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**SIMPLY
DELICIOUS**

Ref. POL. 140/2020

August 13th 2020

Re: Clarification of the Performance of S & P Syndicate Public Company Limited

Dear The President
The Stock Exchange of Thailand

S & P Syndicate Public Company Limited (the “Company”) and subsidiaries hereby submit the Financial Statements, ending June 30, 2020 and 2019, together with the clarification of the performance of the Company and subsidiaries as follows:

S&P Syndicate PCL and subsidiaries operating performance for 2nd quarter Ending 30 Jun 2020

Revenue from Sales and Services

In the second quarter of year 2019, the Company and subsidiaries generated revenue from the sales and services of THB 969 million decreased from the same period of the previous year in the amount of THB 764 million or decreased of 44.0 percent. The decrease was mainly because the outbreak of the Coronavirus disease 2019 (COVID-19) in Thailand has continued to spread rapidly and widely and the government has requested cooperation from all sectors to refrain from organizing activities involving large gatherings of people which may pose the risk of spreading the disease. In addition, the Bangkok Metropolitan Administration has issued an announcement dated March 21, 2020 imposing a temporary closure of certain premises including the restaurants which are allowed to sell take-away only effective from Mar 22, 2020 As a result, the revenue from sales and services dropped significantly, even though, the revenue from take-away and home delivery considerably increased, it was not enough to offset the dine-in sales.

Domestic revenue from sales and services of THB 816 million decreased from the same period of the previous year in the amount of THB 600 million or decreased of 42.0 percent.

Due to the airline shutdown operation and the temporary closure of restaurant and shop stores according to the government’s announcement. This led to the revenue from the foods and bakery wholesales and Food Services in the amount of THB 123 Million decreased by THB 68 Million or equivalent to 35.4 percent in the second quarter

Overseas restaurant business revenue from the sales and services in the amount of THB 28 Million, decreased by THB 89 Million or equivalent to the decrease of 75.7 percent come from a temporary closure of stores in overseas from the outbreak.

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

In the second quarter of year 2020 the Company and subsidiaries had earnings before interest, tax, depreciation and amortization (EBITDA) from operation pursuant Consolidated Financial Statements in the amount of THB 81 million decreased by THB 13 million or 14.1 percent.

The Company and subsidiaries had cost of sales and services in the amount of THB 627 million which decreased by THB 389 million or decreased by 38.2 percent from the same period last year due to the Company and subsidiaries established the cost efficiency projects to optimize the production cost, waste management and tighter control of purchasing raw material to in-line with reduction in sales and services revenue. Furthermore, the Company and subsidiaries has distribution costs and administration expenses in the amount of THB 401 million, which decreased by THB 325 million from the second quarter of year 2019 or decreased by 44.8 percent from the same period, since the Company and subsidiaries implemented several actions to control staffs costs and activities costs, rent negotiation with landlord, and cut down marketing budget in order to cope with the reduction in sales and services revenue.

In addition, The Company and subsidiaries has change in recognition of depreciation of right-of-use asset pursuant Thai Financial Reporting Standards No. 16 “Leases”. As a result, EBITDA from the performance in 2Q2020 increased from 5.3 percent to 8.2 percent.

Financial Cost

The Company and subsidiaries recorded the financial cost of Baht 17 million for the second quarter of 2020 which were the interest expenses from the lease liabilities due to the adoption of TFRS16, effective for periods beginning on or after January 1, 2020

Net Profit

As a result of the various factors which affected the operating results of the Company and its subsidiaries as mentioned above, at the second quarter of Year 2020, the Company and subsidiaries net loss from operations pursuant to the Consolidated Financial Statement in the amount of THB 51 million which significantly decreased from the same period of the previous year by THB 66 million, equivalent to 457.0 percent

Performance of the Company and subsidiaries for 1st half Ending 30 Jun 2020

Revenue from Sales and Services

In the first half of year 2020, the Company and subsidiaries generated revenue of THB 2,433 million from the sales and services, decreased from the same period of the previous year in the amount of THB 1,042 million or 30.0 percent. The decrease was mainly because the outbreak of the Coronavirus disease 2019 (COVID-19) in Thailand continued to affect the Domestic revenue from sales and services of THB 2,055 million decreased from the same period of the previous year in the amount of THB 826 million or decreased of 28.7 percent.

Revenue from the food and bakery wholesales in the amount of THB 266 Million which decreased by THB 79 Million or equivalent to 22.8 percent in the first half of year 2020, led by the result of the airline

shutdown operation and the temporary closure of restaurant and shop stores according to the government's announcement.

Overseas restaurant business revenue from the sales and services in the amount of THB 103 Million, decreased by THB 129 Million or equivalent to the decrease of 55.6 percent come from a temporary closure of stores in overseas from the outbreak.

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

In the first half of year 2020, the Company and subsidiaries had earnings before interest, tax and depreciation (EBITDA) from operation and the Consolidated Financial Statements in the amount of THB 272 million increased by THB 11 million or 4.0 percent.

The Company and subsidiaries had cost of sales and services in the amount of THB 1,539 million which decreased by THB 474 million, or decreased by 23.6 percent from the same period. The Company and subsidiaries established the cost efficiency project to optimize the production cost, waste management and tighter control of purchasing raw material to in-line with reduction in sales and services revenue. Furthermore, the Company and subsidiaries has distribution costs and administration expenses in the amount of THB 976 million which decreased by THB 437 million, or decreased by 30.9 percent from the same period of year 2019, since the Company and subsidiaries implemented several actions to control staffs cost and activities costs, rent negotiation with landlord, and cut down marketing budget.

However, The Company and subsidiaries has change in recognition of depreciation of right-of-use asset pursuant Thai Financial Reporting Standards No. 16 " Leases. Therefore, EBITDA from the performance increased from 7.4 percent to 11.0 percent from the same period of year 2019

Financial Cost

The Company and subsidiaries recorded the financial cost of Baht 36 million for the first half of 2020 which were the interest expenses from the lease liabilities due to the adoption of TFRS16, effective for periods beginning on or after January 1, 2020

Net Profit

In the first half of year 2020, the Company and subsidiaries earn net loss from operations pursuant to the consolidated financial statements in the amount of THB 78 million, significantly decreased from the same period of the previous year by THB 165 million, equivalent to 188.7 percent. Overall, reduction in net profit was mainly caused by reduction in revenue of sales and services, partially offset with several actions to control costs and expenses as mentioned above.

The Financial Statements is attached herewith for your acknowledgement and disseminating to investors accordingly.

Yours Sincerely,

(Kamtorn Sila-On)

President Production and Finance

S & P Syndicate Public Company Limited