



“Elevate the Next”

S&P Syndicate Public Company Limited

Management Discussion & Analysis (MD&A)

3Q23





Executive Summary

Unit : Million Baht

Highlight	3M		Better or (Worse)	9M		Better or (Worse)
	3Q22	3Q23		9M22	9M23	
Revenue	1,546	1,670	124	4,133	4,562	429
Cost of Sales	(680)	(728)	(48)	(1,820)	(1,993)	(173)
Gross Profit	866	942	76	2,313	2,569	256
<i>Gross Profit Margin (%)</i>	56.0%	56.4%	0.4%	55.9%	56.3%	0.4%
Selling and Admin. Expenses	(681)	(753)	(72)	(1,944)	(2,165)	(221)
<i>Selling and Admin Expenses (%)</i>	44.0%	45.1%	1.1%	47.0%	47.5%	0.5%
Net Profit – Owners of the parent	158	165	7	328	358	30
<i>Net Profit Margin (%)</i>	10.2%	9.9%	(0.3%)	7.9%	7.9%	0.0%

3M

- ▶ **3Q23 Net Profit was 165mb, +7mb or +5% YoY** mainly driven by
 1. the increased top line in all business segments and channels especially for dine-in sales from stores in Shopping Mall, Hypermarket and Hospital
 2. the higher %GP driven by the LEAN production and fixed costs leverage at the factories
 3. Offset by the higher rent, COL and utilities expenses
- ▶ **3Q23 %Gross Profit was 56.4%, +0.4% better than LY**, despite of the raw materials and packaging cost increase mainly driven by
 1. the higher %GP mix from the higher +31% dine-in sales YoY
 2. the LEAN production and fixed costs leverage at the factories
- ▶ **3Q23 Revenue was 1,670mb, +124mb or +8% YoY** mainly came from the Domestic Stores +95mb or +7%, Retail and Food Service +23mb or +14% and International Stores +6mb or +8%

9M

- ▶ **9M23 Net Profit was 358mb, +30mb or +9% YoY** mainly driven by
 1. the increased top line in all business segments and channels especially for dine-in sales from stores in Shopping Mall, Hypermarket and Hospital
 2. the higher %GP driven by the LEAN production and fixed costs leverage at the factories
 3. Offset by the higher rent, COL and utilities expenses
 4. more effective collaborations for both external and internal to drive execution towards monthly goals and targets.
- ▶ **9M23 %Gross Profit was 56.3%, +0.4% better than LY**, despite of the raw materials and packaging cost increase mainly driven by
 1. the higher %GP mix from the higher +47% dine-in sales YoY
 2. the LEAN production and fixed costs leverage at the factories
- ▶ **9M23 Revenue was 4,562mb, +429mb or +10% YoY** mainly came from the Domestic Stores +370mb or +11%, Retail and Food Service +43mb or +9% and International Stores +16mb or +8%



3Q23 Key Achievements

- 1 Increased top line in all S&P Store segments and channels driven by more Thai Single dishes to draw dine-in traffic, the festive products (Moon Cake and Mother's Day Cake), and Friday's Fair (sales growth +22 MB from LY major from Friday Fair)
- 2 Strong growth in Food Service and OEM segment, +70% YoY, mainly from Airlines and food chain accounts
- 3 Successful manage on %Gross Profit despite of the raw materials and packaging costs increase (% GP +0.4% vs.LY)
- 4 More effective collaborations with Food House (+20% NPAT Growth) and internal (Food factory) to deliver NPAT growth +147%

