

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 financial statements of S&P Syndicate Public Company Limited and its subsidiaries and the separate financial statements of S&P Syndicate Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2013, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Thai Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the aforementioned consolidated and 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, 2013, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

BANGKOK
February 26, 2014

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

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012	2013	2012
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5.1	546,855,517	443,457,851	372,043,713	313,295,311
Temporary investments	6	439,211,582	831,527,004	427,086,031	825,090,407
Trade and other receivables	7 and 16	267,822,322	254,983,793	258,671,081	232,519,811
Short-term loans to related parties	8 and 16	7,500,000	7,500,000	81,468,780	7,500,000
Inventories	9	317,951,587	270,787,396	302,752,505	261,139,000
Other current assets		15,559,977	14,228,916	6,824,789	9,311,037
Total Current Assets		1,594,900,985	1,822,484,960	1,448,846,899	1,648,855,566
NON-CURRENT ASSETS					
Deposits used as collateral	10	4,470,604	24,338,760	583,660	20,583,660
Investments in associates	11 and 16	62,510,912	57,353,117	48,998,000	48,998,000
Investments in subsidiaries	11 and 16	-	-	105,996,000	50,998,700
Other long-term investment	12	10,000,000	10,000,000	10,000,000	10,000,000
Property, plant and equipment	13	1,489,904,511	1,222,471,723	1,181,361,609	975,652,424
Leasehold rights	14	92,429,955	87,411,313	70,041,731	69,982,080
Intangible assets	15	13,781,941	8,102,950	13,624,219	8,102,950
Long-term deposits		213,664,495	168,247,941	153,926,464	126,460,783
Deferred tax assets	17	24,788,661	18,603,956	24,710,502	18,525,797
Other non-current assets		32,700,893	29,149,966	18,082,779	11,976,765
Total Non-current Assets		1,944,251,972	1,625,679,726	1,627,324,964	1,341,281,159
TOTAL ASSETS		3,539,152,957	3,448,164,686	3,076,171,863	2,990,136,725

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

.....
Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012	2013	2012
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts	18	2,057,658	-	-	-
Trade and other payables	16 and 19	875,372,420	834,502,025	759,407,894	731,282,654
Current portion of long-term borrowings					
from financial institutions	20	24,357,908	35,103,805	-	-
Current portion of financial lease liabilities	21	1,808,476	3,440,248	1,808,476	3,440,248
Current income tax payable		109,311,235	130,770,440	100,082,814	122,049,612
Provision for customer loyalty programmes		5,075,237	3,161,274	5,075,237	3,161,274
Other current liabilities					
Value added tax payable		49,092,009	43,932,140	25,346,590	24,546,624
Others		19,316,205	22,374,374	16,126,631	14,032,584
Total Current Liabilities		<u>1,086,391,148</u>	<u>1,073,284,306</u>	<u>907,847,642</u>	<u>898,512,996</u>
NON-CURRENT LIABILITIES					
Long-term borrowings from					
financial institutions	20	41,486,591	78,295,475	-	-
Financial lease liabilities	21	1,146,312	3,179,535	1,146,312	3,179,535
Deferred tax liabilities	17	2,438,114	1,702,867	-	-
Employee benefit obligation	22	112,832,717	95,100,663	105,722,258	88,827,904
Other non-current liabilities		3,643,604	3,817,703	-	-
Total Non-current Liabilities		<u>161,547,338</u>	<u>182,096,243</u>	<u>106,868,570</u>	<u>92,007,439</u>
TOTAL LIABILITIES		<u>1,247,938,486</u>	<u>1,255,380,549</u>	<u>1,014,716,212</u>	<u>990,520,435</u>

.....
Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012	2013	2012
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	23				
Authorized share capital					
98,081,673 ordinary shares of Baht 5 each		490,408,365		490,408,365	
104,686,273 ordinary shares of Baht 5 each			523,431,365		523,431,365
Issued and paid-up share capital					
98,081,673 ordinary shares of Baht 5 each, fully paid		490,408,365		490,408,365	
104,686,273 ordinary shares of Baht 5 each, fully paid			523,431,365		523,431,365
PREMIUM ON ORDINARY SHARES		689,980,549	689,980,549	689,980,549	689,980,549
RETAINED EARNINGS					
Appropriated					
Legal reserve	24	52,343,137	52,343,137	52,343,137	52,343,137
Treasury shares reserve	25	-	250,951,475	-	250,951,475
Unappropriated		989,365,404	894,293,806	827,116,364	732,254,003
OTHER COMPONENTS OF					
SHAREHOLDERS' EQUITY		(19,399,317)	(33,215,222)	1,607,236	1,607,236
TOTAL ATTRIBUTIONS TO OWNERS					
OF THE PARENT		2,202,698,138	2,377,785,110	2,061,455,651	2,250,567,765
TREASURY SHARES	25	-	(250,951,475)	-	(250,951,475)
NON-CONTROLLING INTERESTS		88,516,333	65,950,502	-	-
TOTAL SHAREHOLDERS' EQUITY		2,291,214,471	2,192,784,137	2,061,455,651	1,999,616,290
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,539,152,957	3,448,164,686	3,076,171,863	2,990,136,725

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

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012	2013	2012
Revenues from sales and services		7,000,152,983	6,526,636,529	6,046,715,384	5,663,165,823
Cost of sales and services		(3,804,207,560)	(3,464,754,481)	(3,547,575,068)	(3,242,804,296)
Gross profit		3,195,945,423	3,061,882,048	2,499,140,316	2,420,361,527
Net gain on exchange rate		9,656,246	1,001,221	5,164,572	420,973
Dividend income		-	-	3,859,840	3,389,860
Gain on sale of investment of a subsidiary		-	19,046,296	-	-
Unrealised gain on revaluation of temporary investments		6,792,444	13,877,216	6,792,115	13,877,276
Interest income		8,295,673	16,177,590	8,751,210	15,755,571
Other income		69,300,480	57,994,884	57,672,326	45,811,037
Selling expenses		(271,225,555)	(206,443,559)	(247,798,917)	(205,067,886)
Administrative expenses		(2,175,675,961)	(1,992,742,812)	(1,517,468,227)	(1,352,606,686)
Management benefit expenses		(50,106,257)	(52,425,198)	(39,439,986)	(42,932,027)
Finance costs		(4,277,009)	(4,646,930)	(122,836)	(8,317)
Share of profits of associates		9,017,635	18,434,395	-	-
Profit before income tax expenses		797,723,119	932,155,151	776,550,413	899,001,328
Income tax expense	17	(163,093,118)	(219,608,912)	(150,741,432)	(210,505,591)
PROFIT FOR THE YEAR		634,630,001	712,546,239	625,808,981	688,495,737
OTHER COMPREHENSIVE INCOME (LOSS)					
Exchange differences on translation of financial statements		17,616,356	4,794,996	-	-
Unrealized gain on revaluation of available-for-sales securities		188,625	141,248	-	-
Income tax relating to components of other comprehensive income (loss)		(37,728)	1,588,486	-	1,607,236
Actuarial loss on defined employee benefit plan		-	(9,128,411)	-	(8,036,182)
OTHER COMPREHENSIVE INCOME (LOSS)		17,767,253	(2,603,681)	-	(6,428,946)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		652,397,254	709,942,558	625,808,981	682,066,791

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE		
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
		2013	2012	2013	2012	
PROFIT ATTRIBUTABLE TO:						
Owners of the Parent		626,018,218	707,805,927	625,808,981	688,495,737	
Non-controlling interests		8,611,783	4,740,312	-	-	
		<u>634,630,001</u>	<u>712,546,239</u>	<u>625,808,981</u>	<u>688,495,737</u>	
TOTAL COMPREHENSIVE INCOME						
ATTRIBUTABLE TO:						
Owners of the Parent		639,834,123	702,610,988	625,808,981	682,066,791	
Non-controlling interests		12,563,131	7,331,570	-	-	
		<u>652,397,254</u>	<u>709,942,558</u>	<u>625,808,981</u>	<u>682,066,791</u>	
BASIC EARNINGS PER SHARE	BAHT	26	6.38	7.22	6.38	7.02
WEIGHTED AVERAGE NUMBER						
OF ORDINARY SHARES	SHARES	26	98,081,673	98,081,673	98,081,673	98,081,673

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

.....
Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013
CONSOLIDATED FINANCIAL STATEMENTS

UNIT : BAHT

Notes	Equity attributable to owners of the parent								Total attributions to owners of the parent	Treasury shares	Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity			Total					
			Appropriated		Unappropriated	Other comprehensive income (loss)							
			Legal reserve	Treasury shares reserve		Exchange differences on translation of financial statements	Unrealized gain on revaluation of available-for-sale securities						Income tax relating to components of other comprehensive income (loss)
BEGINNING BALANCE													
AS AT JANUARY 1, 2012	523,431,365	689,980,549	52,343,137	250,951,475	612,463,400	(37,365,327)	282,665	(66,032)	2,092,021,232	(250,951,475)	69,200,616	1,910,270,373	
Decrease in non-controlling interests resulting from sale of investment of a subsidiary	-	-	-	-	-	-	-	-	-	-	(5,768,571)	(5,768,571)	
Total comprehensive income for the year ended December 31, 2012	-	-	-	-	698,677,516	2,203,738	141,248	1,588,486	702,610,988	-	7,331,570	709,942,558	
Dividends paid 27	-	-	-	-	(416,847,110)	-	-	-	(416,847,110)	-	-	(416,847,110)	
Dividends paid to non-controlling interests 27	-	-	-	-	-	-	-	-	-	-	(4,813,113)	(4,813,113)	
ENDING BALANCE													
AS AT DECEMBER 31, 2012	<u>523,431,365</u>	<u>689,980,549</u>	<u>52,343,137</u>	<u>250,951,475</u>	<u>894,293,806</u>	<u>(35,161,589)</u>	<u>423,913</u>	<u>1,522,454</u>	<u>2,377,785,110</u>	<u>(250,951,475)</u>	<u>65,950,502</u>	<u>2,192,784,137</u>	

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013
CONSOLIDATED FINANCIAL STATEMENTS

UNIT : BAHT

Notes	Equity attributable to owners of the parent								Total attributions to owners of the parent	Treasury shares	Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity			Total					
			Appropriated		Unappropriated	Other comprehensive income (loss)							
			Legal reserve	Treasury shares reserve		Exchange differences on translation of financial statements	Unrealized gain on revaluation of available-for-sale securities						Income tax relating to components of other comprehensive income (loss)
BEGINNING BALANCE													
AS AT JANUARY 1, 2013		523,431,365	689,980,549	52,343,137	250,951,475	894,293,806	(35,161,589)	423,913	1,522,454	2,377,785,110	(250,951,475)	65,950,502	2,192,784,137
Capital reduction and write-off of													
treasury shares	23 and 25	(33,023,000)	-	-	-	(217,928,475)	-	-	-	(250,951,475)	250,951,475	-	-
Reversal of treasury shares reserve	25	-	-	-	(250,951,475)	250,951,475	-	-	-	-	-	-	-
Increase in non-controlling interests													
resulting from investing in a subsidiary		-	-	-	-	-	-	-	-	-	-	11,828,742	11,828,742
Total comprehensive income													
for the year ended December 31, 2013		-	-	-	-	626,018,218	13,665,008	188,625	(37,728)	639,834,123	-	12,563,131	652,397,254
Dividends paid	27	-	-	-	-	(563,969,620)	-	-	-	(563,969,620)	-	-	(563,969,620)
Share dividends paid by subsidiary	27	-	-	-	-	-	-	-	-	-	-	(1,826,042)	(1,826,042)
ENDING BALANCE													
AS AT DECEMBER 31, 2013		<u>490,408,365</u>	<u>689,980,549</u>	<u>52,343,137</u>	<u>-</u>	<u>989,365,404</u>	<u>(21,496,581)</u>	<u>612,538</u>	<u>1,484,726</u>	<u>2,202,698,138</u>	<u>-</u>	<u>88,516,333</u>	<u>2,291,214,471</u>

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

.....
Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013
SEPARATE FINANCIAL STATEMENTS

UNIT : BAHT

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Other components of shareholders' equity Other comprehensive income Income tax relating to components of other comprehensive income	Treasury shares	Total Shareholders' equity
				Appropriated					
				Legal reserve	Treasury shares reserve	Unappropriated			
BEGINNING BALANCE AS AT JANUARY 1, 2012		523,431,365	689,980,549	52,343,137	250,951,475	468,641,558	-	(250,951,475)	1,734,396,609
Total comprehensive income for the year ended									
December 31, 2012		-	-	-	-	680,459,555	1,607,236	-	682,066,791
Dividends paid	27	-	-	-	-	(416,847,110)	-	-	(416,847,110)
ENDING BALANCE AS AT DECEMBER 31, 2012		<u>523,431,365</u>	<u>689,980,549</u>	<u>52,343,137</u>	<u>250,951,475</u>	<u>732,254,003</u>	<u>1,607,236</u>	<u>(250,951,475)</u>	<u>1,999,616,290</u>
BEGINNING BALANCE AS AT JANUARY 1, 2013		523,431,365	689,980,549	52,343,137	250,951,475	732,254,003	1,607,236	(250,951,475)	1,999,616,290
Capital reduction and write-off of treasury shares	23 and 25	(33,023,000)	-	-	-	(217,928,475)	-	250,951,475	-
Reversal of treasury shares reserve	25	-	-	-	(250,951,475)	250,951,475	-	-	-
Total comprehensive income for the year ended									
December 31, 2013		-	-	-	-	625,808,981	-	-	625,808,981
Dividends paid	27	-	-	-	-	(563,969,620)	-	-	(563,969,620)
ENDING BALANCE AS AT DECEMBER 31, 2013		<u>490,408,365</u>	<u>689,980,549</u>	<u>52,343,137</u>	<u>-</u>	<u>827,116,364</u>	<u>1,607,236</u>	<u>-</u>	<u>2,061,455,651</u>

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

.....
Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax expenses		797,723,119	932,155,151	776,550,413	899,001,328
Adjustments :					
Depreciation and amortization		289,618,044	260,492,459	244,497,777	217,593,590
Unrealized gain on exchange rate		(822,941)	(694,782)	(1,693,580)	(14,577)
Unrealized gain on revaluation of temporary investments		(6,792,444)	(14,159,941)	(6,792,115)	(13,877,276)
Doubtful account-trade receivable		31,800	-	-	-
Doubtful account-cash advance to a related company		-	-	460,541	-
Share of profits of associates		(9,017,635)	(18,434,395)	-	-
Gain on sale of investment of a subsidiary		-	(19,046,296)	-	-
Loss on impairment of property, plant and equipment		53,000	1,000,000	53,000	1,000,000
Loss on write-off of property, plant and equipment		14,069,481	15,496,078	10,852,176	3,917,696
Loss on write-off of leasehold rights		773,942	-	773,942	-
Gain on sales of temporary investments		(3,919,357)	-	(3,919,357)	-
Gain on sales of property, plant and equipment		(1,761,875)	(593,450)	(1,761,875)	(593,450)
Dividend received from an associated		-	-	(3,859,840)	(3,389,860)
Employee benefit obligation expenses		17,732,054	15,592,543	16,894,354	14,838,766
Interest income		(8,295,673)	(16,177,590)	(8,751,210)	(15,755,571)
Interest expense		4,277,009	4,646,930	122,836	8,317
Profit from operations before changes in operating assets and liabilities		1,093,668,524	1,160,276,707	1,023,427,062	1,102,728,963
Operating assets (increase) decrease					
Trade and other receivables		(12,870,329)	(41,992,214)	(26,611,811)	(47,919,082)
Inventories		(47,164,191)	(31,277,696)	(41,613,505)	(33,301,226)
Other current assets		(3,368,197)	5,884,497	449,112	1,720,418
Long-term deposits		(45,416,554)	(14,844,405)	(27,465,681)	(12,667,836)
Other non-current assets		(3,550,927)	(11,124,676)	(6,106,014)	5,818,802
Operating liabilities increase (decrease)					
Trade and other payables		18,453,939	101,225,790	7,127,937	98,145,544
Provision for customer loyalty programmes		1,913,963	1,398,432	1,913,963	1,398,432
Value added tax payable		5,159,869	24,465	799,966	125,134
Other current liabilities		(3,058,169)	8,789,126	2,094,047	3,159,670
Other-non current liabilities		(174,099)	41,780	-	-
Cash received from operations		1,003,593,829	1,178,401,806	934,015,076	1,119,208,819
Cash received for interest		10,332,809	18,204,622	10,788,346	17,782,603
Cash paid for employee benefit		-	(2,770,139)	-	(999,138)
Cash paid for interest		(4,015,091)	(4,646,930)	(122,836)	(8,317)
Cash paid for income tax		(190,039,509)	(244,453,535)	(178,892,935)	(238,400,556)
Net cash provided by operating activities		819,872,038	944,735,824	765,787,651	897,583,411

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2013

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2013	2012	2013	2012
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash payments for short-term loans to related parties		-	-	(77,905,173)	-
Cash received for short-term loans to a related party		-	-	4,996,188	-
Increase in deposit used as collateral		20,000,000	(3,755,100)	20,000,000	-
Cash payments for investment in temporary investments		(766,784,152)	(441,487,548)	(761,284,152)	(441,769,966)
Cash received from sales of temporary investments		1,170,000,000	-	1,170,000,000	-
Dividend received from an associate		3,859,840	3,389,860	3,859,840	3,389,860
Cash payment for investment in a subsidiary		-	-	(54,997,300)	(9,999,400)
Cash received from sale of investment of a subsidiary		-	19,360,012	-	-
Cash payment for other long-term investment		-	(10,000,000)	-	(10,000,000)
Cash payment for purchases of property, plant and equipment		(511,551,373)	(291,740,303)	(423,624,463)	(263,507,698)
Proceeds from sales of property, plant and equipment		2,093,193	1,128,304	2,093,193	1,128,304
Cash payments for purchases of intangible assets		(9,433,025)	(5,501,540)	(9,273,025)	(5,501,540)
Cash payments for purchases of leasehold rights		(16,326,000)	(2,245,868)	(10,980,000)	-
Net cash used in investing activities		<u>(108,141,517)</u>	<u>(730,852,183)</u>	<u>(137,114,892)</u>	<u>(726,260,440)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (decrease) in bank overdrafts		2,057,658	(1,579,573)	-	-
Cash repayments for long-term borrowings from financial institutions		(72,554,781)	(16,649,000)	-	-
Cash received from long-term borrowings from financial institutions		25,000,000	10,431,000	-	-
Dividends paid to non-controlling interests		-	(4,813,113)	-	-
Cash repayments for financial lease liabilities		(6,645,900)	(4,710,247)	(6,645,900)	(4,710,247)
Dividends paid		(563,912,242)	(416,831,271)	(563,912,242)	(416,831,271)
Cash received from increase in non-controlling interests resulting from investing in a subsidiary		10,002,700	-	-	-
Net cash used in financing activities		<u>(606,052,565)</u>	<u>(434,152,204)</u>	<u>(570,558,142)</u>	<u>(421,541,518)</u>
Unrealized exchange loss of cash and cash equivalents		691,097	14,556	633,785	14,577
Exchange rate differences on translation of financial statements		(2,971,387)	(9,076,714)	-	-
Net increase (decrease) in cash and cash equivalents		<u>103,397,666</u>	<u>(229,330,721)</u>	<u>58,748,402</u>	<u>(250,203,970)</u>
Cash and cash equivalents as at January 1,		<u>443,457,851</u>	<u>672,788,572</u>	<u>313,295,311</u>	<u>563,499,281</u>
CASH AND CASH EQUIVALENTS					
AS AT DECEMBER 31,	5.1	<u>546,855,517</u>	<u>443,457,851</u>	<u>372,043,713</u>	<u>313,295,311</u>

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

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

S&P SYNDICATE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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.

On July 1, 2013, the Company moved its head office from No. 457- 457/6 Soi Sukhumvit 55 (Soi Thonglor), Sukhumvit Road, Klongtonnua, Vadhana, Bangkok 10110 to Italthai Tower, 23rd - 24th Floor, No. 2034/100 - 107, New Petchburi Road, Bangkok, Huay Kwang, Bangkok 10310.

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 CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

2.1 Basis for preparation and presentation of the financial statements

The consolidated and the separate financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2009) “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2011 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and financial performance of the listed companies B.E. 2544. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement B.E. 2554” dated September 28, 2011.

The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards.

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.

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

- 2.2 The Federation of Accounting Professions issued the Notifications regarding Thai Financial Reporting Standards (TFRS) which are effective for the financial statements for the accounting periods beginning on or after January 1, 2013 onwards as follows;

Thai Accounting Standards (“TAS”)

TAS 12	Income Taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates

Thai Financial Reporting Standards (“TFRS”)

TFRS 8	Operating Segments
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Thai Accounting Standards Interpretations (“TSI”)

TSI 10	Government Assistance - No Specific Relation to Operating Activities
TSI 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSI 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The adoption of those TFRS have no material impact on the financial statements. The Company elected to early adopt TAS 12 “Income Taxes” since the year ended December 31, 2011.

- 2.3 The Federation of Accounting Professions has issued the Notifications regarding the new and revised Thai Accounting Standard (“TAS”), Thai Financial Reporting Standards (“TFRSs”), Thai Accounting Standard Interpretation (“TSI”) and Thai Financial Reporting Interpretations (“TFRI”) as follows:

- 1) Thai Accounting Standard (TAS), Thai Financial Reporting Standard (TFRS), Thai Accounting Standard Interpretation (TSI) and Thai Financial Reporting Interpretation (TFRI) which are effective for the financial statements for the periods beginning on or after January 1, 2014:

Thai Accounting Standard (TAS)

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interests in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of assets
TAS 38 (Revised 2012)	Intangible Assets

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

The Financial Reporting Standard (TFRS)

TFRS 2 (Revised 2012)	Share-based Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

Thai Accounting Standard Interpretation (TSI)

TSI 15	Operating Leases - Incentives
TSI 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSI 29	Disclosure - Service Concession Arrangements
TSI 32	Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations (TFRI)

TFRI 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	Determining Whether an Arrangement Contains a Lease
TFRI 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	Interim Financial Reporting and Impairment
TFRI 12	Service Concession Arrangements
TFRI 13	Customer Loyalty Programmes
TFRI 17	Distributions of Non-cash Assets to Owners
TFRI 18	Transfers of Assets From Customers

- 2) TFRS which is effective for the financial statements for the periods beginning on or after January 1, 2016:

Thai Financial Reporting Standard (TFRS)

TFRS 4	Insurance Contracts
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The Company and its subsidiaries' management will adopt the above relevant TAS, TFRS, TSI and TFRI in the preparation of the Company's and its subsidiaries' financial statements when they become effective. The management is currently assessing the full impact on the Company's and its subsidiaries' financial statements in the period of initial application. However, the Company elected to early adopt TFRI 13 "Customer Loyalty Programmes" since the year ended December 31, 2011.

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

2.4 Basis for preparation of consolidated financial statements

The consolidated financial statements for the years ended December 31, 2013 and 2012, include the financial statements of the Company 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 shareholdings (%)	
			As at December 31, 2013	2012
Subsidiaries				
S&P Global Co., Ltd.	Investment in other companies	Thailand	80.00	80.00
S&P Asset Co., Ltd.	Office rental	Thailand	99.93	99.93
S&P Food Solution Co., Ltd.	Restaurant	Thailand	99.99	99.99
	(Ceased operation)			
S&P International Foods Co., Ltd. ⁽¹⁾	Restaurant	Thailand	99.99	99.99
Umenohana S&P Co., Ltd. ⁽²⁾	Restaurant	Thailand	59.99	-

- (1) On July 5, 2012, the Board of Executive Directors' meeting of S&P Syndicate Public Company Limited passed a resolution to approve an investment in S&P International Foods Co., Ltd. with the authorized share capital of Baht 10,000,000. S&P Syndicate Public Company Limited holds 99.99% of the S&P International Foods Co., Ltd.'s authorized share capital.

On December 9, 2013, the Extraordinary Shareholders' meeting of the Company passed the resolution to increase the share capital of S&P International Foods Co., Ltd. from Baht 10 million to Baht 50 million by issuing 400,000 new ordinary shares of Baht 100 each, totalling Baht 40 million, which will be sold to S&P Syndicate Public Company Limited for 399,994 shares, in the amount of Baht 39,999,400 and already registered with the Department of Business Development, Ministry of Commerce.

- (2) On December 15, 2012, S&P Syndicate Public Company Limited has entered into the joint venture agreement with Umenohana Company Limited, a limited company registered under the law of Japan, to form a limited liability joint venture company named Umenohana S&P Co., Ltd. The core business of joint venture is the operation of the shops and restaurants under the trademark stated in the agreement.

Subsequently, on February 26, 2013, the Board of Directors' meeting of S&P Syndicate Public Company Limited passed a resolution to approve an investment in Umenohana S&P Co., Ltd. with the registered share capital of Baht 25 million. S&P Syndicate Public Co., Ltd. holds 59.99% of the Umenohana S&P Co., Ltd.'s issued and paid-up share capital. As the Company has the power to govern the financial and operating policies of Umenohana S&P Co., Ltd. Therefore, such company is the Company's subsidiary.

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

Additionally, the consolidated financial statements include the results from the financial statements of overseas subsidiaries, in which S&P Global Co., Ltd., a subsidiary, has a shareholding, as such subsidiary has been given authority to provide technical assistance to, and management of overseas Thai food restaurants owned by the subsidiary under agreements as follows:

	Business type	Country of registration	Percentage of shareholdings (%)	
			As at December 31, 2013	2012
Shares held directly by S&P Global Co., Ltd.				
S&P Restaurant Limited ⁽⁸⁾	Restaurant	United Kingdom	96.00	96.00
Patara (Geneva) SA	Restaurant	Switzerland	62.00	62.00
Patara Fine Thai Cuisine Pte. Ltd. ⁽⁶⁾ (formerly 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)	Restaurant	Taiwan	50.00	50.00
Patio International Limited ⁽¹⁾ (Ceased operation)	Restaurant	Taiwan	60.00	60.00
Patara International Restaurant Management (Beijing) Co., Ltd. ⁽⁷⁾	Restaurant	The People's Republic of China	91.86	91.25
Patara Restaurant, Vienna GmbH ⁽²⁾	Restaurant	Austria	52.30	52.30
Shares held indirectly by Patara Fine Thai Cuisine Pte. Ltd. (formerly Theme Foods Pte. Ltd.)				
Siam Kitchen Sdn. Bhd. ⁽³⁾ (Ceased operation)	Restaurant	Malaysia	99.99	99.99
Shares held indirectly by S&P Restaurant Limited				
Patara Fine Thai Cuisine Limited ⁽⁴⁾ (No operation)	Restaurant	United Kingdom	96.00	96.00
Suda Limited ⁽⁴⁾ (No operation)	Restaurant	United Kingdom	96.00	96.00
Patara Restaurant, Vienna GmbH ⁽²⁾	Restaurant	Austria	40.80	40.80
Shares held indirectly by SK Catering Pte. Ltd.				
Bangkok Jam Co., Ltd.	Restaurant	Taiwan	50.00	50.00
Bangkok Jam Sdn. Bhd ⁽⁵⁾	Restaurant	Malaysia	50.00	50.00

(1) During the year 2007, Patara Taiwan Company Limited has ceased its operation and its assets had been transferred to Patio International Limited.

In October 2011, Patio International Limited ceased its operation and its fixed assets were sold to Bangkok Jam Co., Ltd. Subsequently, in December 2011, the Company registered the dissolution.

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

- (2) During August 2012, Thai Development SA transferred its shares in Patara Restaurant, Vienna GmbH of 16,000 shares or equivalent to 2.3% of paid-up share capital to S&P Global Co., Ltd. As a result, S&P Global Co., Ltd. directly held the shares of Patara Restaurant, Vienna GmbH increased from 50% to 52.3%.

In addition, the result of the disposal of the shares of Thai Development SA held by S&P Global Co., Ltd. has effected the portion of shares indirectly held by S&P Global Co., Ltd. in Patara Restaurant, Vienna GmbH to be decreased from 43.05% to 40.80%.

- (3) During the year 2005, Siam Kitchen Sdn. Bhd. has ceased its operations in Malaysia and is in process of dissolution.
- (4) S&P Restaurant Limited invested in Patara Fine Thai Cuisine Limited in 2006 and invested in SUDA Limited in 2010 in the amount of Pound 1 in each company, which is 100% holding of issued and paid-up share capital of each company. Those companies have never been operated. As a result, S&P Global Co., Ltd. indirectly held the shares of Patara Fine Thai Cuisine Limited and SUDA Limited by 96%.

- (5) On December 3, 2011, the Board of Directors' meeting of SK Catering Pte. Ltd. passed a resolution to approve an investment in Bangkok Jam Sdn. Bhd., which has authorized share capital of MYR 100,000, and has issued and paid-up share capital of MYR 2, held by SK Catering Pte. Ltd. amounting to MYR 1 or at 50% of paid-up share capital.

In February 2012, Bangkok Jam Sdn. Bhd. increased its authorized share capital from MYR 100,000 to MYR 500,000. SK Catering Pte. Ltd. additionally invested amounting to MYR 349,998. As a result, total issued and paid-up share capital of Bangkok Jam Sdn. Bhd. is MYR 350,000. Thus, SK Catering Pte. Ltd. has the portion of investment increasing from 50% to 100%. Therefore, S&P Global Co., Ltd. indirectly held shares of Bangkok Jam Sdn. Bhd. at 50%.

- (6) On March 20, 2013, Theme Foods Pte. Ltd. registered to change its company name to Patara Fine Thai Cuisine Pte. Ltd.
- (7) On February 21, 2013, S&P Global Co., Ltd. paid the remaining share capital increase of Patara International Restaurant Management (Beijing) Co., Ltd., a subsidiary of S&P Global Co., Ltd. of RMB 300,000 (equivalent to Baht 1.46 million).
- (8) On September 25, 2013, the Board of Directors' meeting of S&P Restaurant Limited ("the subsidiary") approved the dividend payment as ordinary shares of the subsidiary for 900,000 ordinary shares to the shareholders of the subsidiary at the rate of 1 former ordinary share for 9 dividend ordinary shares at par value Pound 1 per share totally of Pound 900,000 (equivalent to Baht 45.65 million). The extraordinary shareholders' meeting of the subsidiary also approved the capital increase by increasing the authorized share capital from 100,000 ordinary shares to 1,000,000 ordinary shares. On September 30, 2013, the subsidiary had registered the capital increase with the government authority of the United Kingdom.

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, 2013 and 2012, does not include the interim financial information of Siam Kitchen Sdn. Bhd., which is a subsidiary registered in Malaysia which is owned by Patara Fine Thai Cuisine Pte. Ltd. (formerly Theme Foods Pte. Ltd.) as the amount is immaterial. As at December 31, 2013 and 2012, the carrying value of such investment is nil.

The consolidated financial statements for the years ended December 31, 2013 and 2012, included 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 Patara Fine Thai Cuisine Pte. Ltd. (formerly Theme Foods Pte. Ltd.), respectively.

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

Assets and investments recorded by the equity method as at December 31, 2013 and 2012, revenues and the share of profits from investments recorded by the equity method in associates for the years ended December 31, 2013 and 2012 accounted for by the percentage of total assets, net assets (total assets net of total liabilities), consolidated revenues and total net profit, respectively, in the consolidated financial statements are summarized below:

COMPANY'S NAME	CONSOLIDATED FINANCIAL STATEMENTS							
	Assets of subsidiaries as percentage of total assets As at December 31,		Investments recorded by the equity method as percentage of net assets As at December 31,		Revenues as percentage of consolidated revenues for the years ended December 31,		Share of profits as percentage of net profit for the years ended December 31,	
	2013	2012	2013	2012	2013	2012	2013	2012
Shares held by S&P Syndicate Public Company Limited								
Subsidiaries:								
S&P Global Co., Ltd. and subsidiaries (Proportion of subsidiaries of S&P Global Co., Ltd. are presented below)	14.41	13.43	-	-	12.60	12.86	-	-
S&P Asset Co., Ltd.	0.52	0.45	-	-	0.14	0.14	-	-
S&P Food Solution Co., Ltd.	0.01*	0.01*	-	-	-	-	-	-
S&P International Foods Co., Ltd.	2.55	0.78	-	-	0.64	0.09	-	-
Umenohana S&P Co., Ltd.	0.93	-	-	-	0.20	-	-	-
Associates:								
HD Distributors (Thailand) Co., Ltd.	-	-	2.67*	2.62*	-	-	1.64*	2.60*
Foodhouse Catering Service Co., Ltd.	-	-	0.06*	-	-	-	0.30*	-
	<u>18.42</u>	<u>14.67</u>	<u>2.73</u>	<u>2.62</u>	<u>13.58</u>	<u>13.09</u>	<u>1.94</u>	<u>2.60</u>

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

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

COMPANY'S NAME	CONSOLIDATED FINANCIAL STATEMENTS							
	Assets of subsidiaries as percentage of total assets As at December 31,		Investments recorded by the equity method as percentage of net assets As at December 31,		Revenues as percentage of consolidated revenues for the years ended December 31,		Share of profit as percentage of net profit for the years ended December 31,	
	2013	2012	2013	2012	2013	2012	2013	2012
Shares held directly by S&P Global Co., Ltd.								
S&P Restaurant Limited	6.50	5.41	-	-	4.76	4.66	-	-
Patara (Geneva) SA	0.66*	0.53*	-	-	1.07*	1.12*	-	-
Patara Fine Thai Cuisine Pte. Ltd. (formerly Theme Foods Pte. Ltd.)	0.40*	0.34*	-	-	0.70*	0.81*	-	-
SK Catering Pte. Ltd.	2.77*	2.81*	-	-	4.26*	3.34*	-	-
Patara Taiwan Company Limited	0.01*	0.01*	-	-	-	-	-	-
Patio International Limited	-	-	-	-	-	-	-	-
Thai Developments SA	-	-	-	-	-	0.89*	-	-
Patara International Restaurant Management (Beijing) Co., Ltd.	0.42*	0.39*	-	-	0.26*	0.25*	-	-
Patara Restaurant, Vienna GmbH	1.80*	1.91*	-	-	0.73*	0.77*	-	-
	<u>12.56</u>	<u>11.40</u>	<u>-</u>	<u>-</u>	<u>11.78</u>	<u>11.84</u>	<u>-</u>	<u>-</u>
Shares held directly by SK Catering Pte. Ltd.								
Bangkok Jam Co., Ltd.	0.52*	0.75*	-	-	0.54*	0.79*	-	-
Bangkok Jam Sdn. Bhd	0.28*	0.37*	-	-	0.28*	0.23*	-	-
	<u>13.36</u>	<u>12.52</u>	<u>-</u>	<u>-</u>	<u>12.60</u>	<u>12.86</u>	<u>-</u>	<u>-</u>

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

.....
Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the significant accounting policies as follows:

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and all types of deposits at financial institutions with the original maturities of three months or less from the date of acquisition, excluding deposit at financial institutions 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 comprehensive 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.

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 of each receivable.

3.4 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 four 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 associates and subsidiaries

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

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

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

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

3.6 Other long-term investment

Other long-term investment is debt security which the Company has the intent and ability to hold it until maturity is classified as held-to-maturity and carried at the amortized cost, net of valuation allowances for impairment, if any.

3.7 Property, plant and equipment

Land of the Company is stated at cost less provision for impairment, if any.

Plant and equipment of the Company and its domestic and overseas subsidiaries are stated at cost, less accumulated depreciation and provision for impairment, if any.

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

Buildings and building improvements	5 - 30 years
Factory buildings	5 - 30 years
Machinery and equipment	5 - 15 years
Office furniture and equipment	3 - 5 years
Vehicles	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 comprehensive income.

Dismantling, moving and renovating assets location cost which the Company obligates when receiving such asset. The Company recognizes them at the cost of assets and depreciates them.

3.8 Intangible asset

Intangible asset consists of software development cost.

Intangible asset is stated at costs less accumulated amortization.

Amortization is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

Software development costs	5 years
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3.9 Leasehold rights

Leasehold rights of the Company and its subsidiaries consist of leasehold rights for land and building, which are stated at cost, less accumulated amortization.

Amortization of leasehold rights of the Company and its subsidiaries are being calculated by using the straight-line method over the lease periods as follows:

Leasehold rights of the Company - land and building	3 - 30 years
Leasehold rights of subsidiaries - building	15 - 20 years

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

3.10 Provision for customer loyalty programm

The provision for customer loyalty programm represents current obligations arising from reward point program granted to the Company's customers, which is calculated based on the estimates of redemption rate of the accumulated points used by the customers for the rewards and the average prices of the rewards and is presented as current liabilities in the statement of financial position.

3.11 Employee benefit obligation

The Company and its subsidiaries have accounted for post-employment benefits obligation under the Thai Labor Protection Act based on actuarial assumptions using Projected Unit Credit Method at the end of reporting period, such as discount rates, inflation rates, expected rates of salary increase and turnover rates.

The expense for defined employee benefit plans is recognized as personnel expenses in the statement of comprehensive income.

The actuarial gains (losses) are recognized in other comprehensive income and transferred immediately to the retained earnings in the period in which they arise.

3.12 Lease

Operating lease

Long-term lease for assets which a significant portion of the risks and rewards of ownership are still retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive 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 fair value of the equipment at the contractual date or estimated present value of the underlying lease payments. 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 comprehensive income.

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

3.13 Provident fund

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

3.14 Foreign currency transactions

Transactions in foreign currencies occurred 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 comprehensive 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 statements of financial position 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.

3.15 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. For domestic sales, title is considered to have passed when goods are dispatched to customers. For export sales, sales are recognized when goods are shipped and significant risks and rewards are passed to the buyer according to the shipment term. Sales are presented by deducting discounts, purchase volume discount and goods returned.

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

Revenues from dividend from investments are recognized as income when the dividend is declared.

Other income are recognized on an accrual basis.

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

3.16 Income tax

Income tax - income (expense) represent the sum of the tax currently payable and deferred tax.

3.16.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it includes items of expenses that are tax deductible and it further excludes items of income or expense that are not taxable or non-deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date.

3.16.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available for utilizing all or part of the deferred tax assets.

Deferred tax assets and liabilities are measured at the tax rates those are expected to apply in the period in which the asset is realized or the liability settled, based on tax rates that have been enacted or substantively enacted by the statement of financial position date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and the Company intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

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Kessuda Raiva
Director

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis or to realized the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Income tax - income (expense) related to profit or loss from normal activities are presented in the statement of comprehensive income except for current and deferred taxes of related items that recognized directly in the shareholders' equity in the same or different period.

3.17 Basic earnings per share

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

3.18 Use of accounting estimates

The preparation of financial statements in accordance with Thai Financial Reporting Standards 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. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

For the year ended December 31, 2013, the Company and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards issued by the Federation of Accounting Professions which are effective for the financial statements for the accounting periods beginning on or after January 1, 2013 onwards for the first time. This adoption does not have significant impact on the Company's and its subsidiaries' financial statements, except for the Thai Financial Reporting Standard No. 8 "Operating Segments" (see Note 32). The comparative information included in the consolidated financial statements for the year ended December 31, 2012 has been retroactively disclosed to be in accordance with the new accounting policy.

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

5. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

5.1 Cash and cash equivalents

Cash and cash equivalents as at December 31, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2013	2012	2013	2012
Cash on hand	8,564	8,123	7,344	6,825
Bank deposits in savings and current accounts	509,696	435,335	336,253	306,470
Time deposits with maturity not more than 3 months (interest rate 1.25% per annum)	28,596	-	28,446	-
	<u>546,856</u>	<u>443,458</u>	<u>372,043</u>	<u>313,295</u>

5.2 Non-cash transactions are as follows:

5.2.1 Liabilities incurred from acquisition of property, plant and equipment for the years ended December 31, are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2013	2012	2013	2012
Liabilities incurred from acquisition of property, plant and equipment as at January 1,	64,167	41,307	45,232	41,307
<u>Add</u> Purchases of property, plant and equipment	536,629	320,262	447,543	273,094
Purchases of intangible asset	9,433	5,501	9,273	5,501
Purchases of leasehold rights	16,326	2,246	10,980	-
<u>Less</u> Cash payments				
- property, plant and equipment	(511,552)	(291,740)	(423,625)	(263,507)
- intangible assets	(9,433)	(5,501)	(9,273)	(5,501)
- leasehold rights	(16,326)	(2,246)	(10,980)	-
Purchases of property, plant and equipment under finance lease agreements	<u>(2,981)</u>	<u>(5,662)</u>	<u>(2,981)</u>	<u>(5,662)</u>
Liabilities incurred from acquisition of property, plant and equipment as at December 31,	<u>86,263</u>	<u>64,167</u>	<u>66,169</u>	<u>45,232</u>
Liabilities under finance lease agreements (including current portion)				
Balance brought forward	6,620	5,668	6,620	5,668
<u>Add</u> Purchases of property, plant and equipment under finance lease agreements	2,981	5,662	2,981	5,662
<u>Less</u> Cash payments	<u>(6,646)</u>	<u>(4,710)</u>	<u>(6,646)</u>	<u>(4,710)</u>
Balance carried forward	<u>2,955</u>	<u>6,620</u>	<u>2,955</u>	<u>6,620</u>

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

5.2.2 Accrued dividends as at December 31, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Accrued dividends as at January 1,	993	977	993	977
<u>Add</u> Dividends declaration during the year	563,970	416,848	563,970	416,848
<u>Less</u> Dividends paid	(563,912)	(416,832)	(563,912)	(416,832)
Accrued dividends as at December 31,	<u>1,051</u>	<u>993</u>	<u>1,051</u>	<u>993</u>

5.2.3 On January 5, 2012, trade receivables and advance payments to an associate were converted to be short-term loan to an associate in the form of promissory note of Baht 7.5 million (see Note 8.5).

5.2.4 On August 31, 2012, S&P Global Co., Ltd. sold all shares of Thai Development SA to a company. Total value of the sale price is CHF 731,250 or approximately Baht 23.77 million of which CHF 596,250 or approximately Baht 19.36 million was received. The remaining amount of CHF 135,000 or approximately Baht 4.41 million will be received at CHF 27,000 or approximately Baht 0.88 million per year within 5 years.

5.2.5 On November 12, 2013, the Board of Directors' meeting of the Company passed a resolution to write-off of all outstanding treasury shares of 6,604,600 ordinary shares totalling Baht 33.02 million by reduction of its authorized share capital. The Company reversed the treasury shares reserve of Baht 250.95 million back to the unappropriated earnings after the write-off of treasury shares and the reduction of its capital (see Notes 23 and 25).

5.3 Amounts of total unused credit facilities as at December 31, are as follows:

	Million		Million		Million		Million	
	Baht		Pound Sterling		US Dollars		Euro	
	2013	2012	2013	2012	2013	2012	2013	2012
Short-term loans	355.00	355.00	-	-	-	-	-	-
Bank overdrafts	91.00	91.00	0.16	0.20	-	-	0.10	0.10
Letters of guarantee	299.00	263.07	-	-	-	-	-	-
FOREX Credit Limit	95.00	95.00	-	-	1.00	1.00	-	-
Total	<u>840.00</u>	<u>804.07</u>	<u>0.16</u>	<u>0.20</u>	<u>1.00</u>	<u>1.00</u>	<u>0.10</u>	<u>0.10</u>

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

6. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2013	2012	2013	2012
Time deposits with maturity more than 3 months but not more than 1 year (interest rate 2.50% - 3.70% per annum)	13	240,012	-	240,000
Bills of exchange with maturity more than 3 month but not more than 1 year (interest rate 3.30% - 4.00% per annum)	-	50,000	-	50,000
Trading securities				
- Fixed income open-ended funds	206,563	320,342	206,563	320,342
- Private funds	220,523	214,748	220,523	214,748
Available-for-sales securities				
- Fixed income open-ended funds	12,113	6,425	-	-
Total temporary investments	439,212	831,527	427,086	825,090

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

As at December 31, 2013

	Cost value As at December 31, 2013	Unit : Thousand Baht	
		Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2013
Trading securities			
- Fixed income open-ended funds	205,546	1,017	206,563
- Private funds	200,000	20,523	220,523
Available-for-sales securities			
- Fixed income open-ended funds	11,500	613	12,113

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Director

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Director

As at December 31, 2012

	Cost value As at December 31, 2012	Unit : Thousand Baht Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2012
Trading securities			
- Fixed income open-ended funds	315,337	5,005	320,342
- Private funds	200,000	14,748	214,748
Available-for-sales securities			
- Fixed income open-ended funds	6,000	425	6,425

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

As at December 31, 2013

	Cost value As at December 31, 2013	Unit : Thousand Baht Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2013
Trading securities			
- Fixed income open-ended funds	205,546	1,017	206,563
- Private funds	200,000	20,523	220,523

As at December 31, 2012

	Cost value As at December 31, 2012	Unit : Thousand Baht Unrealized gain on revaluation of temporary investments	Fair value As at December 31, 2012
Trading securities			
- Fixed income open-ended funds	315,337	5,005	320,342
- Private funds	200,000	14,748	214,748

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Director

7. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at December 31, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Trade receivables - other companies	233,070	219,886	222,422	207,530
Trade receivables - related parties	2,460	5,973	6,261	7,896
	<u>235,530</u>	<u>225,859</u>	<u>228,683</u>	<u>215,426</u>
<u>Less</u> Allowance for doubtful accounts	(2,575)	(2,543)	(3,948)	(3,948)
Total trade receivables	<u>232,955</u>	<u>223,316</u>	<u>224,735</u>	<u>211,478</u>
Advance payments to related parties	659	587	23,939	8,286
<u>Less</u> Allowance for doubtful accounts	-	-	(2,966)	(2,505)
	<u>659</u>	<u>587</u>	<u>20,973</u>	<u>5,781</u>
Other receivables - other companies	5,984	5,736	4,195	5,610
Prepaid expenses	28,224	25,345	8,768	9,651
Total trade and other receivables	<u>267,822</u>	<u>254,984</u>	<u>258,671</u>	<u>232,520</u>

Trade receivables as at December 31, 2013 and 2012 are classified by aging as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Trade receivables				
Other companies				
Current	111,431	105,245	101,205	92,888
Overdue				
3 months or less	115,378	112,268	115,378	112,269
Over 3 months up to 6 months	3,573	188	3,573	188
Over 6 months up to 12 months	89	-	89	-
Over 12 months	2,599	2,185	2,177	2,185
Total	<u>233,070</u>	<u>219,886</u>	<u>222,422</u>	<u>207,530</u>
Related parties				
Current	1,068	3,239	3,020	3,313
Overdue				
3 months or less	1,313	188	1,313	188
Over 3 months up to 6 months	42	1,465	42	1,465
Over 6 months up to 12 months	16	1,073	71	1,127
Over 12 months	21	8	1,815	1,803
Total	<u>2,460</u>	<u>5,973</u>	<u>6,261</u>	<u>7,896</u>
Total trade receivables	<u>235,530</u>	<u>225,859</u>	<u>228,683</u>	<u>215,426</u>
<u>Less</u> Allowance for doubtful accounts	(2,575)	(2,543)	(3,948)	(3,948)
Trade receivables	<u>232,955</u>	<u>223,316</u>	<u>224,735</u>	<u>211,478</u>

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

8. SHORT-TERM LOANS TO RELATED PARTIES

Short-term loans to related parties as at December 31, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Short-term loan to subsidiaries (see Notes 8.1, 8.2, 8.3 and 8.4)	-	-	77,147	3,178
Short-term loan to an associate (see Note 8.5)	7,500	7,500	7,500	7,500
	7,500	7,500	84,647	10,678
<u>Less</u> Allowance for doubtful accounts	-	-	(3,178)	(3,178)
	<u>7,500</u>	<u>7,500</u>	<u>81,469</u>	<u>7,500</u>

- 8.1 On July 8, 2011, the Company has granted a loan in the amount of TWD 3 million (equivalent to Baht 3.18 million) to Patio International Limited in order to repay the loan from a financial institution which was guaranteed by the Company. Such subsidiary issued promissory note, carried fixed interest at the rate of 3.5 percent per annum, which was matured on December 31, 2011 and was defaulted. However, such company is going to be closed and registered the dissolution in December 2011. As a result, the Company has fully recorded the allowance for doubtful account.
- 8.2 On February 13, 2013, the Company has entered into the loan agreement with SK Catering Pte. Ltd. of SGD 0.3 million (equivalent to Baht 7.79 million), carried fixed interest at the rate of 3.0 percent per annum and is callable on demand. Such loan is used for the purpose of expansion the restaurant's branches in Singapore. During 2013, SK Catering Pte. Ltd. paid to the Company of SGD 0.2 million (equivalent to Baht 5.22 million).
- 8.3 On June 6, 2013, the Company granted a loan in the amount of EUR 1.24 million (equivalent to Baht 49.97 million) to Patara Restaurant, Vienna GmbH, in order to repay the loan from a financial institution. Such subsidiary issued a promissory note in the amount of EUR 1.24 million (equivalent to Baht 49.97 million), carried fixed interest rate at the rate of 3.0 percent per annum and is callable on demand (see Note 20 (1)).
- 8.4 On November 25, 2013 the Company granted a loan in the amount of GBP 0.40 million (equivalent to Baht 21.43 million) to S&P Restaurant Limited in order to purchase a building. Such loan carry fixed interest at the rate of 3.0 percent per annum and is due within 1 year.

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Director

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Kessuda Raiva
Director

8.5 On January 5, 2012, the Company entered into a settle debts memorandum with Foodhouse Catering Services Co., Ltd. The Company had trade accounts receivable and cash advance with such company as at December 31, 2011 of Baht 6.78 million and Baht 4.68 million, respectively, which were converted to be short-term loan in the form of promissory note of Baht 7.5 million (see Note 5.2.3), carrying fixed interest at the rate of 5 percent per annum and is callable on demand. For the remaining debts amounting to Baht 3.96 million, the Company has already received cash in January 2012.

9. INVENTORIES

Inventories as at December 31, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements 2013	2012	Separate Financial Statements 2013	2012
Finished goods	96,485	95,755	96,485	95,755
Work in process	60	163	60	163
Raw materials	139,715	118,951	126,242	109,572
Packaging materials	67,863	46,060	67,226	45,791
Spare parts and supplies	12,914	9,845	11,825	9,845
Goods in transit	915	13	915	13
Total Inventories	<u>317,952</u>	<u>270,787</u>	<u>302,753</u>	<u>261,139</u>

For the years ended December 31, 2013 and 2012, the costs of inventories recorded as expenses in the consolidated financial statements are Baht 3,804 million and Baht 3,464 million, respectively, and in the separate financial statements are Baht 3,547 million and Baht 3,242 million, respectively.

10. DEPOSITS USED AS COLLATERAL

10.1 As at December 31, 2013 and 2012, cash at banks of the Company of Baht 0.58 million was used as collateral against the letters of guarantee from a bank for electricity usage (see Note 33.3).

10.2 As at December 31, 2012, 12-month fixed deposit of the Company at a local commercial bank of Baht 20 million was pledged as collateral for loan of Patara Restaurant, Vienna GmbH, a subsidiary, in the amount of EUR 1.8 million. On June 6, 2013, such subsidiary fully paid the long-term loan from the financial institution. Therefore, the Company redeemed such deposit used as collateral in June 2013 (see Note 20 (1)).

10.3 As at December 31, 2013 and 2012, 12-month fixed deposit of SK Catering Pte. Ltd. of SGD 150,000 (equivalent to Baht 3.89 million and Baht 3.76 million, respectively) was pledged as collateral for loans of Bangkok Jam Co., Ltd. with a commercial bank (see Note 20 (3)).

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

11. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

Investments recorded by the equity method in the consolidated financial statements as at December 31, consist of:

	Type of business	Relationship	Paid-up capital		Percentage of Shareholding (%)		Unit : Thousand Baht			
							At cost method		At equity method	
			2013	2012	2013	2012	2013	2012	2013	2012
Shares held by S&P Syndicate Public Company Limited										
Associates :										
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	61,128	57,353
Foodhouse Catering Services Co., Ltd.	Catering	Co-shareholders and co-management team	10,000	10,000	49.97	49.97	4,997	4,997	1,383	-
							53,995	53,995	62,511	57,353
<u>Less</u> Allowance for impairment of investment										
		- Foodhouse Catering Services Co., Ltd.					(4,997)	(4,997)	-	-
Total investments in associates										
							48,998	48,998	62,511	57,353
Shares held by S&P Global Co., Ltd.										
Subsidiary :										
Siam Kitchen Sdn. Bhd.	Restaurant (Ceased Operation)	Co-shareholders and co-management team	2,845	2,845	50.00	50.00	1,423	1,423	-	-
Total investments in subsidiary										
							1,423	1,423	-	-

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

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

		Unit : Thousand Baht								
	Type of business	Relationship	Paid-up capital		Percentage of Shareholding (%)		At cost method		Dividend income For the years ended December 31,	
			2013	2012	2013	2012	2013	2012	2013	2012
Shares held by S&P Syndicate Public Company Limited										
Associates :										
HD Distributors (Thailand) Co., Ltd.	Agency for food and distribution	Co-shareholders and co-management team	100,000	100,000	47.99	47.99	48,998	48,998	3,860	3,390
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> Allowance for impairment of investment							53,995	53,995	3,860	3,390
- Foodhouse Catering Services Co., Ltd.							(4,997)	(4,997)	-	-
Total investments in associates							<u>48,998</u>	<u>48,998</u>	<u>3,860</u>	<u>3,390</u>
Subsidiaries :										
S&P Global Co., Ltd.	Invest in other companies	Co-shareholders and co-management team	50,000	50,000	80.00	80.00	40,000	40,000	-	-
S&P Asset Co., Ltd.	Office rental	Co-shareholders and co-management team	1,000	1,000	99.93	99.93	999	999	-	-
S&P Food Solution Co., Ltd.	Restaurant (Ceased operation)	Co-shareholders and co-management team	20,000	20,000	99.99	99.99	10,034	10,034	-	-
S&P International Food Co., Ltd.	Restaurant	Co-shareholders and co-management team	50,000	10,000	99.99	99.99	49,997	10,000	-	-
Umenohana S&P Co., Ltd.	Restaurant	Co-shareholders and co-management team	25,000	-	59.99	-	15,000	-	-	-
							116,030	61,033	-	-
<u>Less</u> Allowance for impairment of investment							(10,034)	(10,034)	-	-
- S&P Food Solution Co., Ltd.							(10,034)	(10,034)	-	-
Total investments in subsidiaries							<u>105,996</u>	<u>50,999</u>	<u>-</u>	<u>-</u>

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

12. OTHER LONG-TERM INVESTMENT

Other long-term investment as at December 31, consist of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2013	2012	2013	2012
Security Held-to-Maturity				
Subordinated debenture 10 years (interest rate at 4.375% per annum)	10,000	10,000	10,000	10,000
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

13. PROPERTY, PLANT AND EQUIPMENT

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

As at December 31, 2013

	Consolidated Financial Statements					Unit : Thousand Baht
	Balance as at December 31, 2012	Additions	Decreases	Transfer in (Transfer out)/ Reclassification	Differences on translation of Financial Statements	Balance as at December 31, 2013
Cost						
Land	261,053	18,430	-	-	-	279,483
Buildings and building improvements	185,425	-	-	3,419	11,224	200,068
Factory buildings	189,142	-	(33)	11,151	-	200,260
Machinery and equipment	987,255	93,283	(42,833)	49,307	7,041	1,094,053
Office furniture and equipment	1,611,542	141,157	(60,620)	212,994	16,785	1,921,858
Vehicles	60,466	6,523	(6,985)	-	158	60,162
Total cost	<u>3,294,883</u>	<u>259,393</u>	<u>(110,471)</u>	<u>276,871</u>	<u>35,208</u>	<u>3,755,884</u>
Accumulated depreciation						
Buildings and building improvements	(80,825)	(4,382)	-	4,186	(1,778)	(82,799)
Factory buildings	(109,866)	(6,501)	33	(4,186)	-	(120,520)
Machinery and equipment	(738,778)	(82,219)	39,020	-	(4,669)	(786,646)
Office furniture and equipment	(1,161,748)	(175,436)	50,034	-	(9,463)	(1,296,613)
Vehicles	(42,124)	(6,053)	6,984	-	(158)	(41,351)
Total accumulated depreciation	<u>(2,133,341)</u>	<u>(274,591)</u>	<u>96,071</u>	<u>-</u>	<u>(16,068)</u>	<u>(2,327,929)</u>
Building improvements and equipment under construction and installation	61,930	277,236	-	(276,164)	-	63,002
	<u>1,223,472</u>					<u>1,490,957</u>
Less Allowance for impairment-building improvements and equipment	(1,000)	(53)	-	-	-	(1,053)
Property, plant and equipment	<u>1,222,472</u>					<u>1,489,904</u>

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

As at December 31, 2012

Unit : Thousand Baht

	Consolidated Financial Statements					Balance as at December 31, 2012
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (Transfer out)	Differences on translation of Financial Statements	
Cost						
Land	261,053	-	-	-	-	261,053
Buildings and building improvements	184,463	-	-	-	962	185,425
Factory buildings	188,795	139	-	208	-	189,142
Machinery and equipment	941,338	76,034	(52,983)	21,758	1,108	987,255
Office furniture and equipment	1,432,679	107,617	(39,081)	109,886	441	1,611,542
Vehicles	53,303	8,946	(1,803)	-	20	60,466
Total cost	<u>3,061,631</u>	<u>192,736</u>	<u>(93,867)</u>	<u>131,852</u>	<u>2,531</u>	<u>3,294,883</u>
Accumulated depreciation						
Buildings and building improvements	(76,198)	(4,563)	-	-	(64)	(80,825)
Factory buildings	(103,406)	(6,460)	-	-	-	(109,866)
Machinery and equipment	(708,188)	(75,481)	42,958	-	1,933	(738,778)
Office furniture and equipment	(1,039,276)	(154,501)	33,205	-	(1,176)	(1,161,748)
Vehicles	(38,734)	(5,039)	1,673	-	(24)	(42,124)
Total accumulated depreciation	<u>(1,965,802)</u>	<u>(246,044)</u>	<u>77,836</u>	<u>-</u>	<u>669</u>	<u>(2,133,341)</u>
Building improvements and equipment under construction and installation	<u>66,256</u>	<u>127,526</u>	<u>-</u>	<u>(131,852)</u>	<u>-</u>	<u>61,930</u>
	<u>1,162,085</u>					<u>1,223,472</u>
Less Allowance for impairment - building impairments and equipment	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>
Property, plant and equipment	<u>1,162,085</u>					<u>1,222,472</u>
Depreciation for the years ended December 31,						
2013						<u>274,591</u>
2012						<u>246,044</u>
Cost of fully depreciated fixed assets still in use as at December 31,						
2013						<u>1,504,135</u>
2012						<u>1,573,126</u>

.....
Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

As at December 31, 2013

Unit : Thousand Baht

	Separate Financial Statements				Balance as at December 31, 2013
	Balance as at December 31, 2012	Additions	Decreases	Transfer in (Transfer out)/ Reclassification	
Cost					
Land	261,053	18,430	-	-	279,483
Buildings and building improvements	37,227	-	-	3,419	40,646
Factory buildings	189,142	-	(33)	11,151	200,260
Machinery and equipment	891,647	78,802	(35,966)	44,840	979,323
Office furniture and equipment	1,408,074	108,692	(56,277)	195,304	1,655,793
Vehicles	58,674	6,523	(6,985)	-	58,212
Total cost	<u>2,845,817</u>	<u>212,447</u>	<u>(99,261)</u>	<u>254,714</u>	<u>3,213,717</u>
Accumulated depreciation					
Buildings and building improvements	(37,077)	(1,261)	-	4,186	(34,152)
Factory buildings	(109,866)	(6,501)	33	(4,186)	(120,520)
Machinery and equipment	(686,539)	(71,406)	35,228	-	(722,717)
Office furniture and equipment	(1,057,126)	(146,136)	45,834	-	(1,157,428)
Vehicles	(40,487)	(6,002)	6,984	-	(39,505)
Total accumulated depreciation	<u>(1,931,095)</u>	<u>(231,306)</u>	<u>88,079</u>	<u>-</u>	<u>(2,074,322)</u>
Building improvements and equipment under construction and installation	61,930	235,096	-	(254,007)	43,019
	<u>976,652</u>				<u>1,182,414</u>
<u>Less</u> Allowance for impairment-building improvements and equipment	(1,000)	(53)	-	-	(1,053)
Property, plant and equipment	<u>975,652</u>				<u>1,181,361</u>

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

As at December 31, 2012

Unit : Thousand Baht

	Separate Financial Statements				Balance as at December 31, 2012
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (Transfer out)	
Cost					
Land	261,053	-	-	-	261,053
Buildings and building improvements	37,227	-	-	-	37,227
Factory buildings	188,795	139	-	208	189,142
Machinery and equipment	823,926	59,156	(13,193)	21,758	891,647
Office furniture and equipment	1,245,629	77,327	(24,768)	109,886	1,408,074
Vehicles	51,123	8,946	(1,395)	-	58,674
Total cost	<u>2,607,753</u>	<u>145,568</u>	<u>(39,356)</u>	<u>131,852</u>	<u>2,845,817</u>
Accumulated depreciation					
Buildings and building improvements	(35,808)	(1,269)	-	-	(37,077)
Factory buildings	(103,406)	(6,460)	-	-	(109,866)
Machinery and equipment	(636,029)	(63,161)	12,651	-	(686,539)
Office furniture and equipment	(946,848)	(131,135)	20,857	-	(1,057,126)
Vehicles	(36,902)	(4,979)	1,394	-	(40,487)
Total accumulated depreciation	<u>(1,758,993)</u>	<u>(207,004)</u>	<u>34,902</u>	<u>-</u>	<u>(1,931,095)</u>
Building improvements and equipment under construction and installation	<u>66,256</u>	<u>127,526</u>	<u>-</u>	<u>(131,852)</u>	<u>61,930</u>
	<u>915,016</u>				<u>976,652</u>
<u>Less</u> Allowance for impairment-building improvements and equipment	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>
Property, plant and equipment	<u>915,016</u>				<u>975,652</u>
Depreciation for the years ended December 31,					
2013					<u>231,306</u>
2012					<u>207,004</u>
Cost of fully depreciated fixed assets still in use as at December 31,					
2013					<u>1,503,770</u>
2012					<u>1,543,694</u>

Buildings of S&P Restaurant Limited with the cost value of GBP 1.30 million (equivalent to Baht 64.15 million) has been secured for long-term borrowings with a commercial bank (see Note 20 (2)).

As at December 31, 2013 and 2012, lease assets included above, where the Company is a lessee under financial leases, comprise vehicles and office equipment as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements 2013	Financial Statements 2012	Financial Statements 2013	Financial Statements 2012
Cost - capitalized finance leases	10,230	19,318	10,230	19,318
<u>Less</u> Accumulated depreciation	<u>(4,683)</u>	<u>(8,208)</u>	<u>(4,683)</u>	<u>(8,208)</u>
Net book value	<u>5,547</u>	<u>11,110</u>	<u>5,547</u>	<u>11,110</u>

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

14. LEASEHOLD RIGHTS

Leasehold rights as at December 31, consists of:

As at December 31, 2013

	Consolidated Financial Statements				Unit : Thousand Baht
	Balance as at December 31, 2012	Additions	Decreases	Differences on translation of Financial Statements	Balance as at December 31, 2013
Cost					
Leasehold rights	352,305	16,326	(118,438)	4,576	254,769
Total cost	<u>352,305</u>	<u>16,326</u>	<u>(118,438)</u>	<u>4,576</u>	<u>254,769</u>
Accumulated Amortization					
Leasehold rights	(264,894)	(11,980)	117,664	(3,129)	(162,339)
Total Accumulated Amortization	<u>(264,894)</u>	<u>(11,980)</u>	<u>117,664</u>	<u>(3,129)</u>	<u>(162,339)</u>
Leasehold rights	<u>87,411</u>				<u>92,430</u>

As at December 31, 2012

	Consolidated Financial Statements				Unit : Thousand Baht
	Balance as at December 31, 2011	Additions	Decreases	Differences on translation of Financial Statements	Balance as at December 31, 2012
Cost					
Leasehold rights	380,268	2,246	(30,679)	470	352,305
Total cost	<u>380,268</u>	<u>2,246</u>	<u>(30,679)</u>	<u>470</u>	<u>352,305</u>
Accumulated Amortization					
Leasehold rights	(282,132)	(13,156)	30,679	(285)	(264,894)
Total Accumulated Amortization	<u>(282,132)</u>	<u>(13,156)</u>	<u>30,679</u>	<u>(285)</u>	<u>(264,894)</u>
Leasehold rights	<u>98,136</u>				<u>87,411</u>

Amortization for the years ended December 31,

2013	<u>11,980</u>
2012	<u>13,156</u>

.....
Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

As at December 31, 2013

	Unit : Thousand Baht			
	Separate Financial Statements			
	Balance as at December 31, 2012	Additions	Decreases	Balance as at December 31, 2013
Cost				
Leasehold rights	302,895	10,980	(118,438)	195,437
Total cost	<u>302,895</u>	<u>10,980</u>	<u>(118,438)</u>	<u>195,437</u>
Accumulated Amortization				
Leasehold rights	(232,913)	(10,146)	117,664	(125,395)
Total Accumulated Amortization	<u>(232,913)</u>	<u>(10,146)</u>	<u>117,664</u>	<u>(125,395)</u>
Leasehold rights	<u>69,982</u>			<u>70,042</u>

As at December 31, 2012

	Unit : Thousand Baht			
	Separate Financial Statements			
	Balance as at December 31, 2011	Additions	Decreases	Balance as at December 31, 2012
Cost				
Leasehold rights	333,574	-	(30,679)	302,895
Total cost	<u>333,574</u>	<u>-</u>	<u>(30,679)</u>	<u>302,895</u>
Accumulated Amortization				
Leasehold rights	(254,296)	(9,296)	30,679	(232,913)
Total Accumulated Amortization	<u>(254,296)</u>	<u>(9,296)</u>	<u>30,679</u>	<u>(232,913)</u>
Leasehold rights	<u>79,278</u>			<u>69,982</u>

Amortization for the years ended December 31,

2013	<u>10,146</u>
2012	<u>9,296</u>

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

15. INTANGIBLE ASSET

Intangible asset as at December 31, consists of:

As at December 31, 2013

	Consolidated Financial Statements				Unit : Thousand Baht
	Balance as at December 31, 2012	Additions	Decreases	Transfer in (Transfer out)/ Reclassification	Balance as at December 31, 2013
Cost					
Software development costs	14,269	9,433	-	(707)	22,995
Total cost	<u>14,269</u>	<u>9,433</u>	<u>-</u>	<u>(707)</u>	<u>22,995</u>
Accumulated Amortization					
Software development costs	(6,166)	(3,047)	-	-	(9,213)
Total Accumulated Amortization	<u>(6,166)</u>	<u>(3,047)</u>	<u>-</u>	<u>-</u>	<u>(9,213)</u>
Intangible asset	<u>8,103</u>				<u>13,782</u>

As at December 31, 2012

	Consolidated Financial Statements				Unit : Thousand Baht
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (Transfer out)	Balance as at December 31, 2012
Cost					
Software development costs	8,768	5,501	-	-	14,269
Total cost	<u>8,768</u>	<u>5,501</u>	<u>-</u>	<u>-</u>	<u>14,269</u>
Accumulated Amortization					
Software development costs	(4,873)	(1,293)	-	-	(6,166)
Total Accumulated Amortization	<u>(4,873)</u>	<u>(1,293)</u>	<u>-</u>	<u>-</u>	<u>(6,166)</u>
Intangible asset	<u>3,895</u>				<u>8,103</u>

Amortization for the years ended December 31,

2013	<u>3,047</u>
2012	<u>1,293</u>

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

As at December 31, 2013

	Unit : Thousand Baht				
	Separate Financial Statements				
	Balance as at December 31, 2012	Additions	Decreases	Transfer in (Transfer out)/ Reclassification	Balance as at December 31, 2013
Cost					
Software development costs	14,269	9,273	-	(707)	22,835
Total cost	<u>14,269</u>	<u>9,273</u>	<u>-</u>	<u>(707)</u>	<u>22,835</u>
Accumulated Amortization					
Software development costs	(6,166)	(3,045)	-	-	(9,211)
Total Accumulated Amortization	<u>(6,166)</u>	<u>(3,045)</u>	<u>-</u>	<u>-</u>	<u>(9,211)</u>
Intangible asset	<u>8,103</u>				<u>13,624</u>

As at December 31, 2012

	Unit : Thousand Baht				
	Separate Financial Statements				
	Balance as at December 31, 2011	Additions	Decreases	Transfer in (Transfer out)	Balance as at December 31, 2012
Cost					
Software development costs	8,768	5,501	-	-	14,269
Total cost	<u>8,768</u>	<u>5,501</u>	<u>-</u>	<u>-</u>	<u>14,269</u>
Accumulated Amortization					
Software development costs	(4,873)	(1,293)	-	-	(6,166)
Total Accumulated Amortization	<u>(4,873)</u>	<u>(1,293)</u>	<u>-</u>	<u>-</u>	<u>(6,166)</u>
Intangible asset	<u>3,895</u>				<u>8,103</u>

Amortization for the years ended December 31,

2013

3,045

2012

1,293

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Pravesvudhi Raiva
Director

.....
Kessuda Raiva
Director

16. TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with its subsidiaries, associates and other related parties. Certain portions of the Company's assets, liabilities, revenues from sales and services, other income, costs of sales, selling expenses and administrative expenses represent transactions occurred with its subsidiaries, associates and other related parties. These parties are related through common shareholders and/or directorships. Those significant transactions with subsidiaries, associates and other related parties as included in the financial statements are determined at 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 transactions occurred with the related parties are as follows:

16.1 Significant balance with related parties are as follows:

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		As at December 31,			
		Consolidated		Separate	
		Financial Statements	Financial Statements	2013	2012
Trade receivable					
(included in trade and other receivables)					
S&P Global Co., Ltd.	Subsidiary	-	-	54	54
S&P Food Solution Co., Ltd.	Subsidiary	-	-	1,795	1,795
<u>Less</u> Allowance for doubtful account		-	-	(1,795)	(1,795)
		-	-	-	-
S&P International Foods Co., Ltd.	Subsidiary	-	-	1,952	74
HD Distributors (Thailand) Co., Ltd.	Associate	128	191	128	191
Foodhouse Catering Services Co., Ltd.	Associate	376	3,212	376	3,212
The Minor Food Group Public Co., Ltd.	Related company	860	1,167	860	1,167
Other related companies	Related company	1,096	1,403	1,096	1,403
		<u>2,460</u>	<u>5,973</u>	<u>4,466</u>	<u>6,101</u>
Advance payments to related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	4,724	146
S&P Food Solution Co., Ltd.	Subsidiary	-	-	2,995	2,535
<u>Less</u> Allowance for doubtful account		-	-	(2,965)	(2,505)
		-	-	30	30
S&P International Food Co., Ltd.	Subsidiary	-	-	8,815	5,018
Umenohana S&P Co., Ltd.	Subsidiary	-	-	5,685	-
S&P Restaurant Limited	Subsidiary	-	-	62	-
SK Catering Pte. Ltd.	Subsidiary	-	-	140	-
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	858	-
HD Distributors (Thailand) Co., Ltd.	Associate	229	179	229	179
Foodhouse Catering Services Co., Ltd.	Associate	423	408	423	408
Other related companies	Related company	7	-	7	-
		<u>659</u>	<u>587</u>	<u>20,973</u>	<u>5,781</u>

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		As at December 31,			
		Consolidated Financial Statements		Separate Financial Statements	
		2013	2012	2013	2012
Short-term loans to related parties					
(Interest rate percentage per annum)					
Patio International Limited (3.5%)	Subsidiary	-	-	3,178	3,178
<u>Less</u> Allowance for doubtful account		-	-	(3,178)	(3,178)
		-	-	-	-
S&P Restaurant Limited (3.0%)	Subsidiary	-	-	21,430	-
SK Catering Pte. Ltd. (3.0%)	Subsidiary	-	-	2,565	-
Patara Restaurant, Vienna GmbH (3.0%)	Subsidiary	-	-	49,974	-
Foodhouse Catering Services Co., Ltd. (5.0%)	Associate	7,500	7,500	7,500	7,500
		7,500	7,500	81,469	7,500
Investments in associates					
HD Distributors (Thailand) Co., Ltd.	Associate	61,128	57,353	48,998	48,998
Foodhouse Catering Services Co., Ltd.	Associate	6,380	4,997	4,997	4,997
<u>Less</u> Allowance for impairment of investment		(4,997)	(4,997)	(4,997)	(4,997)
		1,383	-	-	-
		62,511	57,353	48,998	48,998
Investments in subsidiaries					
S&P Global Co., Ltd.	Subsidiary	-	-	40,000	40,000
S&P Asset Co., Ltd.	Subsidiary	-	-	999	999
S&P Food Solution Co., Ltd.	Subsidiary	-	-	10,034	10,034
<u>Less</u> Allowance for impairment of investment		-	-	(10,034)	(10,034)
		-	-	-	-
S&P International Foods Co., Ltd.	Subsidiary	-	-	49,997	10,000
Umenohana S&P Co., Ltd.	Subsidiary	-	-	15,000	-
		-	-	105,996	50,999
Trade payables					
(included in trade and other payables)					
S&P Asset Co., Ltd.	Subsidiary	-	-	253	306
HD Distributors (Thailand) Co., Ltd.	Associate	1,351	1,860	1,351	1,860
		1,351	1,860	1,604	2,166
Advance received from related parties					
S&P Global Co., Ltd.	Subsidiary	-	-	23	20
S&P International Foods Co., Ltd.	Subsidiary	-	-	19	-
		-	-	42	20

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

16.2 Movements of short-term loans to related parties

Movements of short-term loans to related parties for the years ended December 31, 2013 and 2012 are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2013	2012	2013	2012
S&P Restaurant Limited				
Beginning balance	-	-	-	-
<u>Add</u> Additional loan granted during the year	-	-	21,430	-
<u>Less</u> Repayment received during the year	-	-	-	-
Ending balance	-	-	21,430	-
Patio International Limited				
Beginning balance	-	-	3,178	3,178
<u>Add</u> Additional loan granted during the year	-	-	-	-
<u>Less</u> Repayment received during the year	-	-	-	-
	-	-	3,178	3,178
<u>Less</u> Allowance for doubtful accounts	-	-	(3,178)	(3,178)
Ending balance	-	-	-	-
SK Catering Pte. Ltd.				
Beginning balance	-	-	-	-
<u>Add</u> Additional loan granted during the year	-	-	7,786	-
<u>Less</u> Repayment received during the year	-	-	(5,221)	-
Ending balance	-	-	2,565	-
Patara Restaurant, Vienna GmbH				
Beginning balance	-	-	-	-
<u>Add</u> Additional loan granted during the year	-	-	49,974	-
<u>Less</u> Repayment received during the year	-	-	-	-
Ending balance	-	-	49,974	-
Foodhouse Catering Services Co., Ltd.				
Beginning balance	7,500	7,500	7,500	7,500
<u>Add</u> Additional loan granted during the year	-	-	-	-
<u>Less</u> Repayment received during the year	-	-	-	-
Ending balance	7,500	7,500	7,500	7,500

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

16.3 Significant transactions with related parties are as follows:

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		For the years December 31,			
		Consolidated Financial Statements		The Separate Financial Statements	
		2013	2012	2013	2012
Revenues from sales					
S&P Global Co., Ltd.	Subsidiary	-	-	-	69
S&P International Food Co., Ltd.	Subsidiary	-	-	2,174	16
HD Distributors (Thailand) Co., Ltd.	Associate	591	621	591	621
Foodhouse Catering Service Co., Ltd.	Associate	3,188	6,750	3,188	6,750
The Minor Food Group Public Co., Ltd.	Related company	20,903	25,631	20,903	25,631
Other related companies	Related company	37,580	36,304	37,580	36,304
		<u>62,262</u>	<u>69,306</u>	<u>64,436</u>	<u>69,391</u>
Rental income from buildings and equipment					
S&P Global Co., Ltd.	Subsidiary	-	-	522	360
HD Distributors (Thailand) Co., Ltd.	Associate	843	896	843	896
		<u>843</u>	<u>896</u>	<u>1,365</u>	<u>1,256</u>
Dividend income					
HD Distributors (Thailand) Co., Ltd.	Associate	-	-	3,860	3,390
		<u>-</u>	<u>-</u>	<u>3,860</u>	<u>3,390</u>
Other income					
S&P Global Co., Ltd.	Subsidiary	-	-	1,200	1,409
S&P Asset Co., Ltd.	Subsidiary	-	-	96	96
S&P International Food Co., Ltd.	Subsidiary	-	-	744	2,054
S&P Restaurant Limited	Subsidiary	-	-	62	-
SK Catering Pte. Ltd.	Subsidiary	-	-	140	-
Patara Restaurant, Vienna GmbH	Subsidiary	-	-	858	-
HD Distributors (Thailand) Co., Ltd.	Associate	56	68	56	68
Foodhouse Catering Services Co., Ltd.	Associate	1,770	1,895	1,770	1,895
		<u>1,826</u>	<u>1,963</u>	<u>4,926</u>	<u>5,522</u>
Share of profits of associates					
HD Distributors (Thailand) Co., Ltd.	Associate	7,635	18,434	-	-
Foodhouse Catering Services Co., Ltd.	Associate	1,383	-	-	-
		<u>9,018</u>	<u>18,434</u>	<u>-</u>	<u>-</u>
Purchases of goods					
HD Distributors (Thailand) Co., Ltd.	Associate	7,878	11,311	7,878	11,311
		<u>7,878</u>	<u>11,311</u>	<u>7,878</u>	<u>11,311</u>

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		For the years December 31,			
		Consolidated Financial Statements		The Separate Financial Statements	
		2013	2012	2013	2012
Rental and other expenses					
S&P Global Co., Ltd.	Subsidiary	-	-	3	120
S&P Asset Co., Ltd.	Subsidiary	-	-	4,548	3,954
S.R. Estate Ltd.	Common director	432	432	432	432
Seacon Development Public Co., Ltd	Common director	1,198	514	1,198	514
Directors	Directors	2,423	3,413	2,423	3,413
		<u>4,053</u>	<u>4,359</u>	<u>8,604</u>	<u>8,433</u>
Service expenses					
S&P Asset Co., Ltd.	Subsidiary	-	-	1,277	1,208
Seacon Development Public Co., Ltd	Common director	3,543	2,437	3,543	2,437
		<u>3,543</u>	<u>2,437</u>	<u>4,820</u>	<u>3,645</u>
Management benefit expenses					
Short-term benefits	Management	49,211	51,422	38,800	42,165
Long-term benefits	Management	895	1,003	640	767
		<u>50,106</u>	<u>52,425</u>	<u>39,440</u>	<u>42,932</u>

17. DEFERRED INCOME TAX AND INCOME TAX EXPENSES

Deferred tax assets and liabilities as at December 31, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2013	2012	2013	2012
Deferred tax assets	24,789	18,604	24,711	18,526
Deferred tax liabilities	2,439	1,703	-	-

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

The movements of deferred tax assets and liabilities for the years ended December 31, 2013 and 2012 during the year are as follows:

Consolidated Financial Statements

As at December 31, 2013

	Balance as at December 31, 2012	Addition	Utilized	Balance as at December 31, 2013
Unit : Thousand Baht				
Deferred tax assets resulted from				
Allowance for doubtful accounts	509	-	-	509
The difference of depreciation rate	611	-	(441)	170
Allowance for impairment of investments	999	-	-	999
Provision for customer loyalty programmes	727	288	-	1,015
Employee benefit obligation	16,159	3,378	-	19,537
Actuarial loss on defined employee benefit plan (recognized changes in other comprehensive income)	1,607	-	-	1,607
Unearned revenues	-	4,312	(2,008)	2,304
Provision for dismantling, moving and renovating assets location costs	-	6	-	6
Total	<u>20,612</u>	<u>7,984</u>	<u>(2,449)</u>	<u>26,147</u>
Deferred tax liability resulted from				
Unearned revenues	(2,008)	-	2,008	-
Unrealized gain on revaluation of trading securities	-	(1,358)	-	(1,358)
Total	<u>(2,008)</u>	<u>(1,358)</u>	<u>2,008</u>	<u>(1,358)</u>
Deferred tax assets	<u>18,604</u>	<u>6,626</u>	<u>(441)</u>	<u>24,789</u>
Deferred tax liabilities resulted from				
Revaluation of available-for-sales securities (recognized changes in other comprehensive income)	(85)	(38)	-	(123)
The difference of depreciation expense	(1,618)	(698)	-	(2,316)
Deferred tax liabilities	<u>(1,703)</u>	<u>(736)</u>	<u>-</u>	<u>(2,439)</u>

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

Consolidated Financial Statements

As at December 31, 2012

	Unit : Thousand Baht			
	Balance as at December 31, 2011	Addition	Utilized	Balance as at December 31, 2012
Deferred tax assets resulted from				
Allowance for doubtful accounts	489	27	(7)	509
The difference of depreciation rate	1,026	-	(415)	611
Allowance for impairment of investments	999	-	-	999
Provision for customer loyalty programmes	406	321	-	727
Employee benefit obligation	13,391	2,958	(190)	16,159
Actuarial loss on defined employee benefit plan (recognized changes in other comprehensive income)	-	1,607	-	1,607
Total	<u>16,311</u>	<u>4,913</u>	<u>(612)</u>	<u>20,612</u>
Deferred tax liability resulted from				
Unearned revenues	(1,122)	(1,649)	763	(2,008)
Total	<u>(1,122)</u>	<u>(1,649)</u>	<u>763</u>	<u>(2,008)</u>
Deferred tax assets	<u>15,189</u>	<u>3,264</u>	<u>151</u>	<u>18,604</u>
Deferred tax liabilities resulted from				
Revaluation of available-for-sales securities (recognized changes in other comprehensive income)	(66)	(19)	-	(85)
The difference of depreciation expense	(1,645)	(476)	503	(1,618)
Deferred tax liabilities	<u>(1,711)</u>	<u>(495)</u>	<u>503</u>	<u>(1,703)</u>

Separated Financial Statements

As at December 31, 2013

	Unit : Thousand Baht			
	Balance as at December 31, 2012	Addition	Utilized	Balance as at December 31, 2013
Deferred tax assets resulted from				
Allowance for doubtful accounts	431	-	-	431
The difference of depreciation rate	611	-	(441)	170
Provision for impairment of investments	999	-	-	999
Provision for customer loyalty programmes	727	288	-	1,015
Employee benefit obligation	16,159	3,378	-	19,537
Actuarial loss on defined employee benefit plan (recognized changes in other comprehensive income)	1,607	-	-	1,607
Unearned revenues	-	4,312	(2,008)	2,304
Provision for dismantling, moving and renovating assets location costs	-	6	-	6
Total	<u>20,534</u>	<u>7,984</u>	<u>(2,449)</u>	<u>26,069</u>
Deferred tax liability resulted from				
Unearned revenues	(2,008)	-	2,008	-
Unrealized gain on revaluation of trading securities	-	(1,358)	-	(1,358)
Total	<u>(2,008)</u>	<u>(1,358)</u>	<u>2,008</u>	<u>(1,358)</u>
Deferred tax assets	<u>18,526</u>	<u>6,626</u>	<u>(441)</u>	<u>24,711</u>

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

Separated Financial Statements

As at December 31, 2012

Unit : Thousand Baht

	Balance as at December 31, 2011	Addition	Utilized	Balance as at December 31, 2012
Deferred tax assets resulted from				
Allowance for doubtful accounts	431	-	-	431
The difference of depreciation rate	1,026	-	(415)	611
Provision for impairment of investments	999	-	-	999
Provision for customer loyalty programmes	406	321	-	727
Employee benefit obligation	13,391	2,967	(199)	16,159
Actuarial loss on defined employee benefit plan (recognized changes in other comprehensive income)	-	1,607	-	1,607
Total	16,253	4,895	(614)	20,534
Deferred tax liability resulted from				
Unearned revenues	(1,122)	(1,649)	763	(2,008)
Total	(1,122)	(1,649)	763	(2,008)
Deferred tax assets	15,131	3,246	149	18,526

Income tax expenses of the Company and its subsidiaries for the years ended December 31, consist of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2013	2012	2013	2012
Current income tax	173,576	219,814	161,922	210,663
Adjustment prior year income tax expenses	(4,996)	1,630	(4,996)	1,630
Deferred tax expenses relating to the origination and reversal of temporary differences	(5,487)	(1,835)	(6,185)	(1,787)
Income tax per the statements of comprehensive income	163,093	219,609	150,741	210,506

Pravesvudhi Raiva
Director

Kessuda Raiva
Director

The reconciliation between income tax - income (expense) and accounting income for the years ended December 31, are follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Accounting profit before income tax	797,723	932,155	776,550	899,001
Applicable tax rates	15% - 25%	15% - 25%	20%	23%
Current income tax	172,455	217,251	155,310	206,770
Adjustment prior year income tax expenses	(4,996)	1,630	(4,996)	1,630
Tax effect of non-deductible expenses (benefits)	(4,366)	728	427	2,106
Income tax per the statements of comprehensive income	163,093	219,609	150,741	210,506

Corporate income tax for the Company and domestic subsidiaries are calculated on net profit for the year, adjusted by adding back certain expenses and deducting exempted income in compliance with the Revenue Code at the rates of 20% and 23% of net taxable profit for the periods of 2013 and 2012, respectively. Corporate income tax for another domestic subsidiary is calculated on net profit for the period adjusted by adding back certain expenses and deducting exempted income in compliance with the Revenue Code at the rates for Small and Medium Enterprises for calculation of the current income tax per income tax return form for the years ended December 31, 2013 and 2012.

According to Royal Decree No. 555 B.E. 2555 issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 27, 2012, the corporate income tax was reduced from 30% to 23% of net profit for accounting period beginning on or after January 1, 2012 but not later than December 31, 2012 and reduced to 20% of net profit for the accounting periods beginning on or after January 1, 2013 but not later than December 31, 2014. Therefore, the Company and its domestic subsidiary used a tax rate of 20% for calculation of deferred tax for the years ended December 31, 2013 and 2012.

Overseas subsidiaries used tax rates of each country for calculation of the current income tax per income tax return form and for calculation of deferred tax for the years ended December 31, 2013 and 2012.

18. BANK OVERDRAFTS

As at December 31, 2013, S&P Restaurant Limited has bank overdrafts with a financial institution amounting to GBP 38,164 or approximately Baht 2.06 million. Bank overdrafts carried interest at the rate of 0.5% per annum above the bank's lending base rate. (As at December 31, 2012: Nil)

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Kessuda Raiva
Director

19. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Trade payables - other companies	422,869	396,328	382,041	356,208
Trade payables - related parties	1,351	1,860	1,604	2,166
Advance received from related parties	-	-	42	20
Accounts payable - acquisition of assets	86,263	64,167	66,169	45,232
Unearned revenues	15,667	18,086	15,667	18,086
Other payables	71,456	79,912	69,230	79,218
Accrued expenses	277,766	274,149	224,655	230,352
	<u>875,372</u>	<u>834,502</u>	<u>759,408</u>	<u>731,282</u>

20. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Long-term borrowings from financial institutions as at December 31, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Long-term borrowings from financial institutions	65,845	113,399	-	-
<u>Less</u> Current portion of long-term borrowings from financial institutions	<u>(24,358)</u>	<u>(35,104)</u>	<u>-</u>	<u>-</u>
	<u>41,487</u>	<u>78,295</u>	<u>-</u>	<u>-</u>

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Director

Long-term borrowings from financial institutions of the subsidiaries are as follows:

	Terms	Currency	Facility	Repayment Date and due date	Interest Rate (% p.a.)	As at December 31, 2013		As at December 31, 2012	
						Currency	Thousand Baht	Currency	Thousand Baht
Patara Restaurant, Vienna GmbH ⁽¹⁾									
Loan from overseas commercial banks	Repayable of EUR 200,000 per installment on semi-annual basis	EUR	1,800,000	March 26, 2011 to March 26, 2016	3.85%	-	-	1,400,000	56,779
S&P Restaurant Limited ⁽²⁾									
Loan from overseas commercial banks	Repayable of GBP 7,500 per installment on a monthly basis	GBP	450,000	May 2011 to April 2016	0.5% above bank base rate	210,000	11,323	300,000	14,804
Loan from overseas commercial banks	Repayable of GBP 37,500 per installment on a quarterly basis	GBP	600,000	October 2012 to June 2016	0.5% above bank base rate	412,500	22,240	562,500	27,757
Bangkok Jam Co., Ltd. ⁽³⁾									
Loan from overseas commercial banks	Repayable of TWD 834,000 per installment on a quarterly basis	TWD	10,000,000	December 16, 2011 to September 16, 2014	2.75% above bank base rate	2,494,000	2,729	5,830,000	6,150
Loan from overseas commercial banks	Repayable of TWD 834,000 per installment on a quarterly basis	TWD	10,000,000	May 8, 2012 to February 6, 2015	2.75% above bank base rate	4,162,000	4,553	7,498,000	7,909
S&P International Foods Co., Ltd. ⁽⁴⁾									
Loan from local commercial banks	Repayable of Baht 1,260,000 per installment on a quarterly basis The first installment commences from the first withdrawn date of the fully 12 months.	BAHT	25,000,000	January 15, 2014 to January 15, 2019	MLR minus 2%	-	25,000	-	-
Total long-term loans of subsidiaries							65,845		113,399
Less Current portion of long-term loans in the consolidated financial statements							(24,358)		(35,104)
							41,487		78,295

(1) Patara Restaurant, Vienna GmbH has a long-term loan facility of EUR 1.8 million with a commercial bank. The subsidiary had withdrawn the loan to full credit limit and the loan was due for full repayment on March 26, 2015. On March 16, 2012, the terms of the original long-term loan facility agreement with such commercial bank was revised and amended. The third installment under the original agreement on March 26, 2012, will be postponed to March 26, 2013. Therefore, such loan shall be due for the final repayment on March 26, 2016. As at December 31, 2012, Patara Restaurant, Vienna GmbH used fixed deposit at bank of S&P Syndicate Public Company Limited as collateral (see Note 10.2).

On June 6, 2013, Patara Restaurant, Vienna GmbH borrowed in the amount of EUR 1.24 million (equivalent to Baht 49.97 million) from S&P Syndicate Public Company Limited in order to repay all outstanding loans from the commercial bank before the maturity date. Therefore, Syndicate Public Company Limited redeemed the deposits used as collateral of such loans in June 2013 (see Notes 8.3 and 10.2).

(2) S&P Restaurant Limited has secured buildings with the cost value of GBP 1.30 million (equivalent to Baht 64.15 million) as collateral for such long-term loans with a commercial bank (see Note 13) which S&P Restaurant Limited has to maintain debt coverage ratio in accordance with the condition on the above facility agreements.

(3) Bangkok Jam Co., Ltd. used a fixed deposit of SK Catering Pte. Ltd. amounting to SGD 150,000 as collateral (see Note 10.3).

(4) S&P International Foods Co., Ltd., a subsidiary, passed a resolution to request from local financial institution for credit facilities. S&P Syndicate Public Co., Ltd. issued a "Letter of Awareness" to such bank and has to maintain percentage of shareholding in S&P International Foods Co., Ltd. not less than 99.99% through the period of the loan agreement. In addition, S&P International Foods Co., Ltd. has to maintain its debt coverage ratio as specified in the loan agreement.

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Kessuda Raiva
Director

21. FINANCE LEASE LIABILITIES

The Company and its subsidiaries have entered into finance lease agreements for vehicles and office equipment under financial leases as at December 31, as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Not later than 1 year	1,809	3,440	1,809	3,440
Later than 1 year and not later than 5 years	1,146	3,180	1,146	3,180
Finance lease liabilities	<u>2,955</u>	<u>6,620</u>	<u>2,955</u>	<u>6,620</u>

22. EMPLOYEE BENEFIT OBLIGATION

The Company and its subsidiaries provided employee benefit obligation under the Thai Labour Protection Act, which are considered as unfunded defined benefit plans.

Amounts recognized in the statement of comprehensive income in respect of the defined benefit plans for the years ended December 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Current service cost	14,134	12,482	13,530	11,935
Interest cost	3,598	3,110	3,364	2,904
Expenses recorded in the statement of comprehensive income	<u>17,732</u>	<u>15,592</u>	<u>16,894</u>	<u>14,839</u>

Movements in the present value of the defined benefit obligation for the years ended December 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Beginning present value of defined benefit obligation	95,101	73,150	88,828	66,952
Current service cost	14,134	12,482	13,530	11,935
Interest cost	3,598	3,110	3,364	2,904
Actuarial loss on defined employee benefit plan	-	9,129	-	8,036
	<u>112,833</u>	<u>97,871</u>	<u>105,722</u>	<u>89,827</u>
<u>Less</u> Benefits paid	<u>-</u>	<u>(2,770)</u>	<u>-</u>	<u>(999)</u>
Ending present value of defined benefit obligation	<u>112,833</u>	<u>95,101</u>	<u>105,722</u>	<u>88,828</u>

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Director

For the year ended December 31, 2012, the Company recognized the actuarial loss in the consolidated and separate statements of comprehensive income in the amount of Baht 9.13 million and Baht 8.04 million, respectively. Such actuarial loss mainly resulted from the change in discount rate and mortality rate of the actuarial assumption.

The principle actuarial assumptions used to calculate the defined benefit obligation as at December 31, 2013 and 2012 are as follows:

	Consolidated Financial Statements	Separate Financial Statements
Discount rate	3.73% - 3.89% per annum	3.89% per annum
Mortality rate	Thai Mortality Table 2008	Thai Mortality Table 2008
Normal retirement age	60 years	60 years
Expected rate of salary increase	5% per annum	5% per annum
Employee turnover rate	0% - 35% per annum	0% - 35% per annum

23. SHARE CAPITAL

On November 12, 2013, the Board of Directors' meeting of the Company passed a resolution to write-off of all outstanding treasury shares at book value of Baht 250.95 million by reduction of its authorized share capital of 6,604,600 ordinary shares totalling Baht 33.02 million, from 104,686,273 ordinary shares to 98,081,673 ordinary shares, since the Company did not sell the treasury shares in the Stock Exchange of Thailand during March 11, 2011 to September 10, 2013. The Company registered such capital reduction with the Department of Business Development, the Ministry of Commerce on December 8, 2013.

24. LEGAL RESERVE

Pursuant to 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.

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Director

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Kessuda Raiva
Director

25. TREASURY SHARES AND TREASURY SHARES RESERVE

At the resolutions of the Board of Directors' Meeting No. 1/2010 held on February 24, 2010, the Company's directors resolved to approve the share repurchase program for financial management purpose in accordance with Section 66/1(2) of the Limited Public Company Act (No. 2) B.E. 2544 in the amount not exceeding Baht 350 million. The number of ordinary shares to be repurchased not exceeding 10.47 million shares (par value of Baht 5 per share); equal to 10% of the total number of paid-up share capital of the Company. The Company shall repurchase its ordinary shares through the main board of the Stock Exchange of Thailand during the period from March 11, 2010 to September 10, 2010. The Board of Directors has considered the share resale procedures by resale its ordinary shares through the main board of the Stock Exchange of Thailand or by public offering depending on the prevailing situation at that time of shares sold. Period for the resale of share is from March 11, 2011 to September 10, 2013 (after 6 months from the completion date of share repurchase and not exceeding 3 years from the completion date of share repurchase).

Details of treasury shares as at December 31, are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Value of treasury shares (Thousand Baht)	-	250,951	-	250,951
Number of treasury shares (Thousand shares)	-	6,605	-	6,605
Average cost per share (Baht)	-	38.00	-	38.00
The number of treasury shares to the share capital issued by the Company (Percentage)	-	6.31	-	6.31

As at December 31, 2012, the Company had a reserve for treasury shares amounting to Baht 250.95 million, which was appropriated from its retained earnings.

On November 12, 2013, the Board of Directors' meeting of the Company passed the resolution to write-off of all outstanding treasury shares by reduction of its authorized share capital, since the Company did not sell the treasury shares during the determined period for resale of the treasury shares (see Note 23).

The Company transferred the difference of Baht 217.93 million between the capital reduction at par value of Baht 33.02 million and the treasury shares in the amount of Baht 250.95 million to the unappropriated retained earnings. In addition, the Company reversed the treasury shares reserve of Baht 250.95 million back to the unappropriated retained earnings after the write-off of the treasury shares and the reduction of its capital.

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

26. BASIC EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, are calculated as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2013	2012	2013	2012
Profit attributable to owners of the parent (Thousand Baht)	626,018	707,806	625,809	688,496
Number of ordinary shares as at January 1, (Thousand shares)	98,082	98,082	98,082	98,082
Weighted average number of treasury shares during the years (Thousand shares)	-	-	-	-
Weighted average number of ordinary shares after deduction of treasury shares as at December 31, (Thousand shares)	98,082	98,082	98,082	98,082
Basic earnings per share (Baht)	6.38	7.22	6.38	7.02

27. APPROPRIATION OF EARNINGS AND DIVIDEND

S&P Syndicate Public Company Limited

On April 26, 2012, the annual general shareholders' meeting of the Company passed a resolution to distribute an annual dividends from the operations of the year 2011 for 98,081,673 shares at Baht 4.00 per share, totalling Baht 392.33 million. The dividends consist of interim dividends at Baht 1.25 per share, totalling Baht 122.60 million which was paid on September 9, 2011 and additional dividends of 98,081,673 shares at Baht 2.75 per share, totalling Baht 269.72 million, which was paid on May 15, 2012.

On April 24, 2013, the annual general shareholders' meeting of the Company passed a resolution to distribute an annual dividends from the operations of the year 2012 for 98,081,673 shares at Baht 6.00 per share, totalling Baht 588.49 million. The dividends consist of interim dividends at Baht 1.50 per share, totalling Baht 147.12 million which was paid on September 7, 2012 and additional dividends of 98,081,673 shares a Baht 4.50 per share, totalling Baht 441.37 million, which was paid on May 15, 2013.

On August 13, 2013, the Company's Board of Directors' meeting passed a resolution to pay the interim dividends to shareholders of 98,081,673 shares based on the authorized and paid-up share capital, deducted with treasury shares, at Baht 1.25 per share, totalling Baht 122.60 million, which was paid on September 13, 2013.

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Director

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Kessuda Raiva
Director

Subsidiaries

The Board of Directors' meeting of the subsidiaries passed a resolution to distribute interim dividends as follows:

Company's name	Board of Directors' meeting date	Dividend Paid (Currency)		Dividend payment date
		CHF	Million Baht	
Patara (Geneva) SA	April 24, 2012	150,000	4.98	June 29, 2012
Thai Development SA	April 24, 2012	140,000	4.64	June 29, 2012
			9.62	

On September 25, 2013, the Board of Directors' meeting of S&P Restaurant Limited ("the subsidiary") approved the dividend payment as ordinary shares of the subsidiary for 900,000 ordinary shares to the shareholders of the subsidiary at the rate of 1 former ordinary share for 9 dividend ordinary shares at par value Pound 1 per share totally of Pound 900,000 (equivalent to Baht 45.65 million). The extraordinary shareholders' meeting of the subsidiary also approved the capital increase by increasing the authorized share capital from 100,000 ordinary shares to 1,000,000 ordinary shares. On September 30, 2013, the subsidiary has registered the capital increase with the government authority of the United Kingdom.

28. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2013 and 2012 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2013	2012	2013	2012
Changes in inventories of finished goods and work in process - increase	(627)	(38,966)	(627)	(38,966)
Raw materials and consumables used	2,277,321	2,093,529	2,039,207	1,876,449
Cost of finished goods purchased	59,882	57,523	59,882	57,523
Depreciation and amortization	289,618	260,492	244,498	217,594
Employee expenses	1,718,159	1,556,987	1,383,456	1,241,219
Transportation expense	184,621	165,761	184,122	165,743

29. 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.

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

For the years ended December 31, 2013 and 2012, the Company's contributions and subsidiaries' contributions to provident funds which were recorded as expenses in the consolidated statements of comprehensive income were Baht 19.29 million and Baht 15.38 million, respectively.

For the years ended December 31, 2013 and 2012, the Company's contributions to the provident fund which were recorded as expenses in the separate statements of comprehensive income were Baht 14.67 million and Baht 12.87 million, respectively.

30. 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.

31. DISCLOSURE OF FINANCIAL INSTRUMENT INFORMATION

The Company presents and discloses financial instrument information of the Company and its subsidiaries as follows:

31.1 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 statements of financial position, the carrying amounts of the assets recorded in the statements of financial position represent the maximum exposure to credit risk.

31.2 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.

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Kessuda Raiva
Director

31.3 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 have 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.

31.4 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. The following methods and assumptions were used by the Company and its subsidiaries in estimating fair value of financial instruments.

Cash and cash equivalents, temporary investments, trade and other receivables, bank overdraft and short-term borrowings from financial institutions, trade and other payables, the carrying values approximate their fair values due to the relatively short period to maturity.

Long-term borrowings from financial institutions bearing floating interest rate, the carrying value is approximate its fair value and long-term loans from financial institutions bearing fixed interest rate, the carrying value is approximate its fair value as such interest rate approximated the current market rate at that time.

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

32. FINANCIAL INFORMATION BY SEGMENT

Financial information by the reportable segments which are domestic restaurant and bakery shop, packaged food and bakery trading business, overseas restaurant and others.

Elimination of inter-segment, segment revenues and profit from external customers and reconciliation of total segment profit from external customers to profit before income tax expense and comprehensive income for the years ended December 31, 2013 and 2012 are as follows:

	Unit: Thousand Baht						
	Domestic restaurant and bakery shop	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Elimination of inter-segment	Total
Consolidated statements of comprehensive income							
For the year ended December 31, 2013							
Segment revenues	5,340,765	721,946	892,276	53,165	7,008,152	(7,999)	7,000,153
Segment profit (loss)	1,016,886	83,135	51,140	(2,204)	1,148,957	-	1,148,957
Unallocated income (expenses):							
Net gain on exchange rate							9,656
Total other income							84,388
Central selling and administrative expenses							(399,913)
Management benefit expenses							(50,106)
Finance costs							(4,277)
Share of profits of associates							9,018
Profit before income tax expense							797,723
Income tax expense							(163,093)
Profit for the year							634,630
Other comprehensive income							
for the year, net of tax							17,767
Comprehensive income for the year							652,397

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

	Domestic restaurant and bakery shop	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Unit: Thousand Baht Elimination of inter-segment	Total
Consolidated statements of comprehensive income							
For the year ended December 31, 2012							
Segment revenues	4,982,099	644,699	853,206	51,999	6,532,003	(5,366)	6,526,637
Segment profit	<u>1,045,432</u>	<u>72,984</u>	<u>24,046</u>	<u>3,692</u>	1,146,154	-	1,146,154
Unallocated income (expenses):							
Net gain on exchange rate							1,001
Gain on sale of investment of a subsidiary							19,046
Total other income							88,050
Central selling and administrative expenses							(283,458)
Management benefit expenses							(52,425)
Finance costs							(4,647)
Share of profits of associates							<u>18,434</u>
Profit before income tax expense							932,155
Income tax expense							<u>(219,609)</u>
Profit for the year							712,546
Other comprehensive income for the year, net of tax							<u>(2,604)</u>
Comprehensive income for the year							<u>709,942</u>

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Director

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Kessuda Raiva
Director

	Domestic restaurant and bakery shop	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Unit: Thousand Baht Elimination of inter-segment	Total
Statements of financial position							
As at December 31, 2013							
Trade and other receivables	42,309	185,996	26,316	1,515	256,136	(22,630)	233,506
Inventories	113,564	2,072	11,023	2,569	129,228	-	129,228
Property, plant and equipment	526,588	2,340	266,835	4,369	800,132	(68)	800,064
Leasehold right	65,710	-	17,491	-	83,201	-	83,201
Assets under common use							
- Trade and other receivables							34,316
- Inventories							188,723
- Property, plant and equipment							689,840
- Leasehold right							9,229
- Others							1,371,046
Total assets							<u>3,539,153</u>

	Domestic restaurant and bakery shop	Packaged food and bakery trading business	Overseas restaurants	Others	Total	Unit: Thousand Baht Elimination of inter-segment	Total
Statements of financial position							
As at December 31, 2012							
Trade and other receivables	39,257	170,874	27,287	1,420	238,838	(5,648)	233,190
Inventories	108,616	3,094	8,727	1,407	121,844	-	121,844
Property, plant and equipment	431,425	2,328	238,103	6,603	678,459	(112)	678,347
Leasehold right	59,654	-	17,427	-	77,081	-	77,081
Assets under common use							
- Trade and other receivables							21,794
- Inventories							148,943
- Property, plant and equipment							544,125
- Leasehold right							10,329
- Others							1,612,511
Total assets							<u>3,448,164</u>

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

Geographic Area Information

Financial information by geographic area for the years ended December 31, are as follows:

	Domestic	Overseas	Unit: Thousand Baht Consolidated Financial statements
Revenues			
For the year ended December 31, 2013			
Revenue from external customers	6,107,877	892,276	7,000,153
Segment assets			
As at December 31, 2013			
Non-current assets	1,613,838	330,414	1,944,252
Revenues			
For the year ended December 31, 2012			
Revenue from external customers	5,673,431	853,206	6,526,637
Segment assets			
As at December 31, 2012			
Non-current assets	1,329,450	296,230	1,625,680

33. COMMITMENTS AND LETTERS OF GUARANTEE

As at December 31, 2013 and 2012, the Company and its subsidiaries had commitments and letters of guarantee as follows:

33.1 Commitments to pay rental and services under long-term lease contracts are as follows:

Domestic offices, vehicles and computer and services rental expenses

	Unit : Thousand Baht As at December 31,	
	2013	2012
Not later than 1 year	381,646	302,590
Later than 1 year and not later than 5 years	807,288	601,479
Late than 5 years	141,877	14,986

Overseas subsidiaries rental and services expenses

	Unit : Thousand Baht As at December 31,	
	2013	2012
Not later than 1 year	121,212	77,621
Later than 1 year and not later than 5 years	226,801	175,227
Late than 5 years	109,030	148,152

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director

- 33.2 As at December 31, 2013 and 2012, the Company and its subsidiaries had outstanding capital commitments relating to construction contracts of new branches and shops and purchase of a building, totalling Baht 67.93 million and Baht 34.93 million, respectively.
- 33.3 As at December 31, 2013 and 2012, the Company and its subsidiaries had letters of guarantee issued by a bank to guarantee for electricity usage for the Company of Baht 51.98 million and Baht 35.93 million, respectively. Such amount included the letters of guarantee of Baht 0.58 million which deposit at bank was used as collateral (see Note 10.1).
- 33.4 S&P International Foods Co., Ltd., a subsidiary company, entered into a License Agreement with an overseas company for the period from October 26, 2012 to December 31, 2021 for running the restaurant business on a quarterly basis in each year. Such subsidiary company has to pay an initial royalty fee and running royalty fees at the rates as specified in the agreement for trademark and know-how.
- 33.5 The Company entered into a “Letter of Guarantee” dated October 26, 2012 with an overseas company to guarantee for all payments that the subsidiary has to pay according to the License Agreement as indicated in Note 33.4.

34. EVENTS AFTER THE REPORTING PERIOD

- 34.1 On February 26, 2014, the Company’s Board of Directors’ meeting passed a resolution to distribute an annual dividends from the operations of the year 2013 for 98,081,673 shares at Baht 5.50 per share, totalling Baht 539.45 million. The dividends consist of interim dividends at Baht 1.25 per share, totalling Baht 122.60 million which will be paid on September 13, 2013 and the additional dividends of 98,081,673 shares at Baht 4.25 per share, totalling Baht 416.85 million, which will be paid on May 15, 2014. The Board of Directors will propose to the shareholders at the annual general shareholder meeting to get an approval for the dividend payment.
- 34.2 On January 6, 2014, S&P Restaurant Limited has entered into a loan agreement and drawn down a long-term loan with a commercial bank of GBP 340,000 or approximately Baht 18.33 million. The loan carry interest at the rate of the bank’s lending base rate plus 0.50% per annum. Principal is repayable on installment basis, totalling 20 installments, which are GBP 17,000 per installment. The first principal installment is due within three months from the first drawn down date and the remaining installments are repayable every three months. Such loan is secured by a new building of which the ownership was transferred on January 12, 2014 (see Note 8.4).

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized directors of the Company on February 26, 2014.

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Pravesvudhi Raiva
Director

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Kessuda Raiva
Director