

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS
S&P SYNDICATE PUBLIC COMPANY LIMITED

We have audited the consolidated balance sheets of S&P Syndicate Public Company Limited and its subsidiaries and the separate balance sheets of S&P Syndicate Public Company Limited as at December 31, 2008 and 2007, and the related consolidated and the separate statements of income, changes in shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the aforementioned consolidated and the separate financial statements present fairly, in all material respects, the financial position of S&P Syndicate Public Company Limited and its subsidiaries and of S&P Syndicate Public Company Limited as at December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

BANGKOK
February 11, 2009

Permsak Wongpatcharapakorn
Certified Public Accountant (Thailand)
Registration No. 3427
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2008 AND 2007

BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2008	2007	2008	2007
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		416,522,031	419,881,316	257,506,705	276,515,082
Current investments	5	431,821,968	329,257,847	427,122,310	325,691,709
Trade accounts receivable - net	6, 13	152,016,484	135,767,731	135,692,186	119,669,584
Short-term loans to related parties - net	13	253,401	402,510	1,370,736	287,069
Inventories	7	175,793,411	170,389,863	169,031,641	163,309,848
Other current assets		36,329,576	44,305,185	13,646,543	10,165,326
Total Current Assets		<u>1,212,736,871</u>	<u>1,100,004,452</u>	<u>1,004,370,121</u>	<u>895,638,618</u>
NON-CURRENT ASSETS					
Investments in subsidiaries companies	8, 13	-	-	42,999,300	49,998,500
Investments in associated companies	8, 13	54,305,085	53,805,177	53,995,000	48,998,000
Property, plant and equipment - net	9	1,021,325,082	1,137,997,553	928,114,304	1,002,032,476
Intangible assets - net	10	110,036,249	120,803,871	101,771,569	107,529,566
Other non-current assets	11	123,419,913	104,902,901	95,722,121	85,122,054
Total Non-current Assets		<u>1,309,086,329</u>	<u>1,417,509,502</u>	<u>1,222,602,294</u>	<u>1,293,680,596</u>
TOTAL ASSETS		<u><u>2,521,823,200</u></u>	<u><u>2,517,513,954</u></u>	<u><u>2,226,972,415</u></u>	<u><u>2,189,319,214</u></u>

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT DECEMBER 31, 2008 AND 2007

BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2008	2007	2008	2007
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdraft and short-term loans					
from financial institutions		-	4,665,150	-	-
Trade accounts payable	13	250,294,477	258,150,287	224,693,394	228,447,678
Short-term loans from related					
companies - net	13	122,427	113,402	267,415	270,852
Accrued income tax		56,397,705	68,666,349	47,673,469	53,226,133
Accrued expenses		190,719,222	149,604,478	170,166,626	133,480,166
Revenue department payable		16,400,083	14,906,627	16,400,083	14,906,627
Other current liabilities		40,338,357	58,745,869	25,729,852	45,416,750
Total Current Liabilities		<u>554,272,271</u>	<u>554,852,162</u>	<u>484,930,839</u>	<u>475,748,206</u>
NON-CURRENT LIABILITIES					
Other non-current liabilities		1,659,119	1,976,490	-	-
Total Non-current Liabilities		<u>1,659,119</u>	<u>1,976,490</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>555,931,390</u>	<u>556,828,652</u>	<u>484,930,839</u>	<u>475,748,206</u>

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT DECEMBER 31, 2008 AND 2007

BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2008	2007	2008	2007
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
Share capital	12				
Authorized share capital					
104,686,273 common shares,					
Baht 5 each		<u>523,431,365</u>		<u>523,431,365</u>	
Authorized share capital					
105,000,000 common shares,					
Baht 5 each			<u>525,000,000</u>		<u>525,000,000</u>
Issued and paid-up share capital					
104,686,273 common shares,					
Baht 5 each, fully paid		523,431,365	523,431,365	523,431,365	523,431,365
Premium on common shares		689,980,549	689,980,549	689,980,549	689,980,549
Exchange differences on translation of the					
financial statements of foreign subsidiaries		(23,884,938)	5,777,625	-	-
Unrealized gain on revaluation of investments		299,600	1,600,000	200,000	1,600,000
Retained earnings					
Appropriated					
Legal reserve	14	52,343,137	50,230,300	52,343,137	50,230,300
Unappropriated		<u>641,915,761</u>	<u>602,080,984</u>	<u>476,086,525</u>	<u>448,328,794</u>
Equity attributable to shareholders of					
parent company		1,884,085,474	1,873,100,823	1,742,041,576	1,713,571,008
Minority interests		<u>81,806,336</u>	<u>87,584,479</u>	-	-
Total Shareholders' Equity		<u>1,965,891,810</u>	<u>1,960,685,302</u>	<u>1,742,041,576</u>	<u>1,713,571,008</u>
TOTAL LIABILITIES AND					
 SHAREHOLDERS' EQUITY		<u>2,521,823,200</u>	<u>2,517,513,954</u>	<u>2,226,972,415</u>	<u>2,189,319,214</u>

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2008	2007	2008	2007
Sales and service incomes		4,378,166,645	4,013,841,143	3,694,186,439	3,304,054,390
Cost of sales and services		(2,517,452,792)	(2,317,580,152)	(2,337,216,369)	(2,133,126,821)
Gross profit		1,860,713,853	1,696,260,991	1,356,970,070	1,170,927,569
Dividend income		1,600,000	1,640,000	5,459,840	28,413,716
Other income		56,850,239	57,148,214	46,674,948	48,733,933
Profit before expenses		1,919,164,092	1,755,049,205	1,409,104,858	1,248,075,218
Selling expenses		(143,587,079)	(118,981,809)	(143,587,079)	(118,981,809)
Administrative expenses		(1,422,801,879)	(1,321,182,510)	(960,120,974)	(861,909,123)
Management benefit expenses		(31,801,641)	(31,381,335)	(20,945,911)	(22,224,768)
Total expenses		(1,598,190,599)	(1,471,545,654)	(1,124,653,964)	(1,003,115,700)
Profit before finance costs and income tax expenses		320,973,493	283,503,551	284,450,894	244,959,518
Finance costs		(139,324)	(393,441)	(4,485)	(5,297)
Share of profits of associated companies		726,875	4,145,702	-	-
Profit before income tax expenses		321,561,044	287,255,812	284,446,409	244,954,221
Income tax expenses	24	(90,222,474)	(93,399,876)	(71,374,863)	(68,434,702)
NET PROFIT		231,338,570	193,855,936	213,071,546	176,519,519
ATTRIBUTABLE TO:					
Shareholders of the parent company		225,148,592	181,774,108	213,071,546	176,519,519
Minority interests		6,189,978	12,081,828	-	-
		231,338,570	193,855,936	213,071,546	176,519,519
BASIC EARNINGS PER SHARE	BAHT	2.15	1.75	2.04	1.70
WEIGHTED AVERAGE NUMBER					
OF ORDINARY SHARES	SHARES	104,686,273	103,632,796	104,686,273	103,632,796

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
CONSOLIDATED FINANCIAL STATEMENTS