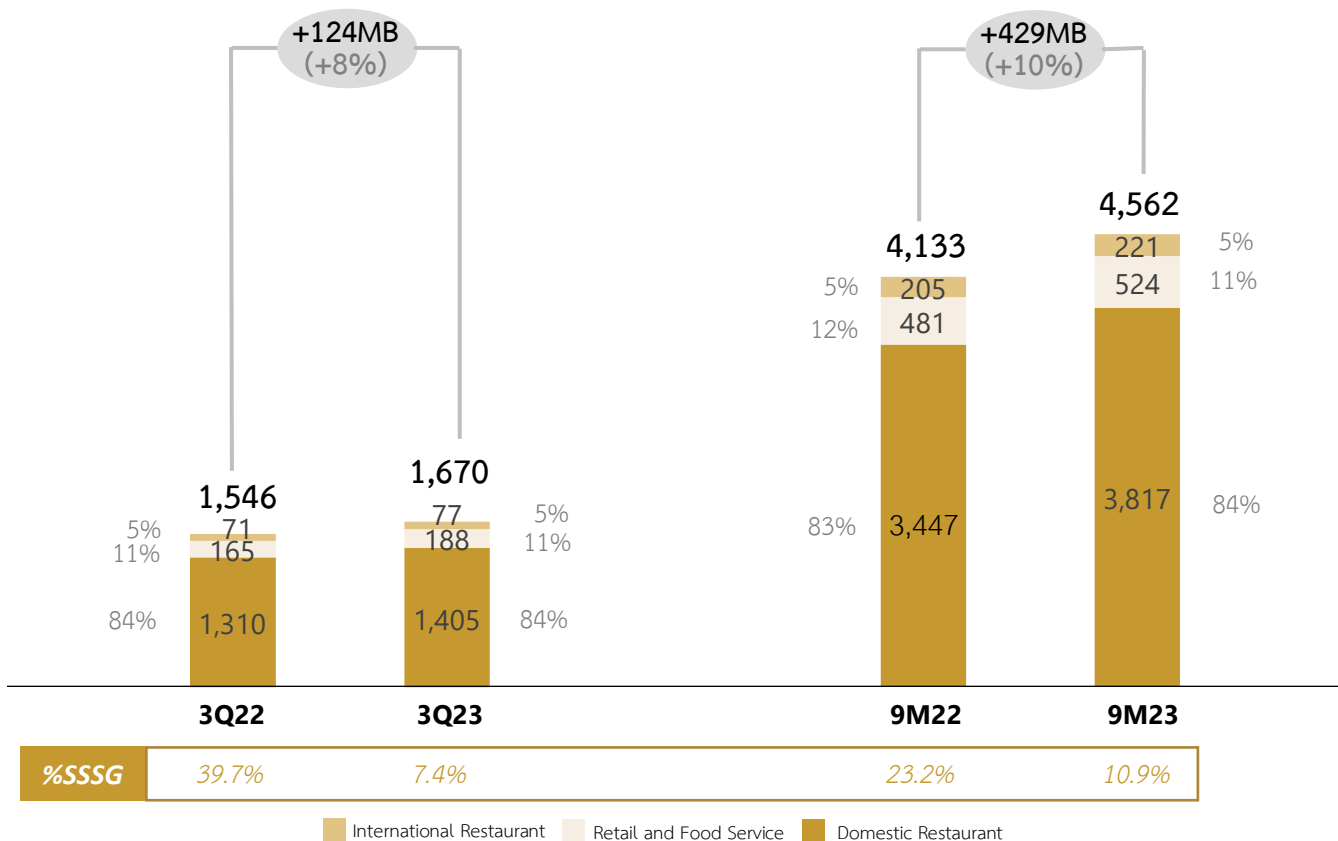
Number of Stores

Brand (As of 30 Sep 2023)	Total Stores	Thailand		International	
		Equity	Franchise	Equity	JV
S&P Restaurant	135	130	-	5	-
S&P Bakery Shop	270	269	1	-	-
S&P DelTA	33	33	-	-	-
PATIO <small>Bakery • Bakery • Coffee</small>	1	1	-	-	-
Patara	8	1	-	3	4
nais <small>SNP CAKE STUDIO</small>	1	1	-	-	-
Maisen	11	11	-	-	-
Umenohana <small>UMENOHANA</small>	1	1	-	-	-
Total	460	447	1	8	4




