

(Translation from Thai Text)

**Minutes of the 2011 Ordinary Meeting of Shareholders**

**S&P Syndicate Public Company Limited**

**Held on Thursday April 28, 2011**

**At the S&P Conference Hall, Sukhumwit 26**

**No. 1/2, Soi Atthakravi 1, Sukhumwit 26 Road, Khwaeng Khlong Tan, Khet Khlong Toei,**

**Bangkok Metropolis**

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The Meeting commenced at 10.00 a.m.

Mrs. Patara Sila-On, Board Chairman, chaired the Meeting and assigned an officer of the Company to inform the Meeting of quorum details, that is, at the time of the commencement of the Meeting 90 shareholders representing 27,980,465 shares were present in person and 134 shareholders representing 42,960,474 shares were present by proxy. Two hundred and twenty-four (224) shareholders representing 70,940,939 shares in total or 72.33 percent of the 98,081,673 voting shares were present at the Meeting. A quorum was therefore formed in accordance with the Company's Articles of Association. This number of voting shares resulted after deduction of the 6,604,600 ordinary shares bought back by the Company under the Share Buy-back or Treasury Stock Program.

Before the commencement of the Meeting, explanations on the criteria and procedure for voting were given according to the details appearing in the document distributed to the shareholders and proxies for consideration prior to their presence at the Meeting. The details are as follows:

1. The Meeting agenda would be considered in order of item, details of which had been submitted to the shareholders, and every item would be proposed for acceptance or approval or for any purpose to the shareholders so that they would pass a resolution on it. And in order that the shareholders' time would not be too much affected, for the purpose of passing a resolution on each agenda item after the presentation of details to the Meeting the Chair would use the method of asking whether any shareholders would agree or disagree or abstain from voting. If all the shareholders declared no intention to disagree or abstain from voting, the Meeting would be deemed to unanimously resolve to agree to the matter proposed by the Board of Directors. No ballot would be used.

2. If a shareholder desired to pass a resolution disagreeing to or abstaining from voting on any agenda item, the shareholder was requested to raise her/his hand. The Chair would see to it that the votes were counted correctly. Ballots would then be used to pass a resolution on that agenda item. To this, the Registration Department had distributed ballots with bar codes to all the shareholders before they entered the Conference Room. The staff had inserted the shareholders' names and the number of their shares in all the ballots. All the shareholders were requested to please check their ballots as to whether they had been fully and correctly received.

3. To use a ballot, a shareholder would have votes equal to the shares she/he had. For voting, one share was counted as one vote. The shareholder or proxy must cast only one kind of vote, that is, to agree, disagree or abstain from voting, and could not distribute her/his votes to partial voting, except only for a shareholder, who is a foreign investor and had appointed a custodian in Thailand as the depository and caretaker of her/his shares, for whom authorization would be required only by means of a proxy, Form C, the shareholder's votes could then be distributed.

4. To vote, shareholders and proxies must put a mark on only any of the "agree", "disagree" and "abstain from voting" boxes and sign the ballots to confirm their correctness, and for the rapidity of the counting of the votes the staff would collect the ballots only from those who disagreed or abstained from voting first, whereas those who did not raise their hands would all be treated and counted as votes agreeing to the Board's proposal.

5. For only Agenda Item 6 regarding the election of the directors, all the shareholders would be requested to pass a resolution by using ballots, in which they could vote by selecting either the column showing the election of the whole group of directors or the column showing the election of individual directors. And when the votes had been gathered, the result of the counting of the votes whereby each individual director had been elected would be announced.

6. At the end of the Meeting, shareholders who had not yet submitted their ballots or had some ballots left were requested to kindly return all the ballots to the staff in front of the Conference Room.

7. Proxy holders for whom shareholders had specified their voting intentions clearly in the proxy, Form B and Form C, must cast such votes as specified by the shareholders, and the Company would count the votes only as specified by the shareholders.

When questions were asked and no shareholders expressed opinions otherwise, the Meeting would be deemed to consider the matters and pass the resolutions in accordance with the voting method as aforesaid.