BAHT

Notes	Issued and paid-up share capital	Premium on common shares	Exchange differences on translation of the financial statements of foreign subsidiaries	Unrealized (loss) gain on revaluation of investments	Retained earnings		Total Shareholders' equity of the parent company	Minority interests	Total
					Appropriated for legal reserve	Unappropriated			
BEGINNING BALANCES AS AT JANUARY 1, 2007	502,303,000	635,046,800	12,805,027	-1,145,016	43,476,900	608,945,774	1,801,432,485	89,720,070	1,891,152,555
New common shares issued and premium	12 21,128,365	54,933,749	-	-	-	-	76,062,114	-	76,062,114
Exchange differences on translation of the financial statements of foreign subsidiaries	-	-	(7,027,402)	-	-	-	(7,027,402)	(14,217,419)	(21,244,821)
Unrealized gain on revaluation of investments	-	-	-	2,745,016	-	-	2,745,016	-	2,745,016
Net profit	-	-	-	-	-	181,774,108	181,774,108	12,081,828	193,855,936
Legal reserve	14 -	-	-	-	6,753,400	(6,753,400)	-	-	-
Dividend paid	16 -	-	-	-	-	(181,885,498)	(181,885,498)	-	(181,885,498)
ENDING BALANCES AS AT DECEMBER 31, 2007	<u><u>523,431,365</u></u>	<u><u>689,980,549</u></u>	<u><u>5,777,625</u></u>	<u><u>1,600,000</u></u>	<u><u>50,230,300</u></u>	<u><u>602,080,984</u></u>	<u><u>1,873,100,823</u></u>	<u><u>87,584,479</u></u>	<u><u>1,960,685,302</u></u>

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
CONSOLIDATED FINANCIAL STATEMENTS

									BAHT	
	Notes	Issued and paid-up share capital	Premium on common shares	Exchange differences on translation of the financial statements of foreign subsidiaries	Unrealized (loss) gain on revaluation of investments	Retained earnings		Total Shareholders' equity of the parent company	Minority interests	Total
						Appropriated for legal reserve	Unappropriated			
BEGINNING BALANCES AS AT JANUARY 1, 2008		523,431,365	689,980,549	5,777,625	1,600,000	50,230,300	602,080,984	1,873,100,823	87,584,479	1,960,685,302
Exchange differences on translation of the financial statements of foreign subsidiaries		-	-	(29,662,563)	-	-	-	(29,662,563)	(11,968,121)	(41,630,684)
Unrealized loss on revaluation of investments		-	-	-	(1,300,400)	-	-	(1,300,400)	-	(1,300,400)
Net profit		-	-	-	-	-	225,148,592	225,148,592	6,189,978	231,338,570
Legal reserve	14	-	-	-	-	2,112,837	(2,112,837)	-	-	-
Dividend paid	16	-	-	-	-	-	(183,200,978)	(183,200,978)	-	(183,200,978)
ENDING BALANCES AS AT DECEMBER 31, 2008		<u>523,431,365</u>	<u>689,980,549</u>	<u>(23,884,938)</u>	<u>299,600</u>	<u>52,343,137</u>	<u>641,915,761</u>	<u>1,884,085,474</u>	<u>81,806,336</u>	<u>1,965,891,810</u>

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
SEPARATE FINANCIAL STATEMENTS

BAHT

	Notes	Issued and paid-up share capital	Premium on common shares	Unrealized (loss) gain on revaluation of investments	Retained earnings		Total
					Appropriated for legal reserve	Unappropriated	
BEGINNING BALANCES AS AT JANUARY 1, 2007		502,303,000	635,046,800	(1,300,000)	43,476,900	460,448,173	1,639,974,873
New common shares issued and premium	12	21,128,365	54,933,749	-	-	-	76,062,114
Unrealized gain on revaluation of investments		-	-	2,900,000	-	-	2,900,000
Net profit		-	-	-	-	176,519,519	176,519,519
Legal reserve	14	-	-	-	6,753,400	(6,753,400)	-
Dividend paid	16	-	-	-	-	(181,885,498)	(181,885,498)
ENDING BALANCES AS AT DECEMBER 31, 2007		<u><u>523,431,365</u></u>	<u><u>689,980,549</u></u>	<u><u>1,600,000</u></u>	<u><u>50,230,300</u></u>	<u><u>448,328,794</u></u>	<u><u>1,713,571,008</u></u>
BEGINNING BALANCES AS AT JANUARY 1, 2008		523,431,365	689,980,549	1,600,000	50,230,300	448,328,794	1,713,571,008
Unrealized loss on revaluation of investments		-	-	(1,400,000)	-	-	(1,400,000)
Net profit		-	-	-	-	213,071,546	213,071,546
Legal reserve	14	-	-	-	2,112,837	(2,112,837)	-
Dividend paid	16	-	-	-	-	(183,200,978)	(183,200,978)
ENDING BALANCES AS AT DECEMBER 31, 2008		<u><u>523,431,365</u></u>	<u><u>689,980,549</u></u>	<u><u>200,000</u></u>	<u><u>52,343,137</u></u>	<u><u>476,086,525</u></u>	<u><u>1,742,041,576</u></u>

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2008	2007	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	321,561,044	287,255,812	284,446,409	244,954,221
Adjustments :				
Share of profits of associated companies	(726,875)	(4,145,702)	-	-
Unrealized gain from current investment	(1,551,133)	(5,541,709)	(1,551,133)	(5,541,709)
Share of profits from dissolution of a subsidiary	-	-	(2,986,282)	(3,175,574)
Depreciation and amortization expenses	262,261,485	260,886,991	237,918,887	237,128,424
Loss from fixed assets written-off	10,237,951	15,884,206	6,950,817	14,860,698
Gain from sales of fixed assets	(1,734,825)	(808,965)	(1,734,825)	(786,306)
Dividend income from current investments	(1,600,000)	(1,640,000)	(1,600,000)	(1,640,000)
Dividend income from investments in subsidiaries	-	-	-	(20,000,000)
Dividend income from associated companies	-	-	(3,859,840)	(6,773,716)
Loss on impairment of investment in a subsidiary	-	-	5,000,000	3,000,000
Gain on disposal current investments	(6,679,252)	(1,673,260)	(6,679,252)	(1,673,260)
Finance costs	139,324	393,441	4,485	5,297
	<u>581,907,719</u>	<u>550,610,814</u>	<u>515,909,266</u>	<u>460,358,075</u>
(Increase) Decrease in trade accounts receivable	(16,248,753)	28,828,004	(16,022,602)	28,775,626
Increase in inventories	(5,403,548)	(35,130,818)	(5,721,793)	(34,785,509)
Decrease (Increase) in other current assets	7,975,610	9,707,143	(3,481,217)	(3,169,563)
Increase in other non-current assets	(18,703,882)	(17,165,698)	(10,807,952)	(7,806,477)
(Decrease) Increase in trade accounts payable	(7,855,809)	10,885,043	(3,754,284)	16,889,909
Increase (Decrease) in accrued expenses	41,114,743	(1,974,507)	36,686,460	(541,695)
Increase in other current liabilities	2,328,531	10,402,407	1,049,147	9,599,764
Decrease in other non-current liabilities	(317,370)	(343,800)	-	-
Interest paid	(139,323)	(393,441)	(4,485)	(5,297)
Income tax paid	(102,491,118)	(82,452,495)	(76,927,527)	(60,050,145)
Net Cash Provided by Operating Activities	<u>482,166,800</u>	<u>472,972,652</u>	<u>436,925,013</u>	<u>409,264,688</u>