Revenue

Unit : Million Baht

Total Group

3M

3Q23 Revenue was 1,670mb, +124mb or +8% YoY mainly came from:

- ▶ **Domestic Stores** : +95MB or +7% YoY mainly came from the growth in Dine-in +32% from more variety on Thai Single Dishes menu, Take-Away +4% partly contributed by the Friday's Fair, and Delivery +4%
- ▶ **Retail and Food Service** : +23MB or +14% YoY mainly driven by strong sales growth in Food Service and OEM for Airlines and food chain accounts
- ▶ **International Stores** : +6MB or +8% YoY, mainly came from the restaurants in UK and Austria.

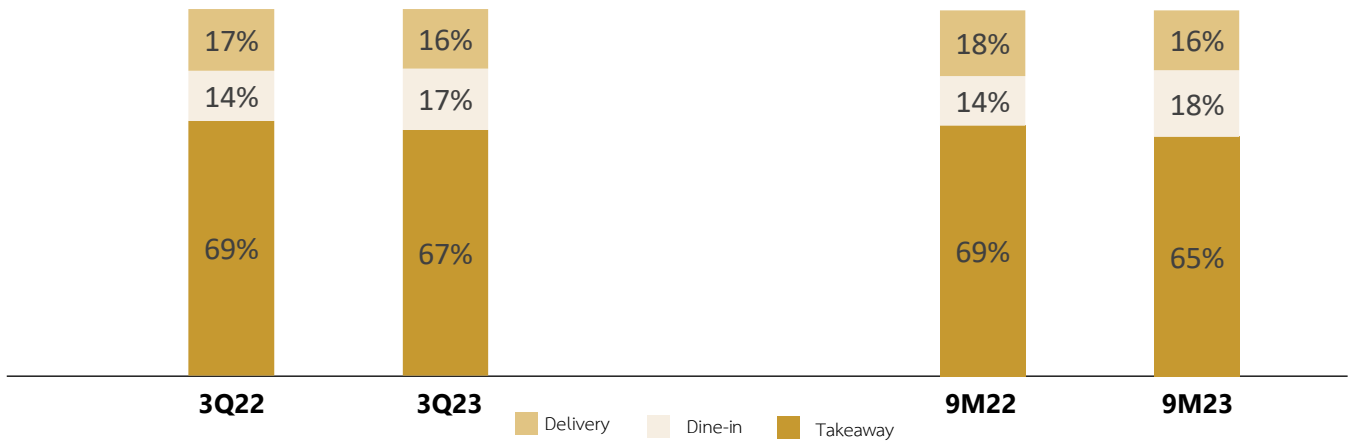
9M

9M23 Revenue was 4,562mb, +429mb or +10% YoY This notable growth was driven by several key factors:

- ▶ **Domestic Stores** : +370MB or +11% YoY mainly came from the growth in Dine-in +47%, Take-Away +6% and Delivery 1%. The key contributors are stores in Shopping Mall, Hypermarket and Hospital
- ▶ **Retail and Food Service** : +43MB or +9% YoY primarily driven by strong sales growth in Food Service and OEM for Airlines and food chain accounts
- ▶ **International Stores** : +16MB or +8% YoY, mainly came from the restaurants in UK and Austria.