During the Meeting, additional shareholders and proxies were present until the end of the Meeting. In summary, 131 shareholders representing 31,781,129 shares were present in person and 174 shareholders representing 44,255,839 shares were present by proxy at the Meeting. The attendance comprised in total 305 shareholders representing 76,036,968 shares or 77.52 percent of the voting shares.

Thereafter, the Chair declared the Meeting open and thanked the shareholders present on that day. At the same time, she introduced the Board of Directors, the Committees, the auditors and the executives of the Company as follows:

Directors present at the Meeting:

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|--------------------------------|--------------------------------|
| 1. Mrs. Patara Sila-On         | Board Chairman                 |
| 2. Lt. Varakorn Raiva          | Vice Chairman                  |
| 3. Mr. Pravesvudhi Raiva       | President                      |
| 4. Miss Cattleya Saengsastra   | Independent Director           |
| 5. Mr. Dusit Nontanakorn       | Independent Director           |
| 6. Miss Sophavadee Uttamobol   | Independent Director           |
| 7. Mr. Aviruth Wongbuddhapitak | Independent Director           |
| 8. Mrs. Patamawalai Ratanapol  | Director                       |
| 9. Mr. Kachorndej Raiva        | Director                       |
| 10. Mrs. Kessuda Raiva         | Senior Vice President          |
| 11. Mr. Vitoon Sila-On         | Director and Company Secretary |

Director who was not present at the Meeting:

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|-----------------------------|-------------------------------|
| 12. Mrs. Pratana Mongkolkul | Director (on business abroad) |
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Audit Committee:

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|------------------------------|--------------------|
| 1. Miss Cattleya Saengsastra | Committee Chairman |
| 2. Mr. Dusit Nontanakorn     | Committee Member   |
| 3. Miss Sophavadee Uttamobol | Committee Member   |

Nomination and Remuneration Committee:

Appointed in accordance with the resolution of the Board of Directors Meeting, No. 1/2011, on February 23, 2011, to recruit and select qualified individuals as directors of the Company and consider remuneration for the Company's directors and other committees, and composed of 3 members, namely:

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|--------------------------------|--------------------|
| 1. Mr. Aviruth Wongbuddhapitak | Committee Chairman |
| 2. Mr. Dusit Nontanakorn       | Committee Member   |
| 3. Mrs. Pratana Mongkolkul     | Committee Member   |

Auditor(s) present at the Meeting:

Miss Thanawan Anuratbodee and her audit team for 2010	Deloitte Touche Tohmatsu Jaiyos Co., Ltd.
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Executives present at the Meeting:

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|----------------------------------|--|
| 1. Mr. John Scott Heinecke       | Executive Director                               |
| 2. Miss Yupadee Dumri-anant      | Senior Adviser                                   |
| 3. Mrs. Chandnibha Suriyong      | Senior Vice President<br>S&P Global Co., Ltd.    |
| 4. Mrs. Patcharee Visuttiwan     | Vice President for Operation Department          |
| 5. Mr. Somjit Kititeerakul       | Vice President for Bakery Line                   |
| 6. Mr. Pakorn Tiewcharoen        | Vice President for Trade                         |
| 7. Mrs. Khanyupar Achakulwisut   | Finance and Accounting Director                  |
| 8. Mr. Sittichai Chantravadee    | Internal Audit Adviser                           |
| 9. Mr. Somjate Wattanavaekin     | Group Marketing and Product Director             |
| 10. Mrs. Supaporn Khorporprasert | Acting Director for Human Resource<br>Management |
| 11. Mrs. Phailin Nimityongsakul  | Research and Development Adviser                 |
| 12. Mrs. Waleerat Chuchaipichat  | Purchasing Manager                               |

Later on, the Chair gave explanations to the Meeting on the overall picture of the Company's activities in the previous year as follows:

In 2010, S&P Syndicate Public Company Limited had completed its 37 years of restaurant business. In this year many events occurred in the country. These events involved political unrests, natural disasters and national and worldwide economic slowdowns. However, the Company stood firm and adhered to the principle of fair business towards its customers, the contribution to social benefits through a CSR (Corporate Social Responsibility) program and a Learning to Excel program for its employees, and the continuous improvement of its operation and quality systems, thereby maintaining its growth rate at 11.99 percent and earning a revenue of 5,335 million Baht in total in the previous year.