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2008	2007	2008	2007
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash payments for acquisition of current investments	(882,634,135)	(623,995,922)	(881,600,217)	(626,876,740)
Cash received from proceed of current investments	787,000,000	330,000,000	787,000,000	330,000,000
Decrease (Increase) in short-term loans to related companies	149,109	3,318,540	(1,083,667)	1,747,219
Cash received from dissolution of a subsidiary	-	-	4,985,482	-
Cash payment for acquisition of a subsidiary	-	-	(4,997,000)	-
Decrease in long-term loans	186,869	115,298	207,885	98,298
Dividend received from current investments	1,600,000	1,640,000	1,600,000	1,640,000
Dividend received from a subsidiary	-	-	-	20,000,000
Dividend received from associated companies	-	-	3,859,840	6,773,716
Cash payments for purchases of fixed assets	(154,659,175)	(241,908,019)	(172,648,798)	(196,759,746)
Cash received from sale of fixed assets	2,646,501	2,646,247	2,646,501	2,046,924
Cash payments for purchases of intangible assets	(10,476,116)	(24,763,564)	(12,699,000)	(4,097,860)
Net Cash Used in Investing Activities	<u>(256,186,947)</u>	<u>(552,947,420)</u>	<u>(272,728,974)</u>	<u>(465,428,189)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
(Decrease) Increase in bank overdrafts and short-term loans from financial institutions	(4,665,150)	1,353,150	-	-
Increase (Decrease) in short-term loans from related parties	9,025	(243,556)	(3,438)	(7,397,677)
Cash received from capital increase	-	76,062,114	-	76,062,114
Dividend paid	(183,200,978)	(181,885,498)	(183,200,978)	(181,885,498)
Net Cash Used in Financing Activities	<u>(187,857,103)</u>	<u>(104,713,790)</u>	<u>(183,204,416)</u>	<u>(113,221,061)</u>

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2008	2007	2008	2007
Exchange differences on translation of the financial statements of foreign subsidiaries	(41,482,035)	(14,257,096)	-	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,359,285)	(198,945,654)	(19,008,377)	(169,384,562)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	419,881,316	618,826,970	276,515,082	445,899,644
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>416,522,031</u>	<u>419,881,316</u>	<u>257,506,705</u>	<u>276,515,082</u>

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

1. GENERAL INFORMATION

On October 14, 1973, S&P Syndicate Public Company Limited was incorporated under the Civil and Commercial Code of Thailand. Subsequently in May 1989, the Stock Exchange of Thailand registered the Company's common shares as a listed security and the Company was transformed to Public Company Limited on April 20, 1994. The location of its head office is at 457-457/6 Sukhumvit 55 (Thonglor), Sukhumvit Road, Klongtonnua, Vadhana, Bangkok 10110.

S&P Syndicate Public Company Limited is the parent company within the group of companies. The core business is the operation of a nationwide and international chain of restaurants and bakery shops, the production of bakery, frozen foods and other food products and food-service related business such as outside catering.

2. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

2.1 Basis of financial statement preparation

The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in Thai language in conformity with accounting standards and practices generally accepted in Thailand.

The financial statements of the Company for the ended December 31, 2008 are prepared in compliance with the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements B.E. 2552" dated January 30, 2009, which is effective for financial periods beginning on or after January 1, 2009 onwards. The Company early adopted such Notification in advance of its effective date. The 2007 financial statements presentation has been reclassified accordingly. In addition, the Company financial statements have been prepared in accordance with the Regulation of The Stock Exchange of Thailand (SET) date January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544.

Accounting standards announced but not effective

The Federation of Accounting Professions has issued Notification of Federation of Accounting Professions No. 86/2551 dated November 12, 2008, regarding the following accounting standards that were announced in the Royal Gazette, but were not in effect in 2008:

- TAS 36 (Revised 2007) Impairment of Assets
- TAS 54 (Revised 2007) Non-current Assets Held for Sale and Discontinued Operations

These accounting standards will supersede previously issued accounting standards when they become effective. The Company has assessed the impact of these accounting standards, when they are effective, for financial periods beginning on or after January 1, 2009 and does not expect them to have a material effect on the Company's financial statements.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

For the convenience of readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements which are issued for domestic financial reporting purposes.

2.2 Principles of consolidation

The consolidated financial statements for the years ended December 31, include the financial statements of S&P Syndicate Public Company Limited (“the Company”) and its subsidiaries in which the Company has control or invested over 50% of their voting rights. These subsidiaries are detailed as follows:

Subsidiaries	Business type	Country of registration	Percentage of holdings as at December 31,	
			2008	2007
S&P Global Co., Ltd.	Holding Company	Thailand	80.00	80.00
Seriwat Foods Co., Ltd. (1)	Ceased operation	Thailand	-	99.96
S&P Assets Co., Ltd.	Office rental	Thailand	99.93	99.93
S&PizZanotti (Thailand) Limited	Restaurant	Thailand	50.00	50.00

- (1) On December 3, 2007, the Extraordinary Shareholders’ Meeting of Seriwat Foods Co., Ltd., a subsidiary, has a resolution to dissolve the company and registered the dissolution with the Registrar of Partnerships and Companies of the Ministry of Commerce in February 2008.

Additionally, the consolidated financial statements include the results from the financial statements of overseas subsidiary companies, in which S&P Global Company Limited has a shareholding, as the Company has been given authority to provide technical assistance to, and management of Thai food restaurants owned by these companies under agreement as follows:

Held by S&P Global Company Limited	Business type	Country of registration	Percentage of holdings as at December 31,	
			2008	2007
S&P Restaurant Co., Ltd.	Restaurant	England	96.00	96.00
Patara (Geneva) SA	Restaurant	Switzerland	62.00	62.00
Theme Foods (Pte) Limited	Restaurant	Singapore	50.00	50.00
SK Catering (Pte) Limited	Restaurant	Singapore	50.00	50.00
Patara Taiwan Company Limited (1)	Restaurant	Taiwan	50.00	50.00
Patio International Limited	Restaurant	Taiwan	60.00	60.00
Held by Theme Foods (Pte) Limited, Singapore				
Siam Kitchen Sdn. Bhd. (2)	Ceased operation	Malaysia	99.99	99.99

- (1) In 2007, the company has ceased its operation and its assets had been transferred to Patio International Limited.

- (2) In 2005, the company has ceased its operation in Malaysia and is in process of dissolution.

Significant intercompany transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

The consolidated financial statements for the years ended December 31, 2008 and 2007, did not include the financial statements of Siam Kitchen Sdn. Bhd., subsidiary company registered in Malaysia which share one held by Theme Foods (Pte) Limited due to the amount is immaterial. As at December 31, 2008 and 2007, the carrying value of such investment is nil.

Assets, investments recorded by the equity method as at December 31, 2008 and 2007, revenues and the share of profits from investments recorded by the equity method in associated companies for the years ended December 31, 2008 and 2007 accounted for as the percentage of total assets, net assets (total assets net of total liabilities), total revenues and net profit, respectively, in the consolidated financial statements are summarized below:

Company's name	CONSOLIDATED FINANCIAL STATEMENTS							
	Assets as percentage of total assets as at		Investments recorded by the equity method as percentage of net assets as at		Revenues as percentage of total revenues for the years ended		Share of profit as percentage of net profit for the years ended	
	December 31,		December 31,		December 31,		December 31,	
	2008	2007	2008	2007	2008	2007	2008	2007
Held by S&P Syndicate Public Company Limited								
Subsidiaries :								
S&P Global Co., Ltd. and subsidiaries (Proportion of each subsidiary and associated companies of S&P global Co., Ltd. are presented below)	13.15	14.25	0.38	0.32	15.40	17.37	1.16	1.19
Seriwat Foods Co., Ltd.	-	0.20	-	-	-	-	-	-
S&P Assets Co., Ltd.	0.28	0.21	-	-	0.15	0.15	-	-
S&PizZanotti (Thailand) Limited	0.32*	0.45*	-	-	0.40*	0.41*	-	-
Associates :								
HD Distributors (Thailand) Co., Ltd.	-	-	2.33*	2.42*	-	-	0.95*	1.09*
Food House Catering Service Co., Ltd. (1)	-	-	0.05*	-	-	-	(1.79)*	-
	<u>13.75</u>	<u>15.11</u>	<u>2.76</u>	<u>2.74</u>	<u>15.95</u>	<u>17.93</u>	<u>0.32</u>	<u>2.28</u>
Held by S&P Global Company Limited								
Subsidiaries :								
S&P Restaurant Co., Ltd.	6.06	7.05	-	-	6.72	7.88	-	-
Patara (Geneva) SA	1.11*	1.09*	-	-	1.61*	1.72*	-	-
Theme Foods (Pte) Limited	0.80*	1.20*	-	-	1.38*	2.07*	-	-
SK Catering (Pte) Limited	1.60*	1.29*	-	-	3.99*	3.81*	-	-
Patara Taiwan Co., Ltd.	0.05*	0.05*	-	-	-	0.29*	-	-
Patio International Co., Ltd.	0.72*	0.86*	-	-	1.56*	1.47*	-	-
Associates :								
Patara Developments SA	-	-	0.38*	0.32*	-	-	1.16*	1.19*
	<u>10.34</u>	<u>11.54</u>	<u>0.38</u>	<u>0.32</u>	<u>15.26*</u>	<u>17.24</u>	<u>1.16</u>	<u>1.19</u>

* Information, which was provided by the management, was not audited or reviewed by an auditor.

(1) Foodhouse Catering Services Co., Ltd. has been registered with the Registrar of Partnerships and Companies of the Ministry of Commerce on March 3, 2008. It operates catering in Thailand. The Company does not have the power to govern such company and has not included it in the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are summarized as below:

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, deposits at bank and all types of deposits at financial institution with maturity term not over 3 months; which excluding deposit at bank used as collateral.

3.2 Current investments

Current investments consist of investment in trading securities, available-for-sale securities, time deposits with maturity term over 3 months up to 12 months and held-to-maturity debt security due within 12 months and without obligation.

Investment in trading securities are carried at fair value. Realized gains and losses from the sales of trading securities and unrealized gain and loss on the changes in fair value are recognized in statements of income.

Investments in available-for-sale securities are carried at fair value, differences between book value and fair value of available-for-sale securities are recorded as unrealized gain (loss) on revaluation of investments under shareholders' equity.

Held-to-maturity debt securities are carried at the amortized cost, net of valuation allowances for impairment, (if any).

3.3 Inventories

Inventories of the Company and its subsidiaries are carried at the lower of cost or net realizable value. The cost of inventories of the Company and its three subsidiaries are stated using the weighted average cost method and of the other three subsidiaries are stated using the first in, first out method.

3.4 Investments in subsidiary and associated companies

Investments in subsidiary and associated companies are presented by the cost method in the separate financial statements.

In the case where impairment of investment is deemed to have occurred, the loss will be charged to the statement of income.

Investment in associated companies are presented by the equity method in the consolidated financial statements.

3.5 Property plant and equipment

Land of the Company is stated at cost. Plant and equipment of the Company and its subsidiaries are stated at cost, net of accumulated depreciation.

Plant and equipment depreciation of the Company and domestic subsidiary companies are computed by the straight-line method over the estimated useful lives of the assets as follows:

Building and improvements	20 years
Factory building	20 years
Machinery and equipment	5 - 8 years
Office furniture and equipment	5 years
Vehicles	5 years

Equipment depreciation of overseas subsidiary companies is computed by the straight-line and the diminishing balance methods over the estimated useful lives of the assets of 4 - 5 years.

3.6 Intangible assets

Intangible assets consist of:

- a. Computer software development costs are stated at cost, net of accumulated amortization. Computer software development costs amortization are being amortized to expenses, within five years.
- b. Leaseholds of the Company are stated at cost, net of accumulated amortization. Leaseholds amortization of the Company is being amortized using the straight-line method over the lease periods. Long-term leasehold amortization of an overseas subsidiary company is being amortized at 5% of cost using the straight-line method. Short-term leasehold amortization is being amortized over the lease period.

3.7 Lease

Operating lease

Lease in which substantially all the risks and rewards of ownership of assets remain with the lessor is accounted for as operating lease. Rentals applicable to such operating leases are charged to the statement of income over the lease term.

Financial lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company is accounted for as finance lease. At inception, the fair value of the leased assets is recorded together with the obligation. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge and depreciation are recognized as expenses in the statement of income.

3.8 Provident fund

The contribution paid by the Company for the employees is recognized as an expense when the transactions occurred.

3.9 Foreign currency accounts

Transactions in foreign currencies occurring during the year are converted into Baht at the rates prevailing on the transaction date. Monetary assets and liabilities in foreign currencies at the end of the year are translated into Baht at the rates prevailing on that date as determined by the Bank of Thailand. Gains or losses on translation are included in the statement of income.

The translation of foreign financial statements for the purpose of preparing the consolidated financial statements is determined using the following rates;

- a. Assets and liabilities are converted at the rate prevailing at the end of year.
- b. Shareholders' equity is converted at the rates prevailing on the transaction dates.
- c. Revenues and expenses are converted at the average rate for the year.

Gain (loss) on translation of foreign financial statements is shown under shareholders' equity.

Intercompany transactions are converted at the rates prevailing on the date of transaction and, upon elimination, at the rates prevailing on the consolidation date.

3.10 Recognition of revenues and expenses

Revenue from the sales of goods are recognised as sales when the significant risks and rewards of ownership have been transferred to the buyer.

Other revenues and expenses are recognized on the accrual basis.

3.11 Income tax

Income tax of the Company and domestic subsidiary companies is based on the taxable profit and recorded as expense for the year.

Income tax of the overseas subsidiary companies is recognized in accordance with the business practice of the countries where the business was performed.

3.12 Earnings per share

Basic earnings per share are computed by dividing net profit for the year by the weighted average number of ordinary shares outstanding during the year.

3.13 Significant judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles also requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. Accounting estimates are as follows:

3.13.1 Allowance for doubtful accounts

Allowance for doubtful accounts is provided at the estimated collecting losses on receivable. Such estimated based on the Company's collection experience and a review of the current status of each receivable.

3.13.2 Premises and equipment and definite useful life intangible assets

The estimated useful lives and depreciation method of premises and equipment and amortization of definite useful life intangible assets shall be reviewed on purchasing date of such assets. In case the carrying value of building improvement and equipment and definite useful life intangible assets becomes impaired, the Company would establish an allowance for impairment in the statement of income.

3.13.3 Fair value of financial instruments

For the fair value of financial instrument disclosures, considerable judgement is necessarily required in estimation of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amount that could be realized in a current market exchange.

The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value.

4. SUPPLEMENTAL DISCLOSURE OF CASH INFORMATION

4.1 Non-cash transactions are as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2008	2007	2008	2007
	Baht	Baht	Baht	Baht
Liabilities incurred from acquisition of fixed assets as at January 1	34,809,497	16,315,866	34,809,497	16,315,866
<u>Add</u> Purchases of fixed assets	159,520,903	265,036,364	153,406,210	215,253,377
<u>Less</u> Cash payments	(154,659,175)	(241,908,019)	(172,648,798)	(196,759,746)
Exchange differences on transition of the financial statements of foreign subsidiaries	(24,104,316)	(4,634,714)	-	-
Liabilities incurred from acquisition of fixed assets as at December 31	<u>15,566,909</u>	<u>34,809,497</u>	<u>15,566,909</u>	<u>34,809,497</u>

4.2 Amounts of unutilized loan facilities are as follows:

	In Million Baht		In Million Pound Sterling		In Million US Dollars	
	2008	2007	2008	2007	2008	2007
Short-term loans	439.90	474.90	-	-	-	-
Bank overdrafts	91.00	101.00	0.40	0.40	-	-
Letters of guarantee	172.70	184.15	-	-	-	-
FOREX Credit limit	20.00	20.00	-	-	4.90	4.40
Total	<u>723.60</u>	<u>780.05</u>	<u>0.40</u>	<u>0.40</u>	<u>4.90</u>	<u>4.40</u>

5. CURRENT INVESTMENTS

Current investments as at December 31, consist of:

	Consolidated Financial Statements		Thousand Baht Separate Financial Statements	
	2008	2007	2008	2007
Time deposits	1,600	1,540	-	-
Trading securities - Fixed income open - ended Funds	357,322	304,092	357,322	304,092
Available for sales securities - Mutual Funds	23,300	23,626	20,200	21,600
Government Bonds	49,600	-	49,600	-
Total Current investments	<u>431,822</u>	<u>329,258</u>	<u>427,122</u>	<u>325,692</u>

6. TRADE ACCOUNTS RECEIVABLE - NET

As at December 31, the Company and its subsidiaries had outstanding balances of trade accounts receivable (including trade accounts receivable - related parties) aged by the number of months as follows:

	Consolidated Financial Statements		Thousand Baht Separate Financial Statements	
	2008	2007	2008	2007
Current	98,619	88,845	82,453	73,231
Overdue				
3 months or less	54,545	47,753	54,545	47,558
Over 3 months up to 6 months	346	246	346	197
Over 6 months up to 12 months	168	545	168	305
Over 12 months	2,621	2,662	2,463	2,662
Total	<u>156,299</u>	<u>140,051</u>	<u>139,975</u>	<u>123,953</u>
Less Allowance for doubtful accounts	<u>(4,283)</u>	<u>(4,283)</u>	<u>(4,283)</u>	<u>(4,283)</u>
Trade Accounts Receivable - Net	<u>152,016</u>	<u>135,768</u>	<u>135,692</u>	<u>119,670</u>

7. INVENTORIES

Inventories as at December 31, consist of:

	Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2008	2007	2008	2007
Finished goods	78,799	43,748	78,799	43,748
Work in process	350	247	350	247
Raw materials	57,401	85,812	50,640	78,732
Packaging materials	33,949	34,105	33,949	34,105
Spare parts and supplies	5,107	6,478	5,107	6,478
Goods in transit	187	-	187	-
Total Inventories	175,793	170,390	169,032	163,310

8. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Investments recorded by the equity method in the consolidated financial statements of the Company and its subsidiaries as at December 31, 2008 and 2007 consist of:

	Type of business	Relationship	Paid-up capital	% Share holding		In Thousand Baht					
						At cost method		At equity method		Dividend	
Shareholding held by S&P Syndicate Public Co., Ltd.											
Associates											
HD Distributors (Thailand) Co., Ltd. (1)	Agency for food distribution	Co-shareholders and co-management team	100,000	47.00	47.00	48,998	48,998	45,779	47,492	3,860	6,773
Foodhouse Catering Service Co., Ltd	Catering	"	10,000	49.97	-	4,997	-	974	-	-	-
						<u>53,995</u>	<u>48,998</u>	<u>46,753</u>	<u>47,492</u>		
Shareholding held by S&P Global Co., Ltd.											
Subsidiary											
Siam Kitchen Sdn. Bhd. Co., Ltd	Ceased operation	"	2,845	50.00	50.00	1,423	1,423	-	-	-	-
Associates											
Patara Development SA Co., Ltd	Restaurant	"	5,314	45.00	45.00	2,392	2,392	7,552	6,313	-	-
Total						<u>3,815</u>	<u>3,815</u>	<u>7,552</u>	<u>6,313</u>		
Total investments						<u>57,810</u>	<u>52,813</u>	<u>54,305</u>	<u>53,805</u>		

Investments recorded by the cost method in the separate financial statements as at December 31, 2008 and 2007 consists of:

	Type of business	Relationship	Paid-up capital		% Share holding		At cost		In Thousand Baht Dividend	
			2008	2007	2008	2007	2008	2007	2008	2007
Shareholding held by S&P Syndicate Public Co., Ltd.										
Subsidiaries :										
S&P Global Co., Ltd.	Holding company	Co-shareholders and co-management team	50,000	50,000	80.00	80.00	40,000	40,000	-	20,000
Seriwat Foods Co., Ltd.	Dissolution	"	-	2,000	-	99.96	-	1,999*	-	-
S&P Assets Co., Ltd.	Office rental	"	1,000	1,000	99.93	99.93	999	999	-	-
S&PizZanotti (Thailand) Limited	Restaurant	"	20,000	20,000	50.00	50.00	10,000	10,000	-	-
<u>Less</u>	Provision for impairment of investment						(8,000)	(3,000)		
							<u>2,000</u>	<u>7,000</u>		
Total investments in subsidiaries							<u>42,999</u>	<u>49,998</u>		
Associates :										
HD Distributors (Thailand) Co., Ltd. (1)	Agency for food distribution	"	100,000	100,000	47.00	47.00	48,998	48,998	3,860	6,773
Food House Catering Service Co., Ltd.	Catering	"	10,000	-	49.97	-	4,997	-	-	-
Total investments in associated companies							<u>53,995</u>	<u>48,998</u>		

* On December 3, 2007, the Extraordinary Shareholders' Meeting of Seriwat Foods Co., Ltd., a subsidiary, had a resolution to dissolve the Company and registered the dissolution with the Registrar of Partnerships and Companies of the Ministry of Commerce in February 2008 and on February 27, 2008, the Company received Baht 4,985,482 after dissolution for return of capital.

(1) On August 14, 2007, the Board of Directors' Meeting of the Company has a resolution to exchange 4,000 preference shares of HD Distributors (Thailand) Company Limited which has one vote for each 2 shares and are entitled to receive a fixed dividend at the rate of 5% of its value being paid-up before common shares with the 2,000 preference shares of such company, held by third party, which have one vote for each share and are entitled to receive a fixed dividend at the rate of 10% of its value being paid-up before common shares. With this exchange, the Company considered no change in value of such investment as the Company still has the same voting right and is entitled to receive the same amount of dividend when dividends are declared.

9. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment - net as at December 31, 2008 and 2007 consist of:

Consolidated Financial Statements	Balances as at December 31, 2007	Additions	Disposals	Transfers/ Reclassification	Adjustments from the translation of foreign financial statements	Thousand Baht
						Balances as at December 31, 2008
Cost :						
Land	261,053	-	-	-	-	261,053
Buildings and improvements	169,804	-	-	-	(21,172)	148,632
Factory buildings	188,795	-	-	-	-	188,795
Machinery and equipment	669,203	36,683	(11,160)	8,930	(1,384)	702,272
Office furniture and equipment	969,059	72,387	(33,763)	32,245	(9,752)	1,030,176
Vehicles	56,472	222	(5,768)	-	(466)	50,460
Construction in progress	8,164	50,229	-	(41,175)	(89)	17,129
Total cost	<u>2,322,550</u>	<u>159,521</u>	<u>(50,691)</u>	<u>-</u>	<u>(32,863)</u>	<u>2,398,517</u>
Accumulated depreciation :						
Buildings and improvements	83,316	3,726	-	-	(1,628)	85,414
Factory buildings	62,664	9,096	-	-	-	71,760
Machinery and equipment	449,279	79,497	(8,365)	-	(475)	519,936
Office furniture and equipment	551,729	141,268	(26,234)	-	(6,292)	660,471
Vehicles	37,564	7,351	(4,942)	-	(362)	39,611
Total accumulated depreciation	<u>1,184,552</u>	<u>240,938</u>	<u>(39,541)</u>	<u>-</u>	<u>(8,757)</u>	<u>1,377,192</u>
Property plant and equipment-net	<u><u>1,137,998</u></u>					<u><u>1,021,325</u></u>
Depreciation for the years ended December 31,						
2008						<u>240,938</u>
2007						<u>237,655</u>

Separate Financial Statements	Thousand Baht				
	Balances as at December 31, 2007	Additions	Disposals	Transfers/ Reclassified	Balances as at December 31, 2008
Cost :					
Land	261,053	-	-	-	261,053
Buildings and improvements	48,316	-	-	-	48,316
Factory buildings	188,795	-	-	-	188,795
Machinery and equipment	589,760	35,057	(5,942)	8,930	627,805
Office furniture and equipment	888,504	67,898	(25,859)	32,245	962,788
Vehicles	53,528	222	(5,768)	-	47,982
Construction in progress	8,075	50,229	-	(41,175)	17,129
Total cost	<u>2,038,031</u>	<u>153,406</u>	<u>(37,569)</u>	<u>-</u>	<u>2,153,868</u>
Accumulated depreciation :					
Buildings and improvements	41,997	2,170	-	-	44,167
Factory buildings	62,664	9,096	-	-	71,760
Machinery and equipment	397,334	70,170	(5,808)	-	461,696
Office furniture and equipment	497,987	131,345	(18,977)	-	610,355
Vehicles	36,017	6,680	(4,921)	-	37,776
Total accumulated depreciation	<u>1,035,999</u>	<u>219,461</u>	<u>(29,706)</u>	<u>-</u>	<u>1,225,754</u>
Property, plant and equipment-net	<u>1,002,032</u>				<u>928,114</u>
Depreciation for the years ended December 31,					
2008					<u>219,461</u>
2007					<u>217,270</u>

As at December 31, 2008 and 2007, the cost value before accumulated depreciation of plant and equipment which was fully depreciated but still in use of the Company and its subsidiaries, amounted to Baht 689.50 million and Baht 525.58 million, respectively.

10. INTANGIBLE ASSETS - NET

Intangible assets-net as at December 31, consist of:

Consolidated Financial Statements As at December 31, 2008	Software development costs	Leasehold	Goodwill		Thousand Baht	
			Goodwill	Negative goodwill	Total Goodwill	Total
Cost :						
Ending balances as at December 31, 2007	3,727	344,264	126,904	(2,063)	124,841	472,832
Increase	355	12,345	-	-	-	12,700
Exchange differences on translation of the financial statements of foreign subsidiaries	-	(9,917)	-	-	-	(9,917)
Ending balances as at December 31, 2008	4,082	346,692	126,904	(2,063)	124,841	475,615
Accumulated Amortization :						
Ending balances as at December 31, 2007	1,595	225,475	126,904	(1,946)	124,958	352,028
Written-off	768	20,555	-	(78)	(78)	21,245
Exchange differences on translation of the financial statements of foreign subsidiaries	-	(7,694)	-	-	-	(7,694)
Ending balances as at December 31, 2008	2,363	238,336	126,904	(2,024)	124,880	365,579
As at December 31, 2007						
Cost :						
Ending balances as at December 31, 2006	2,159	372,323	126,904	(2,063)	124,841	499,323
Increase	1,568	2,530	-	-	-	4,098
Decrease	-	(3,000)	-	-	-	(3,000)
Reclassification	-	(25,617)	-	-	-	(25,617)
Exchange differences on translation of the financial statements of foreign subsidiaries	-	(1,972)	-	-	-	(1,972)
Ending balances as at December 31, 2007	3,727	344,264	126,904	(2,063)	124,841	472,832
Accumulated Amortization :						
Ending balances as at December 31, 2006	947	211,621	126,904	(1,935)	124,969	337,537
Written-off	648	22,584	-	(11)	(11)	23,221
Decrease	-	(3,000)	-	-	-	(3,000)
Reclassification	-	(4,355)	-	-	-	(4,355)
Exchange differences on translation of the financial statements of foreign subsidiaries	-	(1,375)	-	-	-	(1,375)
Ending balances as at December 31, 2007	1,595	225,475	126,904	(1,946)	124,958	352,028
Net Book Value						
As at December 31, 2008						110,036
As at December 31, 2007						120,804

Separate Financial Statements As at December 31, 2008	Thousand Baht		
	Software development costs	Leasehold	Total
Cost :			
Ending balances as at December 31, 2007	3,727	301,206	304,933
Increase	355	12,345	12,700
Decrease	-	-	-
Ending balances as at December 31, 2008	<u>4,082</u>	<u>313,551</u>	<u>317,633</u>
Accumulated Amortization :			
Ending balances as at December 31, 2007	1,595	195,808	197,403
Written-off	768	17,690	18,458
Decrease	-	-	-
Ending balances as at December 31, 2008	<u>2,363</u>	<u>213,498</u>	<u>215,861</u>
As at December 31, 2007			
	Thousand Baht		
	Software development costs	Leasehold	Total
Cost :			
Ending balances as at December 31, 2006	2,159	301,676	303,835
Increase	1,568	2,530	4,098
Decrease	-	(3,000)	(3,000)
Ending balances as at December 31, 2007	<u>3,727</u>	<u>301,206</u>	<u>304,933</u>
Accumulated Amortization :			
Ending balances as at December 31, 2006	947	179,597	180,544
Written-off	648	19,211	19,859
Decrease	-	(3,000)	(3,000)
Ending balances as at December 31, 2007	<u>1,595</u>	<u>195,808</u>	<u>197,403</u>
Net Book Value			
As at December 31, 2008			<u>101,772</u>
As at December 31, 2007			<u>107,530</u>

11. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consist of:

	Consolidated		Thousand Baht Separate	
	Financial Statements 2008	Financial Statements 2007	Financial Statements 2008	Financial Statements 2007
Long-term deposits	121,296	102,592	93,600	82,792
Time deposits used as collateral (see Note 21)	1,941	1,941	1,941	1,941
Other	183	370	181	389
Total	<u>123,420</u>	<u>104,903</u>	<u>95,722</u>	<u>85,122</u>

12. WARRANTS TO PURCHASE COMMON SHARES

During 2007, the 4,225,673 units of warrant to purchase common shares were exercised at Baht 18 each totaling Baht 76,062,114, the Company issued 4,225,673 shares for the capital increases intended for such warrant exercise. The Company registered such capital increases with the Ministry of Commerce on April 18, 2007.

As at December 31, 2007, the balance of unexercised warrants was 313,727 units which exercise right has expired on April 5, 2007 (the last maturity date). On April 30, 2008, the Company's Ordinary Shareholders' Meeting approved the registration for the decrease of the registered share capital issued for warrants exercising of 313,727 units at Baht 5 per share. The Company registered such registered share capital decrease with the Ministry of Commerce on May 14, 2008. As at December 31, 2008, the Company has authorized share capital 104,686,273 shares at Baht 5 each totaling Baht 523,431,365.

13. TRANSACTIONS WITH RELATED COMPANIES

The Company has transactions with its subsidiaries, associated and other related companies. Certain portions of the Company's assets, liabilities, sales, other income, costs of sales and selling and administrative expenses represent transactions occurred with its subsidiaries, associated and other related companies. These parties are related through common shareholders and/or directorships. Those transactions with subsidiaries, associated and other related companies as included in the financial statements are determined at the prices in line with those occur in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists. The significant balances of assets, liabilities and other transactions occurred with those parties are shown as follows:

Transactions with related companies for the years ended December 31, 2008 and 2007 are as follows:

	Consolidated		Thousand Baht	
	Financial Statements 2008	2007	Financial Statements 2008	2007
Subsidiaries :				
Revenues from sales	-	-	889	272
Rental income from buildings and equipment	-	-	1,021	360
Other income	-	-	1,115	661
Purchases of goods/services	-	-	4,070	4,727
Dividend received	-	-	-	20,000
Associates :				
Revenues from sales	8,135	629	8,135	629
Rental income from buildings and equipment	983	444	983	444
Other income	869	885	869	885
Share of profits from investments recorded by the equity method	727	4,146	-	-
Purchases of goods/services	14,904	15,339	14,904	15,339
Dividend received	-	-	3,860	6,773
Other Related Companies :				
Revenues from sales	52,600	12,584	52,600	12,584
Rental income from buildings and equipment	2,712	2,712	2,712	2,712
Directors' remuneration	17,523	16,229	9,400	9,438

Selling prices of goods and purchasing prices of goods/services are determined by market price.

Balances with related companies as at December 31, 2008 and 2007 are as follows:

	Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2008	2007	2008	2007
Trade Accounts Receivable				
(Included in the trade accounts receivable)				
Subsidiaries	-	-	318	71
Associates	7,593	284	7,593	284
Other related companies	14,335	11,518	10,984	8,307
Total	<u>21,928</u>	<u>11,802</u>	<u>18,895</u>	<u>8,662</u>
Short-term Loans to Related Companies				
Cash advances (interest rate per annum)				
Subsidiaries :				
S&P Global Co., Ltd. (No interest)	-	-	61	22
S&PizZanotti (Thailand) Limited (No interest)	-	-	1,109	134
Associates :				
HD Distributors (Thailand) Co., Ltd. (No interest)	201	131	201	131
Related company :				
Other company (No interest)	52	272	-	-
Total	<u>253</u>	<u>403</u>	<u>1,371</u>	<u>287</u>
Investments in subsidiaries and associated companies				
Subsidiaries	-	-	42,999	49,998
Associates	54,305	53,805	53,995	48,998
Total	<u>54,305</u>	<u>53,805</u>	<u>96,994</u>	<u>98,996</u>
Trade Accounts Payable				
(Included in trade accounts payable)				
Subsidiaries	-	-	190	92
Associates	3,008	4,284	3,008	4,284
Total	<u>3,008</u>	<u>4,284</u>	<u>3,198</u>	<u>4,376</u>
Short-term loans from Related Companies				
Cash advances (interest rate per annum)				
Subsidiaries :				
S&P Global Co., Ltd.(No interest)	-	-	145	158
Associates :				
HD Distributors (Thailand) Co., Ltd. (No interest)	122	113	122	113
Total	<u>122</u>	<u>113</u>	<u>267</u>	<u>271</u>

Movements of short-term loans to related companies in the consolidated financial statements.

For the year ended December 31, 2008:

	In Thousand Baht		
	Associates	Other related companies	Total
Balances as at December 31, 2007	131	272	403
Increase during the year	1,058	389	1,447
Decrease during the year	(988)	(609)	(1,597)
Balances as at December 31, 2008	<u>201</u>	<u>52</u>	<u>253</u>

For the year ended December 31, 2007:

	In Thousand Baht			
	Subsidiaries	Associates	Other related companies	Total
Balances as at December 31, 2006	1,691	1,907	123	3,721
Increase during the year	-	947	-	947
Decrease during the year	(1,691)	(2,723)	149	(4,265)
Balances as at December 31, 2007	<u>-</u>	<u>131</u>	<u>272</u>	<u>403</u>

Movements of short-term loans to related companies in the separate financial statements.

For the year ended December 31, 2008:

	In Thousand Baht		
	Subsidiaries	Associates	Total
Balances as at December 31, 2007	156	131	287
Increase during the year	21,589	1,058	22,647
Decrease during the year	(20,575)	(988)	(21,563)
Balances as at December 31, 2008	<u>1,170</u>	<u>201</u>	<u>1,371</u>

For the year ended December 31, 2007:

	In Thousand Baht		
	Subsidiaries	Associates	Total
Balances as at December 31, 2006	1,602	432	2,034
Increase during the year	18,639	946	19,585
Decrease during the year	(20,085)	(1,247)	(21,332)
Balances as at December 31, 2007	<u>156</u>	<u>131</u>	<u>287</u>

Movements of short-term loans from related companies in the consolidated financial statements.

For the year ended December 31, 2008:

	In Thousand Baht	
	Associates	Total
Balances as at December 31, 2007	113	113
Increase during the year	1,424	1,424
Decrease during the year	<u>(1,415)</u>	<u>(1,415)</u>
Balances as at December 31, 2008	<u>122</u>	<u>122</u>

For the year ended December 31, 2007:

	In Thousand Baht	
	Associates	Total
Balances as at December 31, 2006	357	357
Increase during the year	3,726	3,726
Decrease during the year	<u>(3,970)</u>	<u>(3,970)</u>
Balances as at December 31, 2007	<u>113</u>	<u>113</u>

Movements of short-term loans from related companies in the separate financial statements.

For the year ended December 31, 2008:

	In Thousand Baht		
	Subsidiaries	Associates	Total
Balances as at December 31, 2007	158	113	271
Increase during the year	1,050	1,424	2,474
Decrease during the year	<u>(1,063)</u>	<u>(1,415)</u>	<u>(2,478)</u>
Balances as at December 31, 2008	<u>145</u>	<u>122</u>	<u>267</u>

For the year ended December 31, 2007:

	In Thousand Baht		
	Subsidiaries	Associates	Total
Balances as at December 31, 2006	7,311	357	7,668
Increase during the year	533	3,726	4,259
Decrease during the year	<u>(7,686)</u>	<u>(3,970)</u>	<u>(11,656)</u>
Balances as at December 31, 2007	<u>158</u>	<u>113</u>	<u>271</u>

14. LEGAL RESERVE

The legal reserve is an amount to be provided as a reserve fund as prescribed by law. The Company has to allocate not less than five percent of its annual profits less the accumulated losses brought forward (if any) to the reserve fund until this fund attains an amount not less than ten percent of the registered capital. The legal reserve may not be used for dividend payment.

15. NET INCOME OR EXPENSES BY NATURE FOR THE YEARS

Net income or expenses by nature for the years ended December 31, 2008 and 2007 has been arrived at after charging of the following significant items:

	Consolidated		In Thousand Baht	
	financial statements	financial statements	financial statements	financial statements
	2008	2007	2008	2007
Changes in inventories of finished goods and work in process (decrease) increase	(35,154)	11,429	(35,154)	11,429
Raw materials and consumables used	1,546,887	1,385,400	1,368,622	1,202,647
Depreciation and amortization	262,261	260,887	237,919	237,128
Employees costs	1,080,756	1,006,187	860,922	789,229

16. APPROPRIATION OF EARNINGS AND DIVIDEND

On August 13, 2008, the Company's Board of Directors' Meeting passed a resolution to pay interim dividend to shareholders of 104,686,273 shares at Baht 0.50 per share totaling Baht 52.34 million approximately. The Company paid such dividend on September 12, 2008.

On April 30, 2008, the Company's Ordinary Shareholders' Meeting unanimously approved a dividend payment for 104,686,273 shares at Baht 1.25 per share, totaling Baht 130.86 million approximately. The payment was paid on May 16, 2008. In addition, the meeting also approved the appropriation of legal reserve amounting to Baht 2.11 million approximately.

On August 14, 2007, the Company's Board of Directors' Meeting passed a resolution to pay interim dividend to shareholders of 104,686,273 shares at Baht 0.25 per share totaling Baht 26.17 million approximately. The Company paid such dividend on September 14, 2007.

On April 19, 2007, the Company's Ordinary Shareholders' Meeting unanimously approved a dividend payment for 100,460,600 shares at Baht 1.55 per share totaling Baht 155.71 million approximately. The payment was paid on May 9, 2007. In addition, the meeting also approved the appropriation of legal reserve amounting to Baht 6.75 million approximately.

17. PROVIDENT FUND

The Company established the provident fund in compliance with the Provident Fund Act B.E. 2530. The fund receives voluntary contributions from employees. Under the fund's regulations, the members contribute 2% of their monthly earnings to the fund while the Company contributes 2% of such earnings. Members are entitled to their whole contributions plus net benefit thereon, and the Company's contributions plus benefits thereon at the rates depending on their period of service as prescribed by the regulations of the fund.

For the years ended December 31, 2008 and 2007, the Company's contribution and subsidiaries' contributions to provident fund which were recorded as expenses in the consolidated statements of income were Baht 9.57 million and Baht 9.10 million, respectively.

For the years ended December 31, 2008 and 2007, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of income were Baht 9.43 million and Baht 8.94 million, respectively.

18. CAPITAL MANAGEMENT

The primary objectives of the Company's and its subsidiaries' capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

The Company does not apply any particular financial ratio to monitor its capital whilst manages its capital to be sufficient for its working capital by: for instance, issuing new share or adjusting the amount of dividend paid to shareholders, according to the prevailing situations.

19. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company presents and discloses financial instruments as follows:

19.1 Accounting Policies

Details of significant accounting policies are disclosed in Note 3.

19.2 Credit Risk

Credit risk refers to the risk that counterparty will default on its trading terms and conditions resulting in collection to the Company and subsidiaries. Concentrations of credit risk are limited since the Company and subsidiaries have adopted the policy of dealing with creditworthy counterparty as a mean of mitigating the risk of financial losses from defaults.

In case of recognized financial assets in the balance sheet the carrying amounts of the assets recorded in the balance sheet represent the Company's maximum exposure to credit risk.

19.3 Interest Rate Risk

Interest rate risk arises from the potential for a change in interest rate to have an adverse effect on the Company in the current reporting period and in future years. The Company does not expect to incur material incremental effect on its interest expenses because loan of the Company and subsidiaries is insignificant amount.

19.4 Foreign Exchange Risk

Foreign exchange risk arises from the potential for a change in foreign exchange rate to have an adverse effect on the Company and subsidiaries in the current reporting period and in future years. The Company does not expect to incur material incremental effect on its financial assets or liabilities in foreign currency as the majority of its businesses are engaged in Thai Baht. However, the change in foreign exchange rate may has material effect on financial assets and liabilities of the overseas subsidiaries. The Company and its subsidiaries do not use any financial instruments to manage the such risk.

19.5 Estimated Fair Value of Financial Instruments

Cash and cash equivalents, current investments, trade accounts receivable, short-term loans to related parties, bank overdraft and short-term loans from financial institutions, trade accounts payable, accrued expenses and short-term loans from related parties; the carrying values approximate their fair values due to the relatively short period to maturity.

Investments in related companies; fair value for investments are as disclosed in note 3.

20. SEGMENT INFORMATION

The Company and its subsidiaries have been engaged in the food and bakery business. All business activities of the Company and its subsidiaries shall be classified by segments, based on revenues and results of operations, for each of years ended December 31, 2008 and 2007 for the Company and its subsidiaries as follows:

For the year ended December 31, 2008:

Classified by Geographical Areas	Thousand Baht		
	Local	Overseas	Total
Total revenues	3,760,559	676,785	4,437,344
Net profit before minority interest	195,328	36,011	231,339
Assets as at December 31, 2008	2,261,043	260,780	2,521,823

For the year ended December 31, 2007:

Classified by Geographical Areas	Thousand Baht		
	Local	Overseas	Total
Total revenues	3,374,463	702,312	4,076,775
Net profit before minority interest	144,902	48,954	193,856
Assets as at December 31, 2007	2,227,132	290,382	2,517,514

21. ASSETS USED AS COLLATERAL

As at December 31, 2008 and 2007, cash at banks of the Company in the approximate amount of Baht 1.94 million was used as collateral against letters of guarantee from a bank for electricity usage (see Note 22).

22. OBLIGATIONS AND LETTER OF GUARANTEE

As at December 31, 2008 and 2007 the Company and its subsidiaries had obligations and letter of guarantee liabilities as follows:

a. Commitments to pay rental under long-term lease contracts and hire purchase contracts as follows:

	Currencies	Within		2-5		Over		Total	
		1 Year		Years		5 Years			
		2008	2007	2008	2007	2008	2007	2008	2007
Branch rental expenses	Million Baht	173.12	151.24	213.34	184.65	23.09	29.49	409.55	365.38
	Million Pound Sterling	0.41	0.38	1.15	1.26	0.29	0.65	1.85	2.29
Lease and hire-purchase vehicle expenses	Million Baht	4.46	1.38	5.95	0.53	-	-	10.41	1.91
Lease and hire-purchase computer equipment expenses	Million Baht	0.69	-	1.09	-	-	-	1.78	-

b. As at December 31, 2008 and 2007, the Company had outstanding capital commitments relating to hire and purchase of materials for the construction of a new factory and branches in the amount of Baht 8.42 million and Baht 2.58 million, respectively.

c. As at December 31, 2008 and 2007, the Company had a letter of guarantee issued by the commercial banks for electricity usage amounting to Baht 28.36 million and Baht 24.93 million, respectively (see Note 21).

23. RECLASSIFICATION

Certain accounts have been reclassified in the consolidated and the separate financial statements for the year ended December 31, 2007 to conform to the reclassification used in the consolidated and the separate financial statements for the year ended December 31, 2008 as follows:

- Time deposits with maturity term not over 3 months of the Company amounting to Baht 107.54 million and Baht 50.70 million, respectively, which were previously included as part of current investment has been reclassified to be included in cash and cash equivalents.
- Revenue Department payable of the Company amounting to Baht 16.40 million and Baht 14.91 million, respectively, which were previously included in other current liabilities were reclassified to be separately presented under Revenue Department Payable.

24. INCOME TAX

According to the Royal Decree No. 475 B.E. 2551 issued under the Revenue Code regarding the corporate income tax rate deduction effective on August 7, 2008, the corporate income tax for listed companies in the Stock Exchange of Thailand has been reduced from 30% to 25% of net profit which does not exceed Baht 300 million. This will remain in effect for three consecutive accounting periods beginning on or after January 1, 2008.

25. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized director of the Company on February 11, 2009.