

**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 sheet of S&P Syndicate Public Company Limited and its subsidiaries and the separate balance sheet of S&P Syndicate Public Company Limited as at December 31, 2009 and the related consolidated and the separate statements of income, changes in shareholders' equity and cash flows for the year 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 audit. The consolidated and the Company's separate financial statements for the year ended December 31, 2008, presented herein for comparison, were audited by another auditor of the same firm, whose report thereon dated February 11, 2009, expressed an unqualified opinion.

We conducted our audit 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 audit provides 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, 2009, and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

**BANGKOK**  
February 8, 2010

Thanawan Anuratbodee  
Certified Public Accountant (Thailand)  
Registration No. 3440  
**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

**S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS**

**AS AT DECEMBER 31, 2009 AND 2008**

**BAHT**

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2009	2008	2009	2008
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		475,112,561	416,522,031	328,102,929	257,506,705
Temporary investments	5	539,257,552	431,821,968	535,631,503	427,122,310
Trade accounts receivable - net	6, 13	163,728,156	152,016,484	147,658,224	135,692,186
Short-term loans to related companies - net	13	244,046	253,401	1,604,243	1,370,736
Inventories	7	206,551,212	175,793,411	197,912,867	169,031,641
Other current assets	13	76,949,060	36,329,576	25,646,269	13,646,543
Total Current Assets		<u>1,461,842,587</u>	<u>1,212,736,871</u>	<u>1,236,556,035</u>	<u>1,004,370,121</u>
<b>NON-CURRENT ASSETS</b>					
Investments in subsidiaries	8, 13	-	-	40,999,300	42,999,300
Investments in associates	8, 13	43,586,235	54,305,085	48,998,000	53,995,000
Property, plant and equipment - net	9	997,217,913	1,021,325,082	877,983,777	928,114,304
Intangible assets - net	10	3,125,977	3,999,765	1,107,286	1,719,644
Leasehold right - net	11	97,248,667	106,036,484	92,761,111	100,051,925
Other non-current assets	12	151,027,693	123,419,913	115,887,640	95,722,121
Total Non-current Assets		<u>1,292,206,485</u>	<u>1,309,086,329</u>	<u>1,177,737,114</u>	<u>1,222,602,294</u>
<b>TOTAL ASSETS</b>		<u><u>2,754,049,072</u></u>	<u><u>2,521,823,200</u></u>	<u><u>2,414,293,149</u></u>	<u><u>2,226,972,415</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, 2009 AND 2008**

**BAHT**

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2009	2008	2009	2008
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdraft and short-term loans					
from financial institutions		3,538,051	-	-	-
Trade accounts payable	13	362,842,428	250,294,477	323,809,018	224,693,394
Short-term loans from related					
companies - net	13	113,581	122,427	142,864	267,415
Accrued income tax		78,867,185	56,397,705	71,239,273	47,673,469
Accrued expenses		185,916,427	190,719,222	172,222,549	170,166,626
Value-added-tax payable		17,295,614	16,400,083	17,272,122	16,400,083
Other current liabilities		43,845,950	40,338,357	30,788,284	25,729,852
Total Current Liabilities		<u>692,419,236</u>	<u>554,272,271</u>	<u>615,474,110</u>	<u>484,930,839</u>
<b>NON-CURRENT LIABILITIES</b>					
Long-term loan from financial institution		10,440,316	-	-	-
Other non-current liabilities		7,172,120	1,659,119	5,000,000	-
Total Non-current Liabilities		<u>17,612,436</u>	<u>1,659,119</u>	<u>5,000,000</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<u>710,031,672</u>	<u>555,931,390</u>	<u>620,474,110</u>	<u>484,930,839</u>

**S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS (CONTINUED)**

**AS AT DECEMBER 31, 2009 AND 2008**

**BAHT**

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2009	2008	2009	2008
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>					
<b>SHAREHOLDERS' EQUITY</b>					
Share capital					
Authorized share capital					
104,686,273 ordinary shares,					
Baht 5 each					
		523,431,365	523,431,365	523,431,365	523,431,365
Issued and paid-up share capital					
104,686,273 ordinary shares,					
Baht 5 each, fully paid					
		523,431,365	523,431,365	523,431,365	523,431,365
PREMIUM ON ORDINARY SHARES					
		689,980,549	689,980,549	689,980,549	689,980,549
EXCHANGE DIFFERENCES ON TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES					
		-20,394,032	(23,884,938)	-	-
UNREALIZED GAIN ON REVALUATION OF AVAILABLE- FOR- SALE SECURITIES					
		126,049	299,600	-	200,000
RETAINED EARNINGS					
Appropriated					
Legal reserve					
	14	52,343,137	52,343,137	52,343,137	52,343,137
Unappropriated					
		709,879,917	641,915,761	528,063,988	476,086,525
<b>TOTAL MAJOR SHAREHOLDERS' EQUITY</b>					
		1,955,366,985	1,884,085,474	1,793,819,039	1,742,041,576
MINORITY INTEREST					
		88,650,415	81,806,336	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>					
		2,044,017,400	1,965,891,810	1,793,819,039	1,742,041,576
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		2,754,049,072	2,521,823,200	2,414,293,149	2,226,972,415

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, 2009 AND 2008**

**BAHT**

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>		
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>		
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	
Revenues from sales and revenues from services	4,700,143,683	4,378,166,645	4,023,297,650	3,694,186,439	
Costs of sales and costs of services	(2,641,362,757)	(2,517,452,792)	(2,460,069,144)	(2,337,216,369)	
Gross profit	2,058,780,926	1,860,713,853	1,563,228,506	1,356,970,070	
Dividend received	1,620,000	1,600,000	1,813,996	5,459,840	
Other income	61,937,231	56,850,239	43,299,071	46,674,948	
Profit before expenses	2,122,338,157	1,919,164,092	1,608,341,573	1,409,104,858	
Selling expenses	(177,309,092)	(143,587,079)	(177,309,092)	(143,587,079)	
Administrative expenses	(1,493,782,435)	(1,422,801,879)	(1,027,667,804)	(960,120,974)	
Management benefit expenses	(35,531,500)	(31,801,641)	(27,097,520)	(20,945,911)	
Total expenses	(1,706,623,027)	(1,598,190,599)	(1,232,074,416)	(1,124,653,964)	
Profit before finance costs and income tax expenses	415,715,130	320,973,493	376,267,157	284,450,894	
Finance costs	(704,976)	(139,324)	(4,192)	(4,485)	
Share of (losses) profits of associated companies	(2,972,801)	726,875	-	-	
Profit before income tax expenses	412,037,353	321,561,044	376,262,965	284,446,409	
Income tax expenses	(113,788,923)	(90,222,474)	(99,210,015)	(71,374,863)	
<b>NET PROFIT</b>	<b>298,248,430</b>	<b>231,338,570</b>	<b>277,052,950</b>	<b>213,071,546</b>	
<b>PROFIT ATTRIBUTABLE TO:</b>					
Equity holders of the parent company	293,039,643	225,148,592	277,052,950	213,071,546	
Minority interest	5,208,787	6,189,978	-	-	
	<b>298,248,430</b>	<b>231,338,570</b>	<b>277,052,950</b>	<b>213,071,546</b>	
<b>BASIC EARNINGS OF MAJOR</b>					
<b>SHAREHOLDERS PER SHARE</b>	<b>BAHT</b>	2.80	2.15	2.65	2.04
<b>WEIGHTED AVERAGE NUMBER</b>					
<b>OF ORDINARY SHARES</b>	<b>SHARES</b>	104,686,273	104,686,273	104,686,273	104,686,273

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, 2009 AND 2008**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**BAHT**