The Chair, on behalf of the Board of Directors, thanked all shareholders and nationwide customers of S&P for always providing good support. She thanked the Company's executives and employees for their mental and physical cooperation in driving S&P forward to the same target, and she positively hoped that this year and in subsequent years the Company would develop the performance efficiency in the organization for betterment so as to accommodate both domestic and international business expansions for their continuing growth.

Thereafter, the Chair assigned Mr. Pravesvudhi Raiva, President, to report to the Meeting as follows:

S&P Syndicate Public Company Limited had attained its 37<sup>th</sup> year of operation. In 2010, the Company had opened 37 additional branches, which are divided into 5 restaurants and 32 bakery shops. In addition, 2 international branches had been opened, that is, in Vienna, Austria, and in Singapore, and the opening of a new branch in England was then in progress.

In the previous year, the Company went through the following significant developments as foundations for its future growth:

#### Performance System Development

- Inclusion of the purchasing system in the central management, the results of which became evident in the previous year, as clearly seen from a decrease in the cost;
- Tightening of work processes and reduction of duplicate work procedures, thereby enabling the Company to reduce its operating cost;
- Setting of performance targets with a clear index, that is, KPI or Key Performance Index, which produced outstanding results in the previous year.

### Personnel Development

S&P had always attached importance to this point. A significant principle adopted by the Company in the previous year was “Learning to Excel”. For personnel development activities, the Company held Super Chef contests to assist in the development of the ability of chefs of the Company. Employees were encouraged to participate in Barista or coffee-making contests. Over the past years, employees of the Company had won leading prizes of the country for consecutive years.

In addition, the Company provided support to educational development by building a bilateral learning and study center to accord opportunities to disadvantaged students for vocational studies in the field of restaurant service. Students in the program were given support regarding learning facilities and accommodations and also had income during their studies and apprentices.

### Product Development

The Company had taken steps continuously to develop its cake, cookie and bakery products. Especially in the previous years, the Company had focused on the development of its food products into many more descriptions, which enjoyed good success.

Regarding the development of the brand, even if the S&P brand is strong and has been long recognized in the market, the Company still endeavored to develop and update it at all times so that it looked up-to-date and fresher, for example, by updating the S&P brand for its delicacy and modernity and by advertising the Company continuously. By doing so, the Company succeeded well too and became more widely known by degrees, as could be perceived from the sales turnovers of the existing branches, which had increased by 7 percent in the previous year.

### Social and Environmental Matters

The Company had proceeded earnestly with CSR (Corporate Social Responsibility) activities whether in terms of the education of disadvantaged students as aforesaid or the implementation of the Kitchen for Kids program for good hygiene for communities. Moreover, the Company supported the instillation of morals and ethics by providing meditation practices for its employees and third persons who were interested. In environmental terms, systems of standard quality in factories were updated so that they are always acceptable at national and international level for customers’ satisfaction.

In future and for subsequent steps, the Company would be still determined to keep on expanding its business to the satisfaction of all parties concerned, who are customers, suppliers, shareholders and employees of the Company, and would still adhere to fair business with the principle of good corporate governance of the Company, which would promote its ability to expand its business and cope firmly with possible circumstances and to experience sustainable growth in perpetuity.

Later on, the Chair invited Mr. Dusit Nontanakorn, independent director, who is an economic expert, to give a description of economic trends for the benefit of the Company and its shareholders as follows:

In the previous year, Thailand was regarded as one of the strongest countries in the ASEAN. Its growth rate was almost 8 percent, which was compared with the somewhat low rate of growth in the preceding year. For this year, it was expected that the growth rate of Thailand would be 4.5-5.0 percent, which could be discerned from the exports in the first quarter of this year, with the growth rate as high as 30 percent or with the average export turnover of approx. 18,000 million U.S. dollars a month, because the economy in the U.S. zone remained strong. Even if the European zone was to a certain extent affected by financial crises and Japan was affected by tsunamis, one could view that this would be a chance for Thailand to expand the range of its exports, especially food products, towards these countries. A significant factor that would help Thailand's economy run in this year was, therefore, exportation, as in the previous years. Moreover, in this year the Government increased the salaries for public servants and had a policy to increase the labor costs. Such increases would serve as factors that help stimulate domestic spending. Hence, if the exports went on well, it would result in more revenues for labor in the export sector and more spending as well.

In terms of investment, even if the electronic and motor vehicle industries in Thailand were somewhat affected by the situations in Japan, at the same time Japan was required to improve its production sector by relocating part of its production bases, especially middle and small enterprises, to ASEAN countries, and Thailand was probably one of the important destinations for its investment. Therefore, it could be believed that this year would be another year when the economy would go on well. In addition, this year there would be an election, which would also serve as another way to help stimulate the economic circulation, and it was therefore possible for Thailand's growth rate being as high as 4.5-5.0 in this year.

A negative factor that remained worrying was oil prices, and it was believed that there was little possibility for the oil prices to decrease to lower than 100 U.S. dollars per barrel. Even though the Government endeavored to hold down the price of diesel oil, it was expected that it could not be stabilized for long and eventually it must be allowed to rely on an invisible hand, and the production sector would be thereby affected to a certain extent. For the financial sector, the Bank of Thailand still worried about the inflation rate, which might be higher than that of the previous year and would also affect interest rates. However, it was believed that business persons in Thailand had prepared for the interest rates that tended to rise by, for example, reducing their expenses in compensation for a possible increase in their interest burdens in future.

Despite some negative factors, it was, however, believed that the national economy in this year would grow well, thereby producing a good effect on S&P as well.

Thereafter, the Chair requested that the Meeting commence by proceeding with the following items on the agenda.

**Agenda Item 1: Adoption of the minutes of the 2010 Ordinary Meeting of Shareholders**

The Chair proposed that the Meeting adopt the minutes of the 2010 Ordinary Meeting of Shareholders held on April 26, 2010, with such details as set out in the minutes that the Company had submitted, together with the invitation to the Meeting, to the shareholders. Whereupon the Board of Directors, having considered the minutes of the 2010 Ordinary Meeting of Shareholders and been of the opinion that the minutes had been taken correctly and completely, deemed it advisable to adopt the minutes and accorded an opportunity to the shareholders to ask questions or request amendments thereto.

Mr. Suthat Khancharoensuk (a shareholder) said that at the previous meeting, if a shareholder had asked a question or given an opinion, the meeting would be informed of his/her name, but no such details appeared in the minutes. Therefore, he would like to ask about the cause whereby the detail was not recorded.

The Meeting conductor explained that at and after this Meeting the Company would record details of questions and opinions of the attendance. For this purpose, the Company had prepared a microphone. A shareholder who wanted to ask a question or give an opinion was asked for cooperation in informing the Meeting of his/her first name and family name first so that the Company would record them correctly and completely as recommended by the relevant shareholder.



There being no questions asked or amendments requested by the shareholders, the Chair requested the Meeting to pass a resolution adopting the minutes of the 2010 Ordinary Meeting of Shareholders. For this agenda item, the majority votes of the shareholders present and entitled to vote were required.

The Meeting resolved to adopt the minutes of the 2010 Ordinary Meeting of Shareholders by:

Resolution	Number of Votes	Percentage
For	72,347,323	99.9950
Against	3,608	0.0049
Abstention	6	0.0000
Total Votes	72,350,937	100.000

**Resolution:** The Meeting resolved, by its majority votes, to adopt the minutes of the 2010 Ordinary Meeting of Shareholders held on April 26, 2010.

**Agenda Item 2: The Board's report on the Company's operation results of 2010**

The Chair requested the Meeting to consider the report on the Company's operation results in 2010 with such details as set out in the 2010 Annual Report which had been submitted, together with the invitation to the Meeting, to the shareholders, and she assigned Mrs. Kessuda Raiva, Senior Vice President, to give further explanations on the operation results to the Meeting.

Mrs. Kessuda Raiva, Senior Vice President, gave further explanations on the operation results to the Meeting as follows:

2010 was another year of the Company's pride in its operation results because its growth rate was extremely satisfactory. In addition to the advantages resulting from the economic growth, the mental and physical cooperation of the Company's executives and employees resulted in the continuing growth of the Company, which could be discerned from the growth in the Company's revenue at the rate of 12 percent and in its net profit at the rate of 30 percent, and the growth continued from 2009. The net profit rate increased from 6.2 percent in 2009 to 7.2 percent in 2010. Such increase was consequent upon the growth in the rates of gross profit and profit before interest expenses and taxes, which had grown in the same direction.

In terms of the revenue structure of the Company, if divided according to sales channel, the Company's revenues are mostly derived from domestic businesses, i.e. 46.0 percent from the food business, 31.3 percent from the bakery shop business, and 9.4 percent from the distribution business, which sells the Company's products to retail businesses, whereas the business of international restaurants represents 13.3 percent. In the previous year, each of the sales channels had grown against the preceding year. If the revenues are divided according to product category, the highest proportion of the Company's revenues is derived from bakery products, that is, 45.4 percent. The second in order are domestic foods and beverages at 29.8 percent, and finished foods, that is, frozen foods, quick meals, sausages and ready-to-drink products at 8.4 percent. Each of the products had also grown continuously against the previous year. For international restaurants, the Company then had restaurants located in 4 countries, that is, England, Switzerland, China and Singapore, and in the previous year an additional restaurant had been opened in Austria. Because of the slowdown of foreign economies at the beginning of the year, in association with the Thai Baht's appreciation, the growth in the foreign revenues was not quite high and the revenues in some countries decreased. However, the opening of the additional branch resulted in the growth of the foreign sales turnover at the rate of 6 percent.

Regarding the expansion of the local branches, in 2010 the Company had 22 more branches, with the opening of 37 new branches and the closing of 15 low-profitability branches, whereas in terms of the growth in the sales turnover of the existing outlets the restaurants grew at the rate of 6.3 percent and the bakery shops 7.4 percent.

As regards the cost management in 2010, the Company's cost of sale and service increased against that of the previous year by approx. 10 percent. However, being proportioned to the sales turnover, it could be perceived that the proportion decreased from 53.6 percent to only 50.0 percent because the Company was able to manage its cost, especially the cost of raw materials, efficiently. As regards the sales and administrative expenses, the Company had also endeavored to manage a variety of fixed cost with efficiency. Despite an increase in the expenses against those of the previous year, such as, employee expenses, the Company managed them to a controllable level. When compared to the sales turnover, the proportion of the sales and administrative expenses decreased from 34.0 percent in the previous year to 32.2 percent.

In terms of the financial standing of the Company, since the Company had a great amount of cash, as could be discerned from the flow of funds which had increased to as high as 800 million Baht, the Company then considered many investment projects to expand its operations, such as, a new-trend restaurant in England, a local Japanese restaurant project and a Thai fast food project, etc.

Other significant financial ratios also increased, that is, the return on equity, which increased from 15.3 percent to 20.7 percent, and the return on assets, which increased from 11.1 percent to 13.9 percent.

Regarding information about the Company's shares in the previous year, the Company had earnings per share of 3.79 Baht, which increased against those of the previous year, which were equal to 2.80 Baht. In addition, the price of shares of the Company increased continuously as a result of many factors regarding both the operation results of the Company and the trading condition on the Stock Exchange. If the increase in the price of shares of the Company was compared to the Stock Exchange index during the previous 1-year interval, it could be perceived that the share pricing of the Company had grown at the rate of 192 percent, whereas the Stock Exchange index had grown at the rate of 140 percent.

At the end of the report, the Chair informed the Meeting that the Board of Directors had considered the report on the Company's operation results of 2010 and was of the opinion that the operation results and other reports of 2010 should be adopted. At the same time, she accorded an opportunity to the shareