd. / Real Estate Business
	2015 – Present / Director	The One Enterprise Co., Ltd. / Entertainment Business
	2016 – Present / Director	Gris T Co., Ltd. / Cosmetic Business
	2017 – Present Director	Boonruksa Holding Co., Ltd. / Real Estate Business
	2020 – Present / Director	Mitta Social Enterprise Company Limited / Education Business as non- profit organization
	2018 – Present Director	PR Holding Co., Ltd. / Holding Company

**Mr. Teeranun Srihong – Independent Director / Chairperson of Nomination and
Remuneration Committee,**


Age	57 Years	
The Date of First Appointment as Director	27 February 2019	
Academic qualifications	<ul style="list-style-type: none"> • Master of Business Administration (MBA) Michigan University • Bachelor Degree of Engineering Chulalongkorn University • Advance Management Program Harvard Business School • The Joint State – Private Sector Course, Thailand National Defense College • Senior Executive Program Certificate, Capital Market Academe (CMA) • The Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy • Board Nomination and Compensation Program • Director Accreditation Program • Director Certification Program Thai Institute of Directors Association (IOD) 	
Equity stake (share number)¹	Beginning of 2022 – End of 2022 – Change –	
Family relations between Executives	None	
Previous 5-year work experience	February 2019 –Present Director / Independent Director / Chairperson of Nomination and Remuneration Committee Director	S&P Syndicate Public Co., Ltd. / Food and Beverage Business

	April 2017 – Present / Director, Managing Director	Celar Consulting Co., Ltd./ Other management consulting business which is not classified elsewhere
	2017– Present / Chairperson	The Digital Economy Promotion Agency / Establish processes and adjust the infrastructure in the capital market to support Digitalization
	2017– Present / Qualified Director	Office of the National Digital Economy and Society Commission / Committee under the Ministry of Digital Economy and Society
	2018 – Present / Director	Arcel Capital Company Limited/ Management consulting business
	2019 – Present / Honorary Director	Qualified Director, Sub-Committee of the National Committee on Competitive Advantage
	March 2020 – Present / Honorary Director	The Qualified Expert Committee on Electronic Transactions Sector or Computer Science Sector of Supervision Committee- Electronic Transactions Development Agency / Ministry of Digital Economy and Society
	July 2021 – Present / Independent Director and Chairperson of the Risk Committee, Chairperson of the Information Technology Commission and the Nomination, Compensation and Corporate Governance Committee	TMB Thanachart Bank Public Company Limited / Commercial Banking Business
	2022 – Present / Independent Director, Chairman of the Board	Generali Insurance (Thailand) Plc. / Insurance and life insurance business
	March 2022 – Present / Director, Independent Director	SCG Ceramics Plc. / Ceramic tiles business
	April 2022 – Present / Chairman	PTG Energy Plc. / Retail and wholesale of oil business
	April 2022 – Present / Chairman of the Risk Management Committee, Independent Director, Audit Committee, Corporate Governance Committee	Boon Rawd Supply Chain Co., Ltd. / Other business support service activities not classified elsewhere
	July 2017 – December 2019 / Director/ Executive Committee	Thanachart Insurance PCL / Casualty insurance 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
	2018 – 2019 / Director / Chairperson of Risk Committee	Thanachart Capital Public Co., Ltd. / Holding business that mainly invests in financial business
	2018 – 2020 / Director	The Mall Group Co., Ltd. / Retail businesses


2018 – 2020 / Director	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
September 2018 – August 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 of public utility power plant project and communication cable
June 2018 – May 2022 / 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
2018 – 2020 / Director	BKT Holdings Co., Ltd. / Kitchenware products export business
2018 – 2020 / Director	Northern Railway Park Co., Ltd. / Water transport business
2562 – 2021 / Executive Committee	Phuket Deep Sea Port Co., Ltd./ Cargo handling business
December 2019 – July 2021 /Independent Director, Chairperson of Risk Committee	TMB Bank Public Company Limited / Commercial Banking Business
2019 – December 2021/ Honorary Director and Chairperson of the Risk Management Sub- committee	Government Pension Fund (GPF) / An organization established by a specific law
2019 – Feb 2022 / Director of Investment Committee for Startup	Bangchak Corporation Public Company Limited / Business producing products obtained from petroleum refineries
January 2020 – July 2021/ Chairperson of the Information Technology Commission and the Nomination, Compensation and Corporate Governance Committee	Thanachart Bank Public Company Limited / Commercial Banking Business
March 2020 – October 2021 / Independent Director	Thaicom Public Company Limited / Business of Technology
November 2020 – November 2022 / Honorary Director	Committee for the Protection of Credit Information/ Credit Information Center

Mr. Kosin Chantikul – Director		
Age	40 Years	
The Date of First Appointment as Director	13 August 2020	
Academic qualifications	<ul style="list-style-type: none"> Bachelor of Arts in Economics Wesleyan University, USA. Director Certification Program (DCP) Class192/2014 Thai Institute of Directors Association (IOD) 	
Equity stake (share number) ¹	Beginning of 2022 – End of 2022 – Change –	
Family relations between Executives	None	
Previous 5-year work experience	August 2020 – Present / Director	S&P Syndicate Public Co., Ltd. / Food and Beverage Business
	September 2016 – Present / Director	Bodhi Hotel & Resort Pvt. Ltd. / Hotel Operation Business
	February 2017 – Present / Director	MHG Desaru Hotel Sdn. Bhd./ Hotel Operation Business
	February 2017 – Present / Director	MHG Desaru Villas Sdn. Bhd./ Hotel Operation Business
	May 2017 – Present / Director	Avadina Hills Co., Ltd./ Sale of Property Business
	December 2015 – Present / Director	MHG Management (India) Private Limited / Hotel Operation Business
	December 2017 – Present / Director	Corbin & King Limited / Holding Company
	September 2019 – Present / Director	Verita MHG Company Limited / Healthcare Business
	May 2019 – Present/ Director	NH Hotel Group SA / Hotel Operation Business
	October 2019 – Present / Director	Minor Food Holding Co., Ltd. / Hotel Operation Business
	February 2021 – Present / Director	MSpa Medical Co., Ltd. / Health Care Business
	April 2021 – Present / Director	RHM Hotels Co.,Ltd. / Hotel Operation Business
	October 2021 – Present/ Director	Siam Success Realty Ltd. / Holding Company
	April 2022 – Present / Director	The Wolseley Hospitality Group Holding Limited / Holding Investment

Mr.Kreetakorn Siriatha – Director

Age	46 Years		
The Date of First Appointment as Director	21 February 2022		
Academic qualifications	<ul style="list-style-type: none">• MBA Finance University of Liverpool• Bachelor of Industrial Engineering SIIT Thammasart University• TLCA Executive Development Program (EDP) Class 2016 The Stock Exchange of Thailand, Thai Listed Companies Association and Capital Market Academy		
Equity stake (share number) ¹	Beginning of 2022	-	
	End of 2022	-	
	Change	-	
Family relations between Executives	None		
Previous 5-year work experience	2020–Current Chief Financial Officer 2020–2021 Chief Financial Officer / General Manager Sizzler Thailand 2018–2020 Vice President of Finance / General Manager Sizzler Thailand	The Minor Food Group PCL., / Food and Beverage Business	

Mr. Arth Prakhunhangsit – Chief Operating Officer / Executive Committee Director

Age	57 Years		
Academic qualifications	<ul style="list-style-type: none">• Master Degree of Business Management Chulalongkorn University• Bachelor Degree of Journalism and Mass Communication Thammasat University		
Equity stake (share number) ¹	Beginning of 2022 – End of 2022 – Change –		
Family relations between Executives	None		
Previous 5-year work experience	2019 – Present / Chief Operating Officer	S&P Syndicate Public Co., Ltd./ Food and Beverage Business	
	2003 – 2019 / Chief Operating Officer	The Minor Food Group PCL., / Food and Beverage Business	


Mrs. Maneesuda Sila-On – Chief Sustainability Officer		
Age	50 Years	
Academic qualifications	<ul style="list-style-type: none"> Bachelor Degree of Banking and Finance 2nd Class Honors Faculty of Commerce and Accountancy Chulalongkorn University Master Degree of Finance Boston University ABC Course, Business Creativity Development Institute, Class 8/2018, Sripatum University Intermediate Certificate Courses – Good Governance for Medical Executives Class 9 / 2020 King Prajadhipok's Institute and the Medical Council of Thailand National Defense Course (NDC) Class 65/2022 The National Defence College of Thailand 	
Equity stake (share number) ¹	Beginning of 2022 ² 349,125 705 shares (equal to 0.07%) End of 2022 349,125 705 shares (equal to 0.07%) Change –	
Family relations between Executives	Spouse of Mr. Kamtorn Sila-on	
Previous 5-year work experience	2022 – Present / Chief Sustainability Officer 2018 – 2022 / Sustainability Development Director 2006 – 2018 / Corporate Communications and Customer Relations Director 2004 – 2006/ Assistant Financial and Accounting Director	S&P Syndicate Public Co., Ltd./ Food and Beverage Business




Mr. Somjit Kititeerakul – Vice President of Bakery Production		
Age	60 Years	
Academic qualifications	<ul style="list-style-type: none"> M.S. Art Ramkhamhaeng University B.S. Biotechnology Kasetsart University 	
Equity stake (share number) ¹	Beginning of 2022 – End of 2022 – Change –	
Family relations between Executives	None	
Previous 5-year work experience	Past 5 years / Vice President of Bakery Production	S&P Syndicate Public Co., Ltd./ Food and Beverage Business



Mr. Chongchana Chantamas – Vice President of Food Production

Age	57 Years		
Academic qualifications	<ul style="list-style-type: none">• B.S. Food Science and Technology Kasetsart University		
Equity stake (share number) ¹	Beginning of 2022	-	
	End of 2022	-	
	Change	-	
Family relations between Executives	None		
Previous 5-year work experience	Past 5 years / Vice President of Food Production 2013 – 2014 / Vice President Trade	S&P Syndicate Public Co., Ltd./ Food and Beverage Business	

Ms. Phairunya Supitux – Vice President of Financial

Age	46 Years		
Academic qualifications	<ul style="list-style-type: none">Master of Professional Accounting Thammasat University		
Equity stake (share number) ¹	Beginning of 2022	-	
	End of 2022	-	
	Change	-	
Family relations between Executives	None		
Previous 5-year work experience	November 2021 – Present / Vice President – Finance & Accounting	S&P Syndicate Public Co., Ltd./ Food and Beverage Business	
	September 2017 – October 2021 / Director of Accounting and Finance	LIXIL (Thailand) Public Co., Ltd. / Sanitary ware manufacturing business	
	March 2014 – July 2016 / Vice President of Planning and Organization Management	WP Energy Public Co., Ltd. / Distribution of Liquefied Petroleum Gas Business	

Mrs. Patamawalai Ratanapol – Chief Executive Advisor / Company Secretary		
Age	66 Years	
Academic qualifications	<div><ul style="list-style-type: none">• MBA Business Administration Emporia State University, U.S.A.• Accounting Chulalongkorn University• Human Resource Executive Development Course, Cornell University, U.S.A• Strategic Human Resource Management Course, University of New South Wales, Australia• Management Problem Solving and Decision Making Course, KEPNER- TREGOE, International Princeton, New Jersey, U.S.A• Directors Certification Program Certificate 28/2546 (DCP) Thai Institute of Directors Association (IOD)</div>	
Equity stake (share number) ¹	<div><div>Beginning of 2022</div><div>52,500 shares (equal to 0.0102%)</div><div>End of 2022</div><div>52,500 shares (equal to 0.0102%)</div><div>Change</div><div>-</div></div>	
Family relations between Executives	None	
Previous 5-year work experience	November 2019 – Present / Chief Executive Advisor and Company Secretary / Executive Committee Director 2020 – November 2019 Director, Nomination and Remuneration Committee	S&P Syndicate Public Co., Ltd./ Food and Beverage Business
	2021 – Present / Board Member of Vocational Education Committee and Chairman of Vocational Education Sub-Committee on Cooperation for Vocational Manpower Development	Office of Vocational Education Commission
	2021 – Present / Advisor	MC Group Public Company Limited / Retail Business of Apparels and Lifestyle Products
	2019 – Present / Director	PPP Impact Co., Ltd. / Business and Management Consulting Business
	2003 – 2019 / Chief People Officer	Minor International Public Co., Ltd. and Subsidiaries / Food and Beverage Business
	2009 – 2019 / Chief People Officer, Chief Operation Officer of Minor Food, Director	The Minor Food Group Plc's and Subsidiaries / Food and Beverage Business
	2002 – 2019 / Director	Minor Corporation Public Co., Ltd. and Subsidiaries / Fashion Product Business

	1998 – 2019 / Director	Armin Systems Limited / Kitchenware Clothing and Shoe Product Business
	1998 – 2019 / Director	Esmido Fashions Limited / Clothing Product Business
	1998 – 2019 / Director	Minor Consultants & Services Limited / Luggage Product Business
	1998 – 2019 / Director	Minor Development Limited / Real Estate Development Business
	1998 – 2019 / Director	Navasri Manufacturing Limited / Consumer Goods Manufacturing Business
	1998 – 2019 / Director	Minor Lifestyle Company Limited / Kitchenware Product Business
	2008 – 2019 / Director	The Coffee Club (Thailand) Co., Limited. / Restaurant named "The Coffee Club"
	2009 – 2019 / Director	Double P Consultant Co., Ltd./ Business and Management Consulting Business
	2011 – 2019 / Director	Minor Fashion Ltd. / Retail Business
	2014 – 2019 / Director	MSC Thai Cuisine Co., Ltd. / Thai Culinary School named "The Thai cuisine"
	2020 / Advisor	The Mall Group Co., Ltd. / Retail businesses

Note:

1. Number of securities holding The information at the beginning of securities holding as of 1 January 2022.
The information at Year-end of securities holding as of 12 January 2023
2. Securities holding information at the beginning of the year of Mrs. Maneesuda Sila-on reported upon appointment
on 1 March 2022.

Attachment 2

Details of Directors of Subsidiaries

Name	Company	Subsidiary														Associate	Related companies	
	S&P Syndicate	S&P International Foods	S&P International Foods (Cambodia)	S&P Delivery	S&P Gloabl	Patara (Geneva)	S&P Restaurants	Patara Fine Thai Cuisine	Suda	MSP Property	Patara Beijing	Patara Vienna	Umenohana S&P	S&P Development	Shanghai Yueshi Restaurant	MSC Thai Cuisine	Food House Catering	SR Estate
1. Mrs. Patara Sila-On	x			x						/								x
2. Mr. Pravesvudhi Raiva	//	//	/	//		/	/	/	/	/			/	/	/	/		//
3. Mr. Kachorndej Raiva	//			//		/												//
4. Mrs. Kessuda Raiva	//	//	/	//	/	/	/	/	/	/		//	/	/	/	/		//
5. Mr. Vitoon Sila-On	//	//	x							/		//			/		/	
6. Mr. Kamtorn Sila-on	//		/										/	/	/		/	
7. Ms. Cattleya Saengsastra	/																	
8. Ms. Sophavadee Uttamobol	/																	
9. Mr. Piya Sosothikul	/																	
10. Mr. Teeranun Srihong	/																	
11. Mr. Kosin Chantikul	/																	
12. Mr. Kreetakorn Siriatha	/																	
13. Mrs. Patamawalai Ratanapol	//																	
14. Mr. Arth Prakhunhangsit	//																	
15. Mrs. Maneesuda Sila-On																		
16. Thirakorn Raiva		/	/												/			
17. Lt.Varakorn Raiva		//		//								//						//

Name	Company	Subsidiary														Associate	Related companies	
	S&P Syndicate	S&P International Foods	S&P International Foods (Cambodia)	S&P Delivery	S&P Global	Patara (Geneva)	S&P Restaurants	Patara Fine Thai Cuisine	Suda	MSP Property	Patara Beijing	Patara Vienna	Umenohana S&P	S&P Development	Shanghai Yueshi Restaurant	MSC Thai Cuisine	Food House Catering	SR Estate
18. Mrs. Pornpilai Raiva				//														//
19. Mrs. Pantipa Raiva				//		/												//
20. Mr. Somjit Kititeerakul																		
21. Mr. Chongchana Chantamas																		
22. Ms. Phairunya Supitux																		

Remark : X Chairperson // Executive Director / Director

S&P Syndicate	S&P Syndicate Public Company Limited	Patara Beijing	Patara International Restaurant Management (Beijing) Co., Ltd.
S&P International Foods	S&P International Foods Co., Ltd.		
S&P International Food (Cambodia)	S&P International Food (Cambodia) Co., Ltd.	Patara Vienna	Patara Restaurant Vienna GmbH
S&P Delivery	S&P Delivery Co., Ltd.	Umenohana S&P	Umenohana S&P Co., Ltd.
S&P Global	S&P Global Co., Ltd.	S&P Development	S&P Development Holding Co., Ltd.
Patara (Geneva)	Patara (Geneva) SA	Shanghai Yueshi Restaurant	Shanghai Yueshi Restaurant Management Co., Ltd.
S&P Restaurants	S&P Restaurants Limited	S&P Training	S&P Training Co., Ltd.
Patara Fine Thai Cuisine	Patara Fine Thai Cuisine Limited	MSC Thai Cuisine	MSC Thai Cuisine Co., Ltd.
Suda	Suda Limited	Food House Catering	Food House Catering Service Co., Ltd.
MSP Property	MSP Property Co.,LTD.	SR Estate	SR Estate Co., Ltd.

Attachment 3

Detail of Head of the Internal Audit and Head of the Operations Compliance

Name - Surname / Position	Age (Year)	Academic Qualifications	Equity stake (share number)			Family relations between Executives	Previous 5-year work experience	
			Begin ning of 2022	Change	End of 2022		Period / Position	Company / Business Type
Head of the Internal Audit and Head of the Operations Compliance Mrs. Chirley Sawangkong Internal Audit Director	53	Bachelor of Science Ramkhamhaeng University	--	--	--	- None -	May 2022 – Present / Internal Audit Director 2015 – May 2022 / Deputy Vice President of the Internal Audit	S&P Syndicate Public Co., Ltd. / Food and Beverage Business

Responsibilities of the Head of the Internal Audit

The Internal Audit Office establishes internal audit policies in accordance with the vision, mission, and strategy, as well as the regulations of the Audit Committee and international internal audit standards. This is to carry out creative preventive audits, firmly adhering to ethics, and to define the responsibilities of the Head of the Internal Audit as follows:

- Verify that financial reports are prepared in accordance with Thai and international accounting standards, with appropriate processes for recording accounting documents and complete, transparent and credible financial statements. Sufficient disclosure of financial information should be provided in notes to financial statements.
- Consider the impact of changing accounting standards and policies and provide this information to the Audit Committee.
- Establish and develop audit techniques that promote the operation of the company in a preventive and innovative direction, utilizing cutting-edge technology, and adding value to the organization.
- Consider interrelated transactions or transactions that may have conflict of interests to compliance with rule and regulation of Thai Securities and Exchange Commission.
- Provide independent and impartial advice according to ethical guidelines and corporate governance to reduce the risk of non-compliance with established organizational principles.
- Support the development of computer programs for business management and audit purposes.
- Establish a system to evaluate audit results according to the audit policy and define Key Performance Indicators (KPIs) to measure the performance of auditors and the Internal Audit Office to improve internal audit work.
- Implement Innovative Auditing.
- Develop and improve the internal audit process according to international professional internal audit standards and ethical guidelines established by international professional organizations and encourage the internal auditors to obtain certification.
- Continuously develop knowledge, skills, and quality in internal auditing according to changing environments and technologies.
- Coordinate with external auditors in accordance with the Audit Committee policy and internal audit standards.
- Define the organizational structure, personnel, and budget of the Internal Audit Office to align with the Audit Committee's oversight and human resource management.
- Perform additional tasks assigned by the Audit Committee.

Attachment 4

Business Assets and Details on Asset Valuation

1. Assets used in business

Details of assets used in business as appears in the page 70 No. 4

2. Details about the property appraisal list

- None -

Attachment 5

Corporate Governance Policy and Code of Conduct

The Company has published various important policies regarding the corporate governance in the Company's website which can be accessed through the website below:

URL : <https://www.snpfood.com/en/corporate-governance/corporate-governance-policy>

Attachment 6

Report of the Audit Committee

The Audit Committee of S&P Syndicate Public Company Limited is appointed by the Board of Directors. It consists of 3 independent directors, all of whom are fully qualified in accordance with the Audit Committee Charter and are independent in performing their duties. The directors are qualified to perform their duties in reviewing the reliability of financial statements in accordance with the regulations of the Stock Exchange of Thailand as follows.

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

Mrs. Chirley Sawangkong, Internal Audit Director who served as the secretary of the Audit Committee and report directly to the audit committee. The Audit Committees operate within the scope of duties and responsibilities according to the Audit Committee's Charter, such as reviewing the financial statements, internal control system, internal audit, supervising the operation to be complied with laws, policies, regulations and orders, assessing related party transactions and conflicts of interest transactions, promoting of good corporate governance and considering nominations and the auditor's remuneration.

In the year 2022, the Audit Committee held 5 meetings with the executives, internal auditors and auditors. Besides, the Audit Committee held meetings with the auditors without the Company's management to independently discuss and exchange views on Key Audit Matters from the audit and the preparation of the 2022 financial statements, which can be summarized as follows:

1. Review of quarterly and annual financial statements 2022

The Audit Committee has reviewed the quarterly and the annual financial statements for the year 2022, including related party transactions, potential conflicts of interest transactions with management and internal audit. The Audit Committee has also invited the Auditors to attend the meeting every time the financial statements are considered to discuss about auditor's remarks and the new auditor's report as well as to interrogate and receive explanations from Accounting and Finance Executives and Auditor until satisfaction, and to suggest adjustments for the account according to the auditor's remarks in the mutual agreement in order to obtain accurate, complete, reliable and sufficient financial statements for the disclosure of information and footnotes to financial statement, which Audit Committee has an

opinion consistent with the Auditor that the such financial reports are accurate and reliable in essence according to generally accepted accounting standards.

2. Internal Audit and Internal Control System Review

The Audit Committee has reviewed the internal control system, monitored the operation to be compliance with the rules, regulations and other relevant laws and also evaluated the adequacy of the internal control system. The Internal Audit Office has considered and assessed the internal control to report the summarize to Audit Committee on a quarterly basis and proposed to the Board of Directors to improve the internal control system to be efficient, effective and sufficient in order to prevent and reduce errors and damage that may occur. In 2022, it showed that the Company had an internal control system that was appropriate and sufficient for its operations and no significant problems or deficiencies were found.

3. Review of Performance and Internal Audit Development

The Audit Committee has reviewed the audit performance according to the approved plans and supported the development of work in accordance with the established vision, which is constructive auditing to create added value in the organization in accordance with the principles of governance, including listening to opinions from agencies that have been audited to improve the quality of the audit work. In 2022, it showed that the audit results were able to achieve the set goals and the results of the audits helped to formulate various measures to make the agency work more efficiently.

4. Review of the Performance of Laws, Rules and Regulations

The Audit Committee held a meeting with the Internal Audit Office and related management departments and found that audited agencies had complied with the laws and regulations set forth in the essence area. The Audit Committee has considered changes to the laws, accounting standards and other things related to the Company in each quarter including information obtained from external auditors to study and comprehend before stipulating as a suitable practical guideline for the Company's operations that is correct and in accordance with the changing laws and regulations.

5. Review of Related Transactions or Conflict of Interest Transactions

The Audit Committee has reviewed and supervised the suitability and adequacy of related transactions and connected transactions that may cause conflicts of interest of the Company to be in accordance with the laws and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, by using the reasonable principle as a normal business practice and for the highest benefits of the Company's business operation, which are transparency, accountability and the accurate disclosure of information. In the year 2022, it showed that the agreement to make related

transactions of the Company, which is a normal transaction as the past year, has not changed significantly as shown in the annual report.

6. Promotion of Good Corporate Governance

The Audit Committee has promoted the Company's operations in accordance with the principles of good corporate governance according to the regulations of the Securities and Exchange Commission and supported policies and guidelines of anti-corruption, resulting in the Company being certified continuously by the Thai Private Sector Collective Action Coalition Against Corruption. The Company has also encouraged all executives and employees to realize and comply with the policies, regulations and codes of conduct for the company's business operations to be transparent and accountable ethically. In 2022, the Company has reviewed and improve the anti-corruption policy, including having all employees of the company to take the Ethics e-Testing to get 100% passing scores to ensure that employees and executives truly understand the code of conduct and anti-corruption.

7. Consideration of the Appointment and Remuneration of the Auditors

The Audit Committee has evaluated the Auditor's performance in the past year by considering the reliability, auditor's independence, knowledge, service capability, consulting on accounting standards, auditing and certifying financial statements in a timely manner and therefore came to the resolution for the Board of Directors to approve the appointment of Price Waterhouse Company Limited as the auditor of the Company for another year, before proposing to the general meeting of shareholders for further approval.

Besides, in order to supervise the audit fairly and separate from the management, the Audit Committee has held one meeting with the auditor without the management. The auditor commented that the management was well cooperative and also consulted with the auditor about Key Audit Matters according to the new auditor's reporting standards. The results were as stated by the auditor in the report. It has provided opportunities for Internal auditors and auditors to meet and discuss at any time, and has reflected on the improvement of audits to be more modern, efficient, effective and standardized.

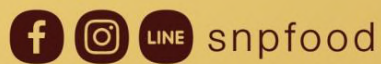
Chairperson of the Audit Committee



(Ms. Cattleya Saengsastra)



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