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Exchange differences on translation of the financial statements of foreign subsidiaries	Unrealized gain (loss) on revaluation of available-for-sale securities	Retained earnings Appropriated Legal reserve	Unappropriated	Total Major Shareholders' Equity	Minority Interest	Total Shareholders' Equity
BEGINNING BALANCE 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 available-for-sales securities		-	-	-	(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)
<b>ENDING BALANCE AS AT DECEMBER 31, 2008</b>		<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>

**S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)**  
**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**BAHT**

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Exchange differences on translation of the financial statements of foreign subsidiaries	Unrealized gain (loss) on revaluation of available-for-sale securities	Retained earnings Appropriated Legal reserve	Unappropriated	Total Major Shareholders' Equity	Minority Interest	Total Shareholders' Equity
BEGINNING BALANCE AS AT JANUARY 1, 2009		523,431,365	689,980,549	(23,884,938)	299,600	52,343,137	641,915,761	1,884,085,474	81,806,336	1,965,891,810
Exchange differences on translation of the financial statements of foreign subsidiaries		-	-	3,490,906	-	-	-	3,490,906	1,635,292	5,126,198
Unrealized loss on revaluation of available-for-sales securities		-	-	-	(173,551)	-	-	(173,551)	-	(173,551)
Net profit		-	-	-	-	-	293,039,643	293,039,643	5,208,787	298,248,430
Dividend paid	16	-	-	-	-	-	(225,075,487)	(225,075,487)	-	(225,075,487)
<b>ENDING BALANCE AS AT DECEMBER 31, 2009</b>		<u>523,431,365</u>	<u>689,980,549</u>	<u>(20,394,032)</u>	<u>126,049</u>	<u>52,343,137</u>	<u>709,879,917</u>	<u>1,955,366,985</u>	<u>88,650,415</u>	<u>2,044,017,400</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, 2009 AND 2008**  
**SEPARATE FINANCIAL STATEMENTS**

**BAHT**

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Unrealized gain (loss) on revaluation of available-for-sale securities	Retained earnings Appropriated Legal reserve	Unappropriated	Total Shareholders' Equity
BEGINNING BALANCE 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 available-for-sales securities		-	-	(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)
<b>ENDING BALANCE AS AT DECEMBER 31, 2008</b>		<u>523,431,365</u>	<u>689,980,549</u>	<u>200,000</u>	<u>52,343,137</u>	<u>476,086,525</u>	<u>1,742,041,576</u>
BEGINNING BALANCE AS AT JANUARY 1, 2009		523,431,365	689,980,549	200,000	52,343,137	476,086,525	1,742,041,576
Unrealized loss on revaluation of available-for-sales securities		-	-	(200,000)	-	-	(200,000)
Net profit		-	-	-	-	277,052,950	277,052,950
Dividend paid	16	-	-	-	-	(225,075,487)	(225,075,487)
<b>ENDING BALANCE AS AT DECEMBER 31, 2009</b>		<u>523,431,365</u>	<u>689,980,549</u>	<u>-</u>	<u>52,343,137</u>	<u>528,063,988</u>	<u>1,793,819,039</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, 2009 AND 2008**

**BAHT**

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2009	2008	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before income tax expenses	412,037,353	321,561,044	376,262,965	284,446,409
Adjustments :				
Depreciation and amortization expenses	261,036,166	262,261,485	235,432,448	237,918,887
Unrealized loss on exchange rate	954,450	7,551,775	805,786	6,697,752
Unrealized gain from temporary investments	(2,372,043)	(1,551,133)	(2,372,043)	(1,551,133)
Share of losses (profits) from investments recorded by the equity method	2,972,801	(726,875)	-	-
Share of profit from dissolution of a subsidiary company	-	-	-	(2,986,282)
Loss from fixed assets written-off	3,151,306	10,237,951	3,151,306	6,950,817
Gain on sales of temporary investments	(1,482,314)	(6,679,252)	(1,549,720)	(6,679,252)
Gain on sales of fixed assets	(4,823,218)	(1,734,825)	(4,267,150)	(1,734,825)
Dividend received from temporary investments	(1,620,000)	(1,600,000)	(1,620,000)	(1,600,000)
Dividend received from an associated company	-	-	(193,996)	(3,859,840)
Doubtful accounts	-	-	1,100,000	-
Doubtful account - cash advance to a related company	-	-	1,900,000	-
Loss on impairment of investment in a subsidiary company	-	-	2,034,096	5,000,000
Loss on impairment of investment in an associated company	-	-	4,997,000	-
Interest expense	704,976	139,324	4,192	4,485
	<u>670,559,477</u>	<u>589,459,494</u>	<u>615,684,884</u>	<u>522,607,018</u>
Increase in trade accounts receivable	(11,762,246)	(16,231,450)	(13,066,038)	(16,022,602)
Increase in inventories	(30,757,801)	(5,403,548)	(28,881,226)	(5,721,793)
(Increase) Decrease in other current assets	(40,619,484)	7,975,610	(11,999,726)	(3,481,217)
Increase in other non-current assets	(27,607,780)	(18,517,013)	(20,165,519)	(10,600,067)
Increase (Decrease) in trade accounts payable	112,547,951	(7,855,809)	99,115,624	(3,754,284)
(Decrease) Increase in accrued expenses	(4,802,795)	41,114,743	2,055,923	35,193,004
Increase in value-added-tax payable	895,531	1,477,816	872,039	1,493,456
(Decrease) Increase in other current liabilities	(2,097,410)	850,715	(546,571)	1,049,147
Increase (Decrease) in other non-current liabilities	5,513,001	(317,370)	5,000,000	-
Interest paid	(704,976)	(139,323)	(4,192)	(4,485)
Income tax paid	(91,319,443)	(102,491,118)	(75,644,211)	(76,927,527)
Net Cash Provided by Operating Activities	<u>579,844,025</u>	<u>489,922,747</u>	<u>572,420,987</u>	<u>443,830,650</u>

**S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**BAHT**

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash payments for acquisition of temporary investments	(360,500,000)	(882,634,135)	(360,000,000)	(881,600,217)
Cash received from sales of temporary investments	256,745,222	787,000,000	255,212,570	787,000,000
Cash payments for short-term loans to related companies	-	-	(19,485,494)	(22,647,930)
Cash received from short-term loans to related companies	9,355	149,109	17,351,987	21,564,263
Proceeds from dissolution of a subsidiary company	-	-	-	4,985,482
Cash payment for acquisition of a subsidiary company	-	-	(34,096)	-
Cash payment for acquisition of an associated company	-	-	-	(4,997,000)
Dividend received from temporary investments	1,620,000	1,600,000	1,620,000	1,600,000
Dividend received from an associated company	-	-	193,996	3,859,840
Cash payment for purchases of fixed assets	(197,693,922)	(154,659,175)	(168,253,871)	(172,648,798)
Proceeds from sales of fixed assets	6,964,442	2,646,501	5,167,171	2,646,501
Cash payments for purchases of intangible assets	(42,500)	(354,000)	(42,500)	(354,000)
Cash payments for purchases of leasehold right	(7,548,702)	(10,122,116)	(7,548,702)	(12,345,000)
Net Cash Used in Investing Activities	<u>(300,446,105)</u>	<u>(256,373,816)</u>	<u>(275,818,939)</u>	<u>(272,936,859)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Cash repayment for short-term loans from financial institutions	-	(4,665,150)	-	-
Cash received from short-term loans from financial institutions	3,538,051	-	-	-
Cash repayments for short-term loans from related companies	(1,526,546)	(1,414,849)	(1,961,171)	(2,477,259)
Cash received from short-term loan from related companies	1,517,700	1,423,874	1,836,620	2,473,821
Cash received from long-term loan from financial institution	10,440,316	-	-	-
Dividend paid	(225,075,487)	(183,200,978)	(225,075,487)	(183,200,978)
Net Cash Used in Financing Activities	<u>(211,105,966)</u>	<u>(187,857,103)</u>	<u>(225,200,038)</u>	<u>(183,204,416)</u>

**S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**BAHT**

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Unrealized exchange loss of cash and cash equivalents	(903,876)	(7,569,078)	(805,786)	(6,697,752)
Exchange differences on translation of the financial statements of foreign subsidiaries	(8,797,548)	(41,482,035)	-	-
Net increase (decrease) in cash and cash equivalents	58,590,530	(3,359,285)	70,596,224	(19,008,377)
Cash and cash equivalents as at January 1,	416,522,031	419,881,316	257,506,705	276,515,082
<b>CASH AND CASH EQUIVALENTS</b>				
<b>AS AT DECEMBER 31,</b>	475,112,561	416,522,031	328,102,929	257,506,705

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, 2009 AND 2008**

**1. GENERAL INFORMATION**

On October 14, 1973, S&P Syndicate Public Company Limited (“the Company”) was incorporated under the Civil and Commercial Code of Thailand as a limited company. 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 Soi Sukhumvit 55 (Soi 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 FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS AND BASIS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

**2.1 Basis for preparation and presentation of the financial statements**

The Company’s statutory financial statements have been prepared in accordance with the regulations of The Stock Exchange of Thailand dated January 22, 2001, regarding the basis, conditions and procedures for the preparation and submission of financial statements and reports for the financial position and results of operations of listed companies B.E. 2544, and in accordance with accounting principles and practices generally accepted in Thailand.

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 Brief Particulars of the financial statements are presented in accordance with the Notification of the Department of Business Development dated January 30, 2009 regarding “The Brief Particulars in the Financial Statements B.E. 2552”. The financial statements for the year ended December 31, 2008 presentation have been reclassified accordingly.

The Federation of Accounting Professions issued the Notification No. 12/2552 dated May 15, 2009 regarding the renumbering of Thai Accounting Standards (TASs) to be the same as International Accounting Standards (IASs). Therefore, the reference TASs in these financial statements have used the new numbers to be in accordance with such Notification.

The Federation of Accounting Professions issued the Notification No. 16/2552 dated May 21, 2009 regarding the following accounting standards that were announced in the Royal Gazette, but not yet in effect in 2009:

	<b>Accounting Standard</b>	<b>Effective date</b>
Accounting Framework (Revised 2007)		January 1, 2011
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2012
TAS 24 (Revised 2007)	Related Party Disclosures (previously No. 47)	January 1, 2011
TAS 40	Investment Property	January 1, 2011

The Company’s management anticipates that all of the above accounting standards will be adopted in the Company’s financial statements when they become effective and the management has assessed the impact of these accounting standards, when they are effective, for financial periods of initial application and does not expect them to have a material effect on the Company’s financial statements.

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

To facilitate the readers, an English version of the financial statements has been prepared by translating from the Thai language statutory financial statements which are issued for domestic financial reporting purposes.

## 2.2 Basis for preparation of consolidated financial statements

The consolidated financial statements for the years ended December 31, 2009 and 2008, include the financial statements of S&P Syndicate Public Company Limited and its subsidiaries in which the Company has controlled or invested over 50% of their voting rights. These subsidiaries are detailed as follows:

	Business type	Country of registration	Percentage of holdings as at December 31,	
			2009	2008
<b>Subsidiaries</b>				
S&P Global Co., Ltd.	Holding Company	Thailand	80.00	80.00
S&P Assets Co., Ltd.	Office rental	Thailand	99.93	99.93
S&PizZanotti (Thailand) Limited (1)	Restaurant	Thailand	99.99	50.00

- (1) On December 28, 2009, the Company acquired ordinary shares totalling of 100,000 shares having par value of Baht 100 each at the price of Baht 0.34096 each. The Company registered the shares acquired with the Department of Business Development, Ministry of Commerce on the same date. The Company, thus, has the percentage of holding of 99.99% in S&PizZanotti (Thailand) Limited as at December 31, 2009.

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 agreements as follows:

	Business type	Country of registration	Percentage of holdings as at December 31,	
			2009	2008
<b>Shares held by S&amp;P Global Company Limited</b>				
S&P Restaurant Co., Ltd.	Restaurant	England	96.00	96.00
Patara (Geneva) SA	Restaurant	Switzerland	62.00	62.00
Theme Foods Pte. Ltd.	Restaurant	Singapore	50.00	50.00
SK Catering Pte. Ltd.	Restaurant	Singapore	50.00	50.00
Patara Taiwan Company Limited (1)	Ceased operation	Taiwan	50.00	50.00
Patio International Limited	Restaurant	Taiwan	60.00	60.00
Patara International Restaurant Management (Beijing) Co., Ltd. (3)	Restaurant	The People's Republic of China	90.00	-
Thai Development SA (formerly Patara Development SA) (4), (5)	Restaurant	Switzerland	45.00	-

### Shares held by Theme Foods Pte. Ltd., Singapore

Siam Kitchen Sdn. Bhd. (2)	Ceased operation	Malaysia	99.99	99.99
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- (1) In 2007, the above company has ceased its operation and its assets had been transferred to Patio International Limited.
- (2) In 2005, the above company has ceased its operation in Malaysia and is in process of dissolution.
- (3) In 2009, the Company invested in Patara International Restaurant Management (Beijing) Co., Ltd. which has the registration of share capital of RMB 3.50 million.
- (4) On October 19, 2006, the Board of Directors' Meeting of Patara Developments SA, registered in Switzerland, had a resolution to approve the change of the above company's name to Thai Development SA which is effective from October 24, 2006.
- (5) As at December 31, 2009, the Company has the control to govern the financial policy and the operations of Thai Development SA. The consolidated financial statements of the Company for the year ended December 31, 2009 were included the subsidiary's financial statements.

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, 2009 and 2008, did not include the financial statements of Siam Kitchen Sdn. Bhd., which is a subsidiary company registered in Malaysia which is owned by Theme Foods Pte. Ltd. as the amount is immaterial. As at December 31, 2009 and 2008, the carrying value of such investment is nil.

The consolidated financial statements for the years ended December 31, 2009 and 2008, include the financial statements of Bangkok Jam and Patara Fine Thai Cuisine, which are sole proprietorship entities registered under the laws of Singapore which are under the control of SK Catering Pte. Ltd. and Theme Foods Pte. Ltd., respectively.

Assets, investments recorded by the equity method as at December 31, 2009 and 2008, revenues and the share of profits (losses) from investments recorded by the equity method in associated companies for the years ended December 31, 2009 and 2008 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							
	Assets of subsidiaries		Investments recorded		Revenues as		Share of profit (loss)	
	as percentage		by the equity method as		percentage of		as percentage	
	of total assets		percentage of net assets		total revenues		of net profit	
as at		as at		for the years ended		for the years ended		
December 31,		December 31,		December 31,		December 31,		
2009	2008	2009	2008	2009	2008	2009	2008	
<b>Shares held by S&amp;P Syndicate Public Company Limited</b>								
<b>Subsidiaries</b>								
S&P Global Co., Ltd. and subsidiaries	13.60	13.15	-	0.38	14.32	15.40	-	1.16
(Proportion of each subsidiary and associated companies of S&P Global Co., Ltd. are presented below)								
S&P Assets Co., Ltd.	0.30	0.28	-	-	0.14	0.15	-	-
S&PizZanotti (Thailand) Limited	0.21*	0.32*	-	-	0.29*	0.40*	-	-
<b>Associates</b>								
HD Distributors (Thailand) Co., Ltd.	-	-	2.31*	2.33*	-	-	0.60*	0.95*
Foodhouse Catering Service Co., Ltd. (1)	-	-	(0.18)*	0.05*	-	-	(1.62)*	(1.79)*
	<u>14.11</u>	<u>13.75</u>	<u>2.13</u>	<u>2.76</u>	<u>14.75</u>	<u>15.95</u>	<u>(1.02)</u>	<u>0.32</u>
<b>Shares held by S&amp;P Global Company Limited</b>								
<b>Subsidiaries</b>								
S&P Restaurant Co., Ltd.	6.72	6.06	-	-	5.69	6.72	-	-
Patara (Geneva) SA	0.77*	1.11*	-	-	1.51*	1.61*	-	-
Theme Foods Pte. Ltd.	0.84*	0.80*	-	-	0.85*	1.38*	-	-
SK Catering Pte. Ltd.	1.19*	1.60*	-	-	3.00*	3.99*	-	-
Patara Taiwan Co., Ltd.	0.04*	0.05*	-	-	-	-	-	-
Patio International Co., Ltd.	0.58*	0.72*	-	-	1.22*	1.56*	-	-
Thai Developments SA (formerly Patara Development SA)	1.13*	-	-	-	1.97*	-	-	-
Patara International Restaurant Management (Beijing) Co., Ltd.	0.68*	-	-	-	0.02*	-	-	-
<b>Associate</b>								
Thai Developments SA (formerly Patara Development SA)	-	-	-	0.38*	-	-	-	1.16*
	<u>11.95</u>	<u>10.34</u>	<u>-</u>	<u>0.38</u>	<u>14.26</u>	<u>15.26</u>	<u>-</u>	<u>1.16</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 control 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 institutions with maturity term not over 3 months; which excluding deposit at bank used as collateral.

#### 3.2 Temporary investments

Temporary 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 values are recognized in statements of income.

Investments in available-for-sales securities are carried at fair value, differences between book value and fair value of available-for-sales 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 Allowance for doubtful accounts

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

#### 3.4 Inventories

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

#### 3.5 Investments in subsidiaries and associates

Investments in subsidiaries and associates are presented by the cost method in the separate financial statements.

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

Investments in associates are presented by the equity method in the consolidated financial statements.

### 3.6 Property, plant and equipment

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

Depreciation of plant and equipment of the Company and its domestic subsidiaries is calculated by the straight-line method over the estimated useful lives of the assets as follows:

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

Depreciation of equipment of overseas subsidiaries is calculated by the straight-line and the diminishing balance methods over the estimated useful lives of the assets of 4 - 5 years.

In the case where impairment of property, plant and equipment is occurred, the loss on impairment will be charged to the statement of income.

### 3.7 Intangible assets

Intangible assets consist of trademarks and software development costs.

Intangible assets are stated at costs less accumulated amortization. Amortization is calculated by the straight-line method, based on lease period or useful lives of the assets as follows:

Trademarks	10 years
Software development costs	5 years

### 3.8 Leasehold right

Leasehold right of the Company and its subsidiaries is stated at cost, less accumulated amortization.

Leasehold right amortization of the Company is being amortized by using the straight-line method over the lease periods.

Long-term leasehold right amortization of an overseas subsidiary company is being amortized at 5% of cost by using the straight-line method.

### 3.9 Lease

#### Operating lease

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on a straight-line basis over the period of the lease.



When an operating lease is terminated before the lease period expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

#### Finance 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 a finance lease. The Company capitalizes the equipment at the lower of estimated present value of the underlying lease payments or at the fair value of the equipment at the contractual date. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge is recognized by effective interest rate method over the term of contracts. Interest or financial charge and depreciation are recognized as expenses in the statement of income.

#### 3.10 Provident fund

The contribution paid by the Company and its domestic subsidiaries to the provident funds of employees is recognized as an expense when the transactions occurred.

#### 3.11 Foreign currency transactions

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

The translation of foreign financial statements into Baht for the purpose of preparing the consolidated financial statements is determined by using the following rates:

- a. Assets and liabilities are converted at the closing rate at the balance sheet date.
- b. Shareholders' equity is converted at the rates prevailing on the transaction dates.
- c. Revenues and expenses are converted at the average rate during the period.

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

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

#### 3.12 Recognition of revenues and expenses

Revenues from the sales of goods are recognized as revenue when the significant risks and rewards of ownership are transferred to the buyer.

Revenues from services are recognized as revenue when the services are rendered.

Revenues from dividend from investments are recognized as income when the Company has right to receive the dividend.

3.13 Income tax

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

Income tax of the overseas subsidiaries is recorded in accordance with the regulations of the countries where the companies are operated.

3.14 Basic earnings of major shareholder per share

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

3.15 Use of management judgment

The preparation of financial statements in accordance with generally accepted accounting principles 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 revenues and expenses during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

**4. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION**

4.1 Non-cash transactions are as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Liabilities incurred from acquisition of fixed assets as at January 1,	15,566,909	34,809,497	15,566,909	34,809,497
Add Purchases of fixed assets	203,298,925	159,520,903	173,858,874	153,406,210
Less Cash payments	(197,693,922)	(154,659,175)	(168,253,871)	(172,648,798)
Exchange differences on translation of the financial statements of foreign subsidiaries	-	(24,104,316)	-	-
Liabilities incurred from acquisition of fixed assets as at December 31,	<u>21,171,912</u>	<u>15,566,909</u>	<u>21,171,912</u>	<u>15,566,909</u>

4.2 Amounts of unutilized credit facilities are as follows:

	In Million		In Million		In Million	
	Baht		Pound Sterling		US Dollars	
	2009	2008	2009	2008	2009	2008
Short-term loans	410.00	439.90	-	-	-	-
Bank overdrafts	91.00	91.00	0.40	0.40	-	-
Letters of guarantee	160.90	172.70	-	-	-	-
FOREX Credit facilities	20.00	20.00	-	-	2.70	4.90
Total	<u>681.90</u>	<u>723.60</u>	<u>0.40</u>	<u>0.40</u>	<u>2.70</u>	<u>4.90</u>

## 5. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

	<b>Consolidated</b>		<b>In Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Time deposits	100,500	1,600	100,000	-
Trading securities				
- Fixed income open-ended Funds	435,240	357,322	435,240	357,322
- Mutual Funds	392	-	392	-
Available-for-sales securities				
- Fixed income open-ended Funds	3,126	3,100	-	-
- Mutual Funds	-	20,200	-	20,200
Government Bonds	-	49,600	-	49,600
<b>Total Temporary Investments</b>	<b>539,258</b>	<b>431,822</b>	<b>535,632</b>	<b>427,122</b>

Additional details of temporary investments in the consolidated financial statements as follows:

### As at December 31, 2009

	<b>Cost Value</b>	<b>Unrealized</b>	<b>Fair Value</b>
	<b>As at</b>	<b>gross profit</b>	<b>As at</b>
	<b>December 31,</b>		<b>December 31,</b>
	<b>2009</b>		<b>2009</b>
Trading securities			
- Fixed income open-ended Funds	432,890	2,350	435,240
- Mutual Funds	369	23	392
	<u>433,259</u>	<u>2,373</u>	<u>435,632</u>
Available-for-sales securities			
- Fixed income open-ended Funds	3,000	126	3,126
<b>Total Temporary Investments</b>	<u>436,259</u>	<u>2,499</u>	<u>438,758</u>

### As at December 31, 2008

	<b>Cost Value</b>	<b>Unrealized</b>	<b>Fair Value</b>
	<b>As at</b>	<b>gross profit</b>	<b>As at</b>
	<b>December 31,</b>		<b>December 31,</b>
	<b>2008</b>		<b>2008</b>
Trading securities			
- Fixed income open-ended Funds	355,771	1,551	357,322
Available-for-sales securities			
- Fixed income open-ended Funds	3,000	100	3,100
- Mutual Funds	20,000	200	20,200
	<u>23,000</u>	<u>300</u>	<u>23,300</u>
Government Bonds	49,347	253	49,600
<b>Total Temporary Investments</b>	<u>428,118</u>	<u>2,104</u>	<u>430,222</u>

Additional details of temporary investments in the separate financial statements as follows:

**As at December 31, 2009**

	<b>Cost Value As at December 31, 2009</b>	<b>Unrealized gross profit</b>	<b>Fair Value As at December 31, 2009</b>
Trading securities			
- Fixed income open-ended Funds	432,890	2,350	435,240
- Mutual Funds	369	23	392
Total Temporary Investments	433,259	2,373	435,632

**As at December 31, 2008**

	<b>Cost Value As at December 31, 2008</b>	<b>Unrealized gross profit</b>	<b>Fair Value As at December 31, 2008</b>
Trading securities			
- Fixed income open-ended Funds	355,771	1,551	357,322
Available-for-sales securities			
- Mutual Funds	20,000	200	20,200
Government Bonds	49,347	253	49,600
Total Temporary Investments	425,118	2,004	427,122

**6. TRADE ACCOUNTS RECEIVABLE - NET**

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

	<b>Consolidated</b>		<b>In Thousand Baht Separate</b>	
	<b>Financial Statements 2009</b>	<b>2008</b>	<b>Financial Statements 2009</b>	<b>2008</b>
<b>Trade accounts receivable</b>				
Other companies				
Current	95,635	87,640	81,983	74,508
Overdue				
3 months or less	52,075	43,711	52,075	43,711
Over 3 months up to 6 months	248	199	248	199
Over 6 months up to 12 months	178	294	178	294
Over 12 months	2,214	2,527	2,214	2,368
Total	150,350	134,371	136,698	121,080

	<b>Consolidated</b>		<b>In Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Related companies				
Current	8,010	10,979	5,593	8,039
Overdue				
3 months or less	6,621	10,927	6,708	10,834
Over 3 months up to 6 months	2,894	21	3,127	21
Over 6 months up to 12 months	135	-	719	-
Over 12 months	1	1	196	1
Total	<u>17,661</u>	<u>21,928</u>	<u>16,343</u>	<u>18,895</u>
Total trade accounts receivable	168,011	156,299	153,041	139,975
<u>Less</u> Allowance for doubtful accounts	<u>(4,283)</u>	<u>(4,283)</u>	<u>(5,383)</u>	<u>(4,283)</u>
Trade Accounts Receivable - Net	<u>163,728</u>	<u>152,016</u>	<u>147,658</u>	<u>135,692</u>

## 7. INVENTORIES

Inventories as at December 31, consist of:

	<b>Consolidated</b>		<b>In Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Finished goods	71,873	78,799	71,873	78,799
Work in process	61	350	61	350
Raw materials	95,986	57,401	87,348	50,640
Packaging materials	32,770	33,949	32,770	33,949
Spare parts and supplies	5,861	5,107	5,861	5,107
Goods in transit	-	187	-	187
Total Inventories	<u>206,551</u>	<u>175,793</u>	<u>197,913</u>	<u>169,032</u>

For the years ended December 31, 2009 and 2008, the costs of inventories recorded as expenses in the consolidated financial statements are Baht 2,641,362,757 and Baht 2,517,452,792, respectively and in the separate financial statements are Baht 2,460,069,114 and Baht 2,337,216,369, respectively.

## 8. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Investments recorded by the equity method in the consolidated financial statements of the Company and its subsidiaries as at December 31, 2009 and 2008 consist of:

	Type of business	Relationship	Paid-up capital	% Share holding		At cost method		At equity method		In Thousand Baht Dividend Income	
				2009	2008	2009	2008	2009	2008	2009	2008
<b>Shareholding by S&amp;P Syndicate Public Co., Ltd.</b>											
<b>Associates</b>											
HD Distributors (Thailand) Co., Ltd.	Agency for food distribution	Co-shareholders and co-management team	100,000	47.99	47.99	48,998	48,998	47,348	45,779	194	3,860
Foodhouse Catering Services Co., Ltd.	Catering	Co-shareholders and co-management team	10,000	49.97	49.97	4,997	4,997	(3,762)	974	-	-
	<u>Less</u>	Provision for impairment of investment				(4,997)	-				
						<u>-</u>	<u>4,997</u>				
	<b>Total</b>					<u>48,998</u>	<u>53,995</u>	<u>43,586</u>	<u>46,753</u>		
<b>Shareholding by S&amp;P Global Co., Ltd.</b>											
<b>Subsidiaries</b>											
Siam Kitchen Sdn. Bhd. Co., Ltd.	Ceased operation	Co-shareholders and co-management team	2,845	50.00	50.00	1,423	1,423	-	-	-	-
Thai Development SA (formerly Patara Development SA)	Restaurant	Co-shareholders and co-management team	5,314	45.00	-	2,392	-	-	-	-	-
<b>Associate</b>											
Thai Development SA (formerly Patara Development SA)	Restaurant	Co-shareholders and co-management team	5,314	-	45.00	-	2,392	-	7,552	-	-
	<b>Total</b>					<u>3,815</u>	<u>3,815</u>	<u>-</u>	<u>7,552</u>		
	<b>Total investments</b>					<u>52,813</u>	<u>57,810</u>	<u>43,586</u>	<u>54,305</u>		

Investments recorded by the cost method in the separate financial statements as at December 31, 2009 and 2008 consist of:

	Type of business	Relationship	Paid-up capital		% Share holding		At cost		In Thousand Baht Dividend Income	
			2009	2008	2009	2008	2009	2008	2009	2008
			<b>Shareholding held by S&amp;P Syndicate Public Co., Ltd.</b>							
<b>Subsidiaries</b>										
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	-	-
S&P Assets Co., Ltd.	Office rental	Co-shareholders and co-management team	1,000	1,000	99.93	99.93	999	999	-	-
S&PizZanotti (Thailand) Limited	Restaurant	Co-shareholders and co-management team	20,000	20,000	99.99	50.00	10,034	10,000	-	-
<u>Less</u> Provision for impairment of investment							(10,034)	(8,000)		
							-	2,000		
Total investments in subsidiaries							<u>40,999</u>	<u>42,999</u>		
<b>Associates</b>										
HD Distributors (Thailand) Co., Ltd.	Agency for food distribution	Co-shareholders and co-management team	100,000	100,000	47.99	47.99	48,998	48,998	194	3,860
Foodhouse Catering Services Co., Ltd.	Catering	Co-shareholders and co-management team	10,000	10,000	49.97	49.97	4,997	4,997	-	-
<u>Less</u> Provision for impairment of investment							(4,997)	-		
							-	4,997		
Total investments in associates							<u>48,998</u>	<u>53,995</u>		

## 9. PROPERTY, PLANT AND EQUIPMENT - NET

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

### Consolidated Financial Statements

As at December 31, 2009

	Balance as at January 1, 2009	Additions	Decreases	Transfer in (out)/ Adjustments	Exchange Differences on translation of foreign financial statements	In Thousand Baht
						Balance as at December 31, 2009
<b>Cost</b>						
Land	261,053	-	-	-	-	261,053
Buildings and building improvements	148,632	-	-	-	2,920	151,552
Factory buildings	188,795	-	-	-	-	188,795
Machinery and equipment	702,272	51,282	(7,763)	43,693	(2,137)	787,347
Office furniture and equipment	1,030,176	90,100	(22,562)	62,783	437	1,160,934
Vehicles	50,460	8,018	(12,458)	242	36	46,298
Construction in progress	17,129	53,900	-	(63,403)	-	7,626
Total cost	<u>2,398,517</u>	<u>203,300</u>	<u>(42,783)</u>	<u>43,315</u>	<u>1,256</u>	<u>2,603,605</u>
<b>Accumulated depreciation</b>						
Buildings and building improvements	85,414	3,156	-	-	230	88,800
Factory buildings	71,760	8,837	-	-	-	80,597
Machinery and equipment	519,936	81,062	(7,650)	18,110	(1,533)	609,925
Office furniture and equipment	660,471	145,055	(18,099)	6,147	146	793,720
Vehicles	39,611	5,382	(11,741)	77	16	33,345
Total accumulated depreciation	<u>1,377,192</u>	<u>243,492</u>	<u>(37,490)</u>	<u>24,334</u>	<u>(1,141)</u>	<u>1,606,387</u>
<b>Property, plant and equipment - net</b>	<u>1,021,325</u>					<u>997,218</u>

**Consolidated Financial Statements**

**As at December 31, 2008**

	In Thousand Baht					
	Balance as at January 1, 2008	Additions	Decreases	Transfer in (out)/ Adjustments	Exchange Differences on translation of foreign financial statements	Balance as at December 31, 2008
<b>Cost</b>						
Land	261,053	-	-	-	-	261,053
Buildings and building 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>
<b>Accumulated depreciation</b>						
Buildings and building 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>
<b>Property, plant and equipment - net</b>	<u><u>1,137,998</u></u>					<u><u>1,021,325</u></u>
<b>Depreciation for the years ended December 31,</b>						
2009						<u>243,492</u>
2008						<u>240,938</u>
<b>Cost of fully depreciated fixed assets still in use as at December 31,</b>						
2009						<u>892,027</u>
2008						<u>718,704</u>

**Separate Financial Statements**

**As at December 31, 2009**

	In Thousand Baht				
	Balance as at January 1, 2009	Additions	Decreases	Transfers in (out)	Balance as at December 31, 2009
<b>Cost</b>					
Land	261,053	-	-	-	261,053
Buildings and building improvements	48,316	-	-	-	48,316
Factory buildings	188,795	-	-	-	188,795
Machinery and equipment	627,805	39,700	(4,273)	9,863	673,095
Office furniture and equipment	962,788	72,241	(15,392)	53,540	1,073,177
Vehicles	47,982	8,018	(12,457)	-	43,543
Construction in progress	17,129	53,900	-	(63,403)	7,626
Total cost	<u>2,153,868</u>	<u>173,859</u>	<u>(32,122)</u>	<u>-</u>	<u>2,295,605</u>
<b>Accumulated depreciation</b>					
Buildings and building improvements	44,167	1,794	-	-	45,961
Factory buildings	71,760	8,837	-	-	80,597
Machinery and equipment	461,696	69,056	(4,092)	-	526,660
Office furniture and equipment	610,355	135,410	(12,238)	-	733,527
Vehicles	37,776	4,841	(11,741)	-	30,876
Total accumulated depreciation	<u>1,225,754</u>	<u>219,938</u>	<u>(28,071)</u>	<u>-</u>	<u>1,417,621</u>
<b>Property, plant and equipment - net</b>	<u><u>928,114</u></u>				<u><u>877,984</u></u>



**Separate Financial Statements**

**As at December 31, 2008**

	<b>In Thousand Baht</b>				
	<b>Balance as at January 1, 2008</b>	<b>Additions</b>	<b>Decreases</b>	<b>Transfers in (out)</b>	<b>Balance as at December 31, 2008</b>
<b>Cost</b>					
Land	261,053	-	-	-	261,053
Buildings and building 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>
<b>Accumulated depreciation</b>					
Buildings and building 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>
<b>Property, plant and equipment - net</b>	<u><u>1,002,032</u></u>				<u><u>928,114</u></u>
<b>Depreciation for the years ended December 31,</b>					
2009					<u>219,938</u>
2008					<u>219,461</u>
<b>Cost of fully depreciated fixed assets still in use as at December 31,</b>					
2009					<u>862,808</u>
2008					<u>689,500</u>

## 10. INTANGIBLE ASSETS - NET

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

### Consolidated Financial Statements

As at December 31, 2009

	Balance as at January 1, 2009	Additions	Decreases	In Thousand Baht Balance as at December 31, 2009
<b>Cost</b>				
Trademarks	2,991	-	-	2,991
Software development costs	4,082	43	-	4,125
Goodwill	126,904	-	-	126,904
<u>Less Negative goodwill</u>	<u>(2,063)</u>	<u>-</u>	<u>-</u>	<u>(2,063)</u>
Total Goodwill	<u>124,841</u>	<u>-</u>	<u>-</u>	<u>124,841</u>
Total cost	<u>131,914</u>	<u>43</u>	<u>-</u>	<u>131,957</u>
<b>Accumulated Amortization:</b>				
Trademarks	672	300	-	972
Software development costs	2,363	655	-	3,018
Goodwill	126,904	-	-	126,904
<u>Less Negative goodwill</u>	<u>(2,024)</u>	<u>(39)</u>	<u>-</u>	<u>(2,063)</u>
Total Goodwill	<u>124,880</u>	<u>(39)</u>	<u>-</u>	<u>124,841</u>
Total Accumulated Amortization	<u>127,915</u>	<u>916</u>	<u>-</u>	<u>128,831</u>
<b>Intangible assets - net</b>	<u><u>3,999</u></u>			<u><u>3,126</u></u>

### Consolidated Financial Statements

As at December 31, 2008

	Balance as at January 1, 2008	Additions	Decreases	In Thousand Baht Balance as at December 31, 2008
<b>Cost</b>				
Trademarks	2,991	-	-	2,991
Software development costs	3,727	355	-	4,082
Goodwill	126,904	-	-	126,904
<u>Less Negative goodwill</u>	<u>(2,063)</u>	<u>-</u>	<u>-</u>	<u>(2,063)</u>
Total Goodwill	<u>124,841</u>	<u>-</u>	<u>-</u>	<u>124,841</u>
Total cost	<u>131,559</u>	<u>355</u>	<u>-</u>	<u>131,914</u>
<b>Accumulated Amortization</b>				
Trademarks	373	299	-	672
Software development costs	1,595	768	-	2,363
Goodwill	126,904	-	-	126,904
<u>Less Negative goodwill</u>	<u>(1,946)</u>	<u>(78)</u>	<u>-</u>	<u>(2,024)</u>
Total Goodwill	<u>124,958</u>	<u>(78)</u>	<u>-</u>	<u>124,880</u>
Total Accumulated Amortization	<u>126,926</u>	<u>989</u>	<u>-</u>	<u>127,915</u>
<b>Intangible assets - net</b>	<u><u>4,633</u></u>			<u><u>3,999</u></u>
<b>Amortization for the years ended December 31,</b>				
2009				<u><u>916</u></u>
2008				<u><u>989</u></u>

**Separate Financial Statements  
As at December 31, 2009**

	<b>In Thousand Baht</b>			
	<b>Balance as at January 1, 2009</b>	<b>Additions</b>	<b>Decreases</b>	<b>Balance as at December 31, 2009</b>
<b>Cost</b>				
Software development costs	4,082	43	-	4,125
Total cost	<u>4,082</u>	<u>43</u>	<u>-</u>	<u>4,125</u>
<b>Accumulated Amortization</b>				
Software development costs	2,363	655	-	3,018
Total Accumulated Amortization	<u>2,363</u>	<u>655</u>	<u>-</u>	<u>3,018</u>
<b>Intangible asset - net</b>	<u>1,719</u>			<u>1,107</u>

**Separate Financial Statements  
As at December 31, 2008**

	<b>In Thousand Baht</b>			
	<b>Balance as at January 1, 2008</b>	<b>Additions</b>	<b>Decreases</b>	<b>Balance as at December 31, 2008</b>
<b>Cost</b>				
Software development costs	3,727	355	-	4,082
Total cost	<u>3,727</u>	<u>355</u>	<u>-</u>	<u>4,082</u>
<b>Accumulated Amortization</b>				
Software development costs	1,595	768	-	2,363
Total Accumulated Amortization	<u>1,595</u>	<u>768</u>	<u>-</u>	<u>2,363</u>
<b>Intangible asset - net</b>	<u>2,132</u>			<u>1,719</u>
<b>Amortization for the years ended December 31,</b>				
2009				<u>655</u>
2008				<u>768</u>