Domestic Revenue Mix



3M

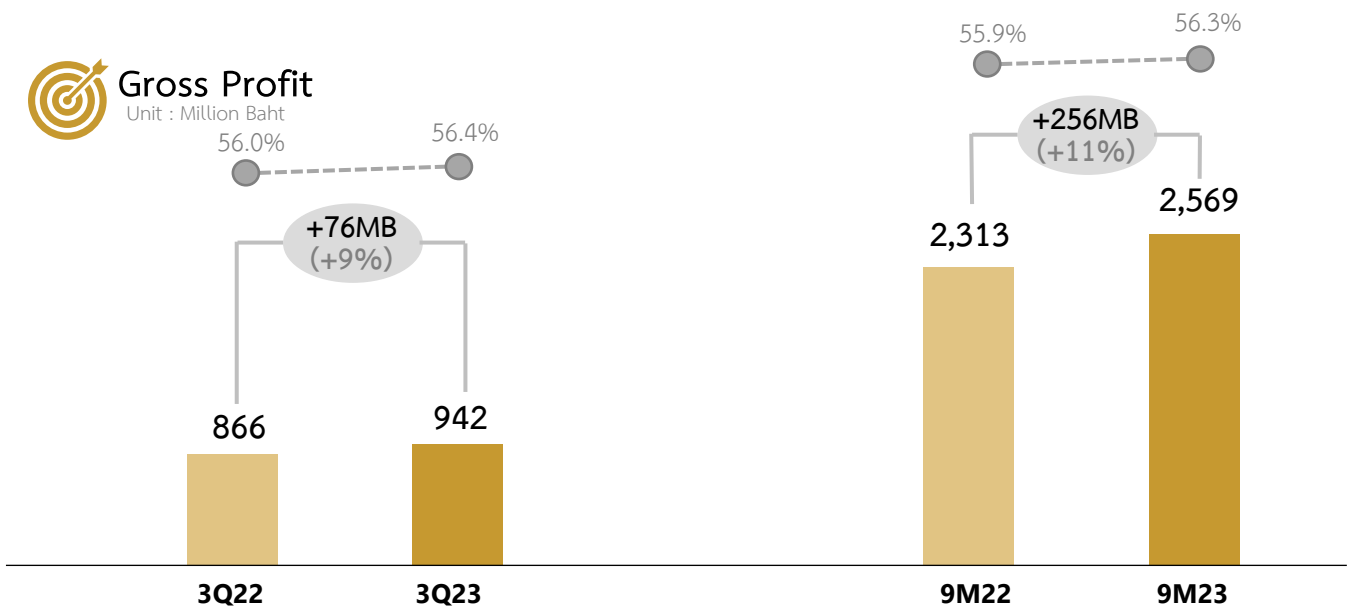
9M

- ▶ **Dine-in** : 3M Revenue +31% YoY and 9M Revenue +47% YoY mainly came from stores in Shopping Mall, Hypermarket, Hospital and Airport. 50 Years Single Dish menus with the existing signature menus and more variety were launched to draw dine-in traffic.
- ▶ **Take-Away** : 3M Revenue +4% YoY and 9M Revenue +6% YoY mainly came from NPDs, festive products.
- ▶ **Delivery** : 3M Revenue +4% YoY and 9M Revenue +1% YoY mainly came from aggregators and Pound Cake and Single Dishes



