



“Elevate the Next”

S&P Syndicate Public Company Limited

Management Discussion & Analysis (MD&A)
1Q23



เทศกาล
ข้าวแช่
อร่อย ชื่นใจ



Executive Summary

Unit : Million Baht

1Q23 Highlight	1Q22	1Q23	Better or (Worse)
Revenue	1,285	1,436	151
Cost of Sales	(562)	(625)	(63)
Gross Profit	723	811	88
Gross Profit Margin (%)	56.3%	56.5%	0.2%
Selling Expenses and Administrative expenses	(632)	(699)	(67)
Net Profit – Owners of the parent	87.5	104.8	17
Net Profit Margin (%)	6.8%	7.3%	0.5%

- 1Q23 Net Profit was 104.8mb, +17mb or +20% YoY mainly driven by 1) strong growth on Dine-in Sales especially for stores in Shopping Mall, Airport and Hospital, 2) Continuous growth on Take-Away Sales especially for stores in Hypermarket and Shopping Mall, 3) Discount control through “less-but-more” promotion campaign design, 4) Raw materials costs impact mitigation through multiple measures, 5) Continuous driving LEAN production and costs control at Factories, and 6) Elevation both internal and external collaboration with agile execution.
- 1Q23 %Gross Profit was +0.2% better than LY despite of the increase in raw materials and packaging costs, mainly driven by 1) Leverage from the higher %GP mix from Dine-in sales, 2) Segmented less-but-more promotions and campaigns design to better fit customers, 3) Key ingredients stock-up from 4Q22, 4) Alternative sourcing and ingredients, 5) Lean production & increased productivity at Factories, 6) Menus redesign, and 7) Minimum price adjustment for some menus.
- 1Q23 Revenue was 1,436mb, +151mb or +12% YoY mainly driven by the Dine-in sales from both domestic and international restaurants.

S&P 1344 www.snp1344.com

ใหม่! เมนู 50 ปี
มีแต่ของอร่อย

สั่งได้ไม่ซ้ำวัน

เริ่มต้นเพียง 135 บาท

ข้าวผัดซาร์ดีน ไข่ดาวกรอบ 135.-

เส้นหมี่กุ้งผัดพริกเผา 165.-

ข้าวผัดปากไก่ 135.-

ข้าว-สเด็กหมู ราดซอส 138.-

ก๋วยเตี๋ยวไก่ กะเพรากรอบ 135.-

ข้าวมันส้มตำ แกงไก่ - หมูฝอย 178.-

สั่งเลย!

เงื่อนไขโปรโมชั่นมีที่ร้านค้าบางสาขา | ภาพใช้เพื่อการโฆษณาเท่านั้น



1Q23 Key Achievements

- 1 Strongly grew Daily Dine-in Sales for domestic stores (+62%) especially for stores in Shopping Malls, Airport and Hospitals and stores in Austria and UK (+24%)
- 2 Successfully maintained and controlled %discount, on par with LY
- 3 Successfully mitigated raw materials cost impact resulting the slightly better %Gross Profit Margin than LY, despite of the raw materials cost increase
- 4 Continuously improved LEAN production and costs control at Factories
- 5 Successfully elevated both internal and external collaboration with agile execution

Number of Stores

Brand (As of 31 Mar 2023)	Total Stores	Thailand		International	
		Equity	Franchise	Equity	JV
S&P Restaurant	138	133	-	5	-
S&P Bakery Shop	272	271	1	-	-
S&P Delta	33	33	-	-	-
Patio	1	1	-	-	-
Patara	8	1	-	3	4
SNP Cake Studio	1	1	-	-	-
Maisen	11	11	-	-	-
Umenohana	2	2	-	-	-
Total	466	453	1	8	4

S&P 1344
www.snp1344.com

CAKE OF THE MONTH

เค้กผลไม้สด
พร้อม 415 บาท

เค้กทอรัส (8รส)
พร้อม 415 บาท

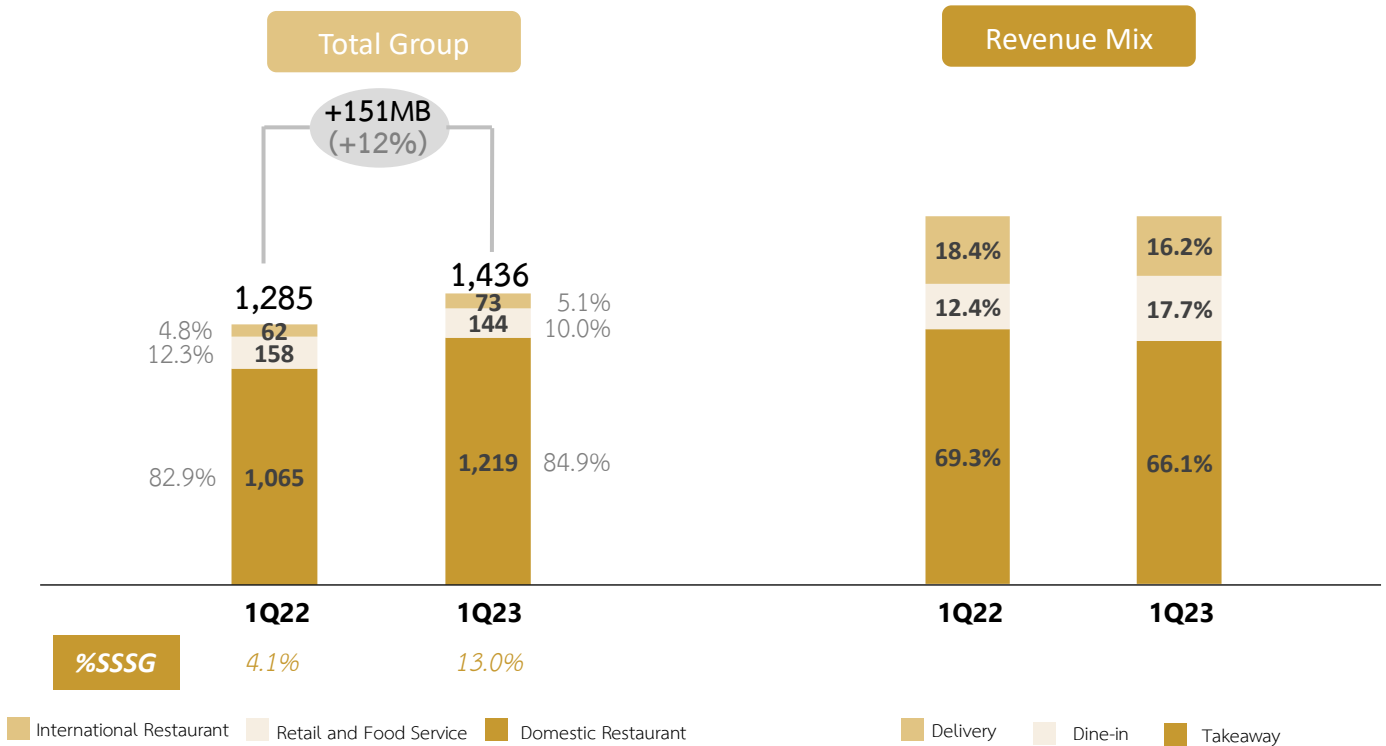
รวม 8 รส อร่อยที่สุด ที่ต้องสั่งทุกวัน

สั่งเลย!



Revenue

Unit : Million Baht



1Q23 Revenue was 1,436mb, +151mb or +12% YoY mainly driven by the Dine-in sales from both domestic and international restaurants

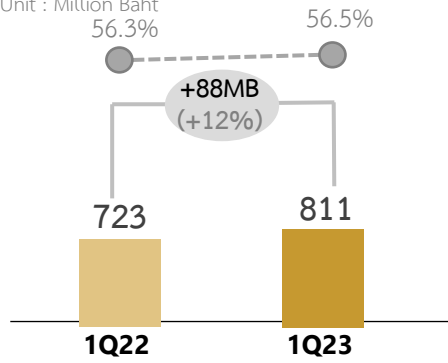
- ▶ **Domestic Stores** : +154MB or +14% YoY mainly came from the strong growth in Dine-in and Take-Away. Key contributors are stores in Shopping Mall, Airport and Hospital.
- ▶ **Retail and Food Service** : -14MB or -9% YoY mainly came from the less BOGO promotion on Frozen Cake on Retail channel and offset by the increase in OEM food service on food chain accounts.
- ▶ **International Stores** : +11MB or +17% YoY mainly came from stores in Austria and UK.
- ▶ **Dine-in** : Revenue +62.1% YoY mainly came from stores in Shopping Mall, Airport and Hospital. While traffic was significantly increased, the averaged spending per bill was +9% higher than LY, mainly due to more group gathering and less distancing. Set menus were launched in 1Q23.
- ▶ **Take-Away** : Revenue +8.1% YoY mainly came from the resumed traffic in all locations especially from Shopping Mall and Hypermarket. Revenue was mainly driven by the NPDs and festive products.
- ▶ **Delivery** : Revenue on par with LY despite that customers' behaviors were geared towards dine-in. Key contributors were meal boxes, snack boxes and cakes through our own 1344 Ordering Platform.





Gross Profit

Unit : Million Baht



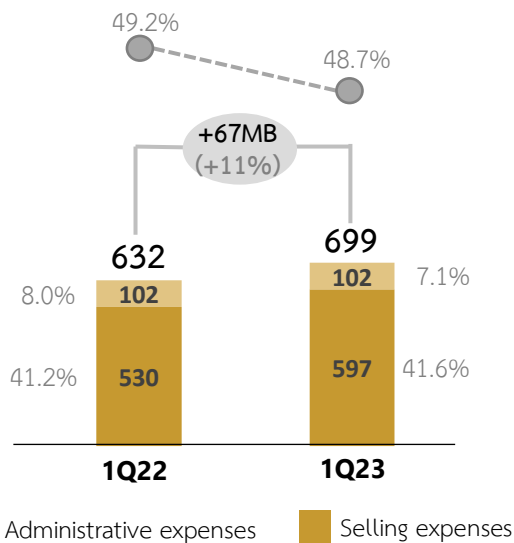
1Q23 %Gross Profit was +0.2% better than LY despite of the increase in raw materials and packaging costs, mainly driven by

- 1) Leverage from the higher %GP mix from Dine-in sales.
- 2) Segmented less-but-more promotions and campaigns design to better fit consumers
- 3) Key ingredients stock-up from 4Q22,
- 4) Alternative sourcing and ingredients,
- 5) Lean production & increased productivity at Factories,
- 6) Menus redesign, and
- 7) Minimum price adjustment for some menus



Selling expenses and Administrative expenses

Unit : Million Baht



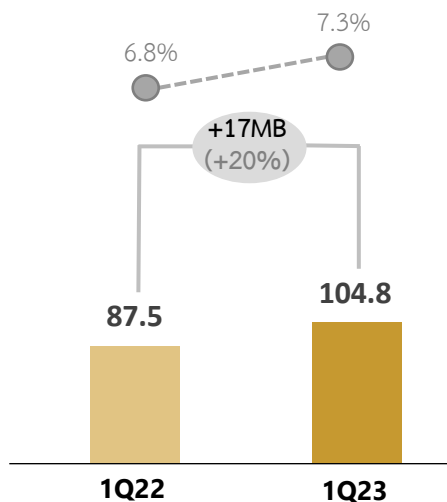
1Q23 %Total SG&A was 0.5% better than LY

- ▶ 1Q23 %Selling expenses was 0.4% worse than LY, mainly due to rental expenses mostly back to the contracts and utilities expenses, partially offset by the labor productivity, logistics efficiency improvement and less marketing spending with more effective media spending. .
- ▶ 1Q23 Administrative expenses was +0.9% better than LY, mainly due to organization restructuring towards lean and productivity, and expenses control with the top line leverage.



Net Profit – Owners of the parent

Unit : Million Baht



1Q23 Net Profit was 104.8mb, +17mb or +20% YoY mainly driven by 1) Strong growth on Dine-in Sales especially for stores in Shopping Mall, Airport and Hospital, 2) Continuous growth on Take-Away Sales especially for stores in Hypermarket and Shopping Mall, 3) Discount control through “less-but-more” promotion campaign design, 4) Raw materials costs impact mitigation through multiple measures, 5) Continuous driving LEAN production and costs control at Factories, and 6) Elevation both internal and external collaboration with agile execution





Assets / Liabilities and Equity

Statements of Financial Position				
Key Metrics (MB)	As at Mar23		As at Dec22	
	MB	%	MB	%
Cash and cash equivalents	1,054	20%	1,082	20%
Financial assets at fair value	362	7%	362	7%
Other current assets	514	10%	607	11%
Total Current assets	1,930	37%	2,051	39%
Investment in associate	98	2%	109	2%
Investment in joint ventures	191	4%	196	4%
Property, plant and equipment	1,597	31%	1,581	30%
Right-of-use asset	1,238	24%	1,300	24%
Other non-current assets	94	2%	88	2%
Total non-current assets	3,218	63%	3,274	61%
TOTAL ASSETS	5,148	100%	5,325	100%
Short-term borrowings from financial institutions	2	0%	2	0%
Current portion of long-term borrowings	129	3%	154	3%
Current portion of lease liabilities	333	6%	335	6%
Trade and other payables	655	13%	861	16%
Other current liabilities	128	3%	116	2%
Total Current Liabilities	1,247	24%	1,468	28%
Long-term borrowings from financial institutions	128	2%	141	3%
Non-current provision for employee benefits	170	3%	162	3%
Lease liabilities	679	13%	736	14%
Other non-current liabilities	69	1%	69	1%
Total non-current liabilities	1,046	20%	1,108	21%
TOTAL LIABILITIES	2,293	45%	2,576	48%
Paid-up Capital	513	10%	513	10%
Premium on ordinary shares	690	13%	690	13%
Surplus on gain from transfer of business to JV	80	2%	80	2%
Legal reserve	52	1%	52	1%
Unappropriated	1,475	29%	1,370	26%
Other components of shareholders' equity	-1	0%	-1	0%
Non-controlling interests	45	1%	45	1%
TOTAL EQUITY	2,854	55%	2,749	52%
TOTAL LIABILITIES & EQUITY	5,147	100%	5,325	100%
<i>Authorised share capital</i>	515		515	
<i>Par Value (Baht/Sh.)</i>	1.00		1.00	
<i>No. of share (millions)</i>	515		515	

Cash & Cash equivalent of 1,054 mb, -28mb vs. Dec22, was primarily attributable from trade account payable settlement on key materials stock-up in 4Q22

Right-of-use asset and lease liabilities : Decreased -63mb due to the depreciation on right-of-use assets and maturity of lease liabilities

Trade and other Payables: Decreased of -206mb mainly from trade payable settlement on raw material , stores expansion and DC management fee

Long-term borrowing : In total decreased of -37mb mainly from loan repayment

Retained earnings +105 mb, mainly due to net profit for the period





For inquiries related to the Investor Relations, please contact us by:

 irsnp@snpfood.com