## 11. LEASEHOLD RIGHT

Leasehold right - net as at December 31, consists of:

<b>Consolidated Financial Statements</b>	<b>In Thousand Baht</b>	
	<b>2009</b>	<b>2008</b>
<b>Cost</b>		
Beginning balances as at January 1,	343,701	341,273
Additions	7,549	12,345
Decreases	-	-
Exchange differences on translation of the financial statements of foreign subsidiaries	1,367	(9,917)
Ending balances as at December 31,	<u>352,617</u>	<u>343,701</u>
<b>Accumulated amortization</b>		
Beginning balances as at January 1,	237,664	225,102
Additions	16,628	20,257
Decreases	-	-
Exchange differences on translation of the financial statements of foreign subsidiaries	1,076	(7,694)
Ending balances as at December 31,	<u>255,368</u>	<u>237,665</u>
<b>Net book value</b>		
As at December 31, 2009		<u>97,249</u>
As at December 31, 2008		<u>106,036</u>

<b>Separate Financial Statements</b>	<b>In Thousand Baht</b>	
	<b>2009</b>	<b>2008</b>
<b>Cost</b>		
Beginning balances as at January 1,	313,551	301,206
Additions	7,549	12,345
Decreases	-	-
Ending balances as at December 31,	<u>321,100</u>	<u>313,551</u>
<b>Accumulated amortization</b>		
Ending balances as at January 1,	213,499	195,808
Additions	14,840	17,691
Decreases	-	-
Ending balances as at December 31,	<u>228,339</u>	<u>213,499</u>
<b>Net book value</b>		
As at December 31, 2009		<u>92,761</u>
As at December 31, 2008		<u>100,052</u>

## 12. OTHER NON-CURRENT ASSETS

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

	<b>Consolidated</b>		<b>In Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Long-term deposits	126,314	121,296	94,800	93,600
Time deposits used as collateral (see Note 21)	5,476	1,941	1,976	1,941
Others	19,238	183	19,112	181
Total	<u>151,028</u>	<u>123,420</u>	<u>115,888</u>	<u>95,722</u>

## 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 consistent 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, 2009 and 2008 are as follows:

<b>Account name/ Company's name</b>	<b>Relationship</b>	<b>In Thousand Baht</b>			
		<b>As at December 31,</b>			
		<b>Consolidated</b>		<b>The Separate</b>	
		<b>Financial Statements</b>	<b>Financial Statements</b>	<b>2009</b>	<b>2008</b>
		<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>Revenues from sales</b>					
S&P Global Co., Ltd.	Subsidiary	-	-	1,117	319
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	339	570
HD Distributors (Thailand) Co., Ltd.	Associate	645	746	645	746
Foodhouse Catering Services Co., Ltd.	Associate	20,738	7,389	20,738	7,389
The Minor Food Group Public Co., Ltd.	Related company	34,385	41,019	34,385	41,019
Other related companies	Related company	9,686	11,581	9,686	11,581
		<u>65,454</u>	<u>60,735</u>	<u>66,910</u>	<u>61,624</u>
<b>Rental income from buildings and equipment</b>					
S&P Global Co., Ltd.	Subsidiary	-	-	360	360
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	936	661
HD Distributors (Thailand) Co., Ltd.	Associate	1,111	983	1,111	983
		<u>1,111</u>	<u>983</u>	<u>2,407</u>	<u>2,004</u>

Account name/ Company's name	Relationship	In Thousand Baht			
		As at December 31,			
		Consolidated Financial Statements		The Separate Financial Statements	
		2009	2008	2009	2008
<b>Other income</b>					
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	864	1,115
S&P Assets Co., Ltd.	Subsidiary	-	-	72	-
HD Distributors (Thailand) Co., Ltd.	Associate	907	869	907	869
		<u>907</u>	<u>869</u>	<u>1,843</u>	<u>1,984</u>
<b>Share of (loss) profit from investments recorded by the equity method</b>					
HD Distributors (Thailand) Co., Ltd.	Associate	1,763	2,147	-	-
Foodhouse Catering Services Co., Ltd.	Associate	(4,736)	(4,023)	-	-
Thai Developments SA (formerly Patara Development SA)	Indirect subsidiary	-	2,603	-	-
		<u>(2,973)</u>	<u>727</u>	<u>-</u>	<u>-</u>
<b>Dividend received</b>					
HD Distributors (Thailand) Co., Ltd.	Associate	-	-	194	3,860
		<u>-</u>	<u>-</u>	<u>194</u>	<u>3,860</u>
<b>Purchases of goods/services</b>					
S&P Assets Co., Ltd.	Subsidiary	-	-	225	919
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	3,300	3,151
HD Distributors (Thailand) Co., Ltd.	Associate	12,117	14,904	12,117	14,904
Directors	Directors	2,712	2,712	2,712	2,712
		<u>14,829</u>	<u>17,616</u>	<u>18,354</u>	<u>21,686</u>
<b>Directors' remunerations</b>	Directors	17,843	17,523	9,409	9,400

Balances with related companies as at December 31, 2009 and 2008 are as follows:

		In Thousand Baht			
		As at December 31,			
Account name/ Company's name	Relationship	Consolidated		The Separate	
		Financial Statements	Financial Statements	2009	2008
		2009	2008	2009	2008
<b>Trade Accounts Receivable</b>					
(Included in trade accounts receivable)					
S&P Global Co., Ltd.	Subsidiary	-	-	689	-
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	1,284	318
<u>Less</u> Allowance for doubtful account		-	-	(1,100)	-
		-	-	873	318
HD Distributors (Thailand) Co., Ltd.	Associate	197	201	197	201
Foodhouse Catering Services Co., Ltd.	Associate	7,000	7,392	7,000	7,392
The Minor Food Group Public Co., Ltd.	Related company	6,176	7,290	6,176	7,290
Other related companies	Related company	4,288	7,045	997	3,694
		<u>17,661</u>	<u>21,928</u>	<u>15,243</u>	<u>18,895</u>
<b>Short-term Loans to Related Companies</b>					
<b>Cash advance</b> (Interest rate per annum)					
S&P Global Co., Ltd. (3%)	Subsidiary	-	-	1,254	61
S&PizZanotti (Thailand) Limited (No interest)	Subsidiary	-	-	1,998	1,109
S&P Assets Co., Ltd. (No interest)	Subsidiary	-	-	8	-
<u>Less</u> Allowance for doubtful account - cash advance to a related company		-	-	(1,900)	-
		-	-	1,360	1,170
HD Distributors (Thailand) Co., Ltd. (No interest)	Associate	244	201	244	201
Other related companies (No interest)	Related company	-	52	-	-
		<u>244</u>	<u>253</u>	<u>1,604</u>	<u>1,371</u>
<b>Investments in subsidiaries and associates</b>					
S&P Global Co., Ltd.	Subsidiary	-	-	40,000	40,000
S&P Assets Co., Ltd.	Subsidiary	-	-	999	999
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	-	2,000
HD Distributors (Thailand) Co., Ltd.	Associate	47,348	45,779	48,998	48,998
Foodhouse Catering Services Co., Ltd.	Associate	(3,762)	974	-	4,997
Thai Developments SA (formerly Patara Development SA)	Indirect Subsidiary	-	7,552	-	-
		<u>43,586</u>	<u>54,305</u>	<u>89,997</u>	<u>96,994</u>
<b>Other current assets</b>					
(Included in the other current assets) (1)					
S&P Global Co., Ltd.	Subsidiary	8,405	-	-	-
S&P Restaurant Co., Ltd.	Indirect subsidiary	23,824	-	-	-
Thai Developments SA (formerly Patara Development SA)	Indirect subsidiary	1,968	-	-	-
		<u>34,197</u>	<u>-</u>	<u>-</u>	<u>-</u>

- (1) On August 11, 2009, the Board of Directors' meeting of S&P Syndicate Public Company Limited resolved to approve the participation by S&P Restaurants Ltd in England and Thai Development SA (formerly Patara Development SA) in Switzerland, which are indirect associates of S&P Syndicate Public Company Limited (S&P Global Company Limited holds 96% and 45%, respectively), for the investment in Patara Restaurant, Vienna GmbH which is operated as a Thai restaurant in Austria and such company has registered its share capital of Baht 9,672,000 (EUR 200,000). S&P Restaurants Co., Ltd. holds 70% and Thai Development SA (formerly Patara Development SA) holds 20% of Patara Restaurant, Vienna GmbH's share capital. During the year 2009, S&P Global Company Limited and such indirect associates paid for pre-operating expenses of Patara Restaurant, Vienna GmbH.

		<b>In Thousand Baht</b>			
		<b>As at December 31,</b>			
<b>Account name/ Company's name</b>	<b>Relationship</b>	<b>Consolidated</b>		<b>The Separate</b>	
		<b>Financial Statements</b>	<b>Financial Statements</b>	<b>Financial Statements</b>	<b>Financial Statements</b>
		<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>Trade Accounts Payable</b>					
(Included in trade accounts payable)					
S&P Assets Co., Ltd.	Subsidiary	-	-	111	98
S&PizZanotti (Thailand) Limited	Subsidiary	-	-	-	92
HD Distributors (Thailand) Co., Ltd.	Associate	1,313	3,008	1,313	3,008
		<u>1,313</u>	<u>3,008</u>	<u>1,424</u>	<u>3,198</u>
<b>Short-term loans from Related Companies</b>					
<b>Cash advance</b> (Interest rate per annum)					
S&P Global Co., Ltd. (No interest)	Subsidiary	-	-	29	145
HD Distributors (Thailand) Co., Ltd. (No interest)	Associate	114	122	114	122
		<u>114</u>	<u>122</u>	<u>143</u>	<u>267</u>

#### 14. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a legal reserve of at least 5 percent of net earnings after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital and the reserve is not available for distribution as dividends.

#### 15. EXPENSES BY NATURE

Net profit for the years ended December 31, 2009 and 2008 has been arrived at after charging of the following significant items:

	<b>In Thousand Baht</b>			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>Financial Statements</b>	<b>Financial Statements</b>	<b>Financial Statements</b>	<b>Financial Statements</b>
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Changes in inventories of finished goods and work in process decrease (increase)	7,215	(35,154)	7,215	(35,154)
Raw materials and consumables used	1,630,399	1,546,887	1,450,899	1,368,622
Depreciation and amortization	261,036	262,261	235,432	237,919
Employee expenses	1,121,795	1,069,210	879,591	849,376



## **16. APPROPRIATION OF EARNINGS AND DIVIDEND**

On August 11, 2009, 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 totalling Baht 52.34 million approximately. The Company paid such dividend on September 10, 2009.

On April 24, 2009, the Company's Ordinary Shareholders' Meeting held unanimously approved a dividend payment for 104,686,273 shares at Baht 1.65 per share, totalling Baht 172.73 million approximately. The Company paid such dividend on May 15, 2009.

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 totalling 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, totalling Baht 130.86 million approximately. The payment was paid on May 16, 2008 and also approved the appropriation of legal reserve amounting to Baht 2.11 million approximately.

In 2009 and 2008, the domestic subsidiaries paid no dividends.

## **17. PROVIDENT FUND**

The Company and domestic subsidiaries established the provident funds in compliance with the Provident Fund Act B.E. 2530. The funds are voluntarily joined by employees. Under the fund's regulations, the members contribute 2% of their monthly salary to the fund and the Company and the subsidiaries contribute 2% of such monthly salary. The funds will be paid to the employees upon termination in accordance with the rules of the provident fund.

For the years ended December 31, 2009 and 2008, the Company's contributions and subsidiaries' contributions to provident funds which were recorded as expenses in the consolidated statements of income were Baht 10.49 million and Baht 9.57 million, respectively.

For the years ended December 31, 2009 and 2008, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of income were Baht 10.32 million and Baht 9.43 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 and its subsidiaries do not apply any particular financial ratio to monitor its capital whilst manage their capital to be sufficient for their 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 to the financial statements.

### 19.2 Credit Risk

Credit risk refers to the risk that counterparty will default on its trading terms and conditions resulting in collection loss 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 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 and its subsidiaries in the current reporting period and in future years. The Company and its subsidiaries do not expect to incur material incremental effect on their interest expense because loans of the Company and its subsidiaries are 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 its subsidiaries in the current reporting period and in future years. The Company and its domestic subsidiaries do not expect to incur material incremental effect on their financial assets or liabilities in foreign currencies as the majority of their 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 such risk.

### 19.5 Estimated Fair Value of Financial Assets and Liabilities

For the fair value 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.

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

Long-term loan from financial institution, the carrying value is approximate its fair value due to having floating interest rate.

## 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 can be classified by segments, based on revenues, results of operations and assets, for the years ended December 31, 2009 and 2008 for the Company and its subsidiaries as follows:

For the year ended December 31, 2009:

Classified by Geographical Areas	In Thousand Baht		
	Domestic	Overseas	Total
Revenues from sales and revenues from services	4,021,102	679,042	4,700,144
Net profit before minority interest	278,353	19,895	298,248
Assets as at December 31, 2009	2,425,242	328,807	2,754,049

For the year ended December 31, 2008:

Classified by Geographical Areas	In Thousand Baht		
	Domestic	Overseas	Total
Revenues from sales and revenues from services	3,701,382	676,785	4,378,167
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

## 21. ASSETS USED AS COLLATERAL

The Company and its subsidiaries had assets used as collateral as follows:

- 21.1 As at December 31, 2009 and 2008, cash at banks of the Company in the approximate amount of Baht 1.98 million and Baht 1.94 million, respectively, was used as collateral against letters of guarantee from a bank for electricity usage (see Note 22).
- 21.2 As at December 31, 2009, 12 month fixed deposit account at a local commercial bank of S&P Global Co., Ltd. of Baht 3.5 million is pledged as collateral to an overseas commercial bank to issue a promissory note of NTD 3 million for Patio International Co., Ltd.

## 22. COMMITMENTS AND LETTER OF GUARANTEE

As at December 31, 2009 and 2008, the Company and its subsidiaries had commitments and letter of guarantee as follows:

22.1 Commitments to pay rental under long-term lease contracts are as follows:

### **Domestic branch rental expenses, and vehicles and computer equipment rental expenses**

	<b>2009</b>	<b>2008</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Within 1 year	207.17	178.28
More than 1 year but no longer than 5 years	281.52	220.38
Over 5 years	17.26	23.09

### **Overseas branch rental expenses**

	<b>2009</b>	<b>2008</b>
	<b>Million Pound</b>	<b>Million Pound</b>
	<b>sterling</b>	<b>sterling</b>
Within 1 year	0.33	0.41
More than 1 year but no longer than 5 years	0.77	1.15
Over 5 years	0.13	0.29

22.2 As at December 31, 2009 and 2008, the Company had outstanding capital commitments relating to hire of works and purchases of materials for construction of new branches and shops in the amount of Baht 6.32 million and Baht 8.42 million, respectively.

22.3 As at December 31, 2009 and 2008, the Company had a letter of guarantee issued by a commercial bank for electricity usage amounting to Baht 30.10 million and Baht 28.36 million, respectively (see Note 21).

## 23. CORPORATE INCOME TAX

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

**24. RECLASSIFICATION**

Leasehold right of Baht 106.03 million and Baht 100.05 million as at December 31, 2008 in the consolidated and the separate financial statements, respectively, which were previously included in intangible asset, has been reclassified to be separately presented as leasehold right to conform to the classification used in the consolidated and the separate financial statements as at December 31, 2009.

**25. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements were approved for issuance by the authorized director of the Company on February 8, 2010.