Gross Profit

Unit : Million Baht



3M

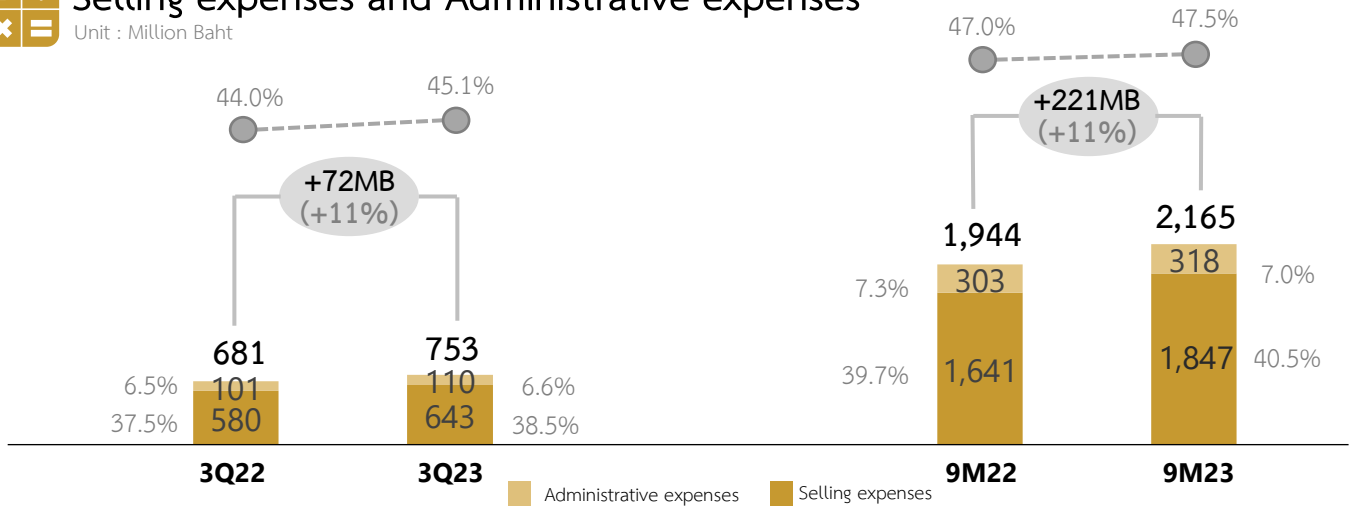
9M

- 3M and 9M %Gross Profit was +0.4% better than LY, despite of the raw materials and packaging cost increase mainly driven by
- the higher %GP mix from the higher dine-in sales, 3M +31% YoY and 9M +47% YoY
 - the LEAN production and fixed costs leverage at the factories



Selling expenses and Administrative expenses

Unit : Million Baht



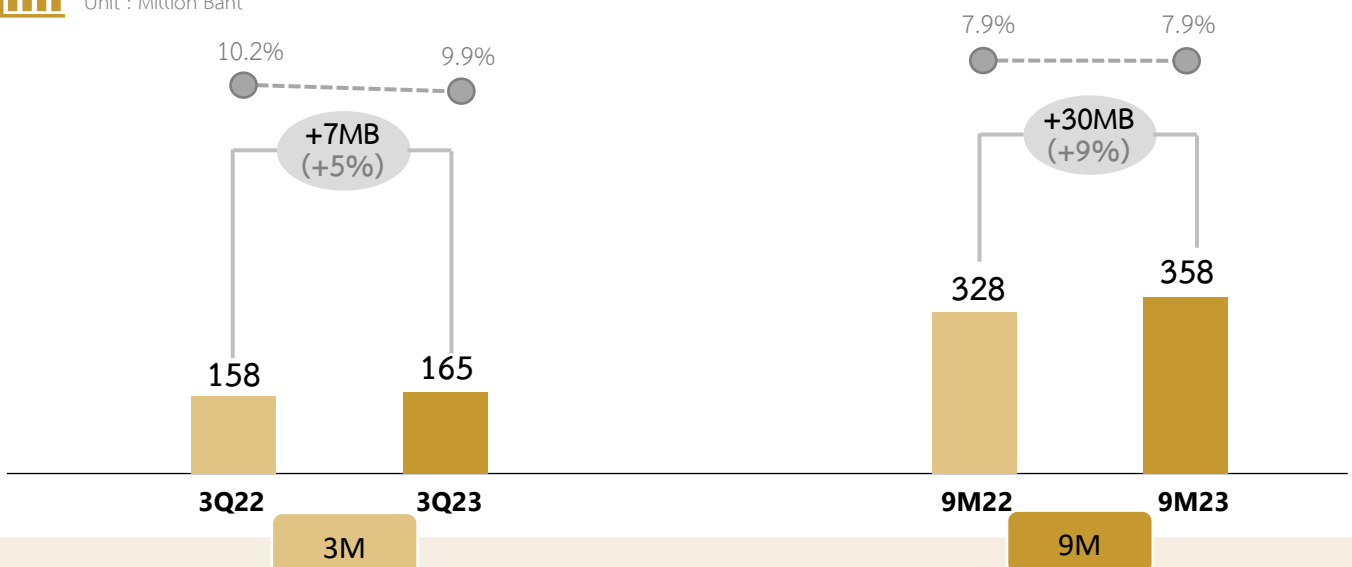
3M 9M

3M %Total SG&A was 45.1% or +1.1% worse than LY and 9M %Total SG&A was 47.5 or +0.5% worse than LY

- 3M & 9M %Selling Expenses was +1.0% and +0.8% worse than LY respectively, mainly due to the higher rental expenses which were back to the original contracts, COL, and utilities expenses.
- 3M %Admin Expenses was +0.1% worse than LY and 9M %Admin Expenses was -0.3% better than LY. The increased amount came from the new recruits mostly at management level to help support the growth. The Company has targeted to control the Admin. Expenses as a % to Net Sales. Both 3Q23% and 9M23% are quite in line with the set targets.

Net Profit – Owners of the parent

Unit : Million Baht



3Q23 Net Profit was 165mb, +7mb or +5% YoY mainly driven by

- the increased top line in all business segments and channels especially for dine-in sales from stores in Shopping Mall, Hypermarket and Hospital
- the higher %GP driven by the LEAN production and fixed costs leverage at the factories
- Offset by the higher rent, COL and utilities expenses

9M23 Net Profit was 358mb, +30mb or +9% YoY mainly driven by

- the increased top line in all business segments and channels especially for dine-in sales from stores in Shopping Mall, Hypermarket and Hospital
- the higher %GP driven by the LEAN production and fixed costs leverage at the factories
- Offset by the higher rent, COL and utilities expenses
- more effective collaborations for both external and internal to drive execution towards monthly goals and targets.



Assets / Liabilities and Equity

Unit : Million Baht

Statements of Financial Position				
Key Metrics (MB)	As at Sep23		As at Dec22	
	MB	%	MB	%
Cash and cash equivalents	682	14%	1,082	20%
Financial assets at fair value	365	7%	362	7%
Other current assets	594	12%	607	11%
Total Current assets	1,641	33%	2,051	39%
Investment in associate	122	2%	109	2%
Investment in joint ventures	185	4%	196	4%
Property, plant and equipment	1,633	33%	1,581	30%
Right-of-use asset	1,343	27%	1,300	24%
Other non-current assets	88	2%	88	2%
Total non-current assets	3,371	67%	3,274	61%
TOTAL ASSETS	5,012	100%	5,325	100%
Short-term borrowings from financial institutions	1	0%	2	0%
Current portion of long-term borrowings	107	4%	154	3%
Current portion of lease liabilities	388	8%	335	6%
Trade and other payables	816	16%	861	16%
Other current liabilities	95	0%	116	2%
Total Current Liabilities	1,407	28%	1,468	28%
Long-term borrowings from financial institutions	-	0%	141	3%
Non-current provision for employee benefits	158	3%	162	3%
Lease liabilities	741	15%	736	14%
Other non-current liabilities	69	1%	69	1%
Total non-current liabilities	968	19%	1,108	21%
TOTAL LIABILITIES	2,375	47%	2,576	48%
Paid-up Capital	515	10%	513	10%
Premium on ordinary shares	690	14%	690	13%
Surplus on gain from transfer of business to JV	80	2%	80	2%
Legal reserve	52	1%	52	1%
Unappropriated	1,241	25%	1,370	26%
Other components of shareholders' equity	21	0%	-1	0%
Non-controlling interests	38	1%	45	1%
TOTAL EQUITY	2,637	53%	2,749	52%
TOTAL LIABILITIES & EQUITY	5,012	100%	5,325	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 682 mb, -400mb vs. Dec22, was primarily attributable from Dividend payment 479 mb and Account Payable settlement

Right-of-use asset and lease liabilities : Increased 43mb due to Suvarnabhumi Airport sales was less than minimum

Trade and other Payables: Decreased of -45mb mainly from trade payable settlement on raw material, stores expansion and DC management fee

Long-term borrowing : In total decreased of -141mb mainly from loan repayment

Retained earnings -129 mb, mainly due to Dividend payment 487 mb and profit for the period 358 mb





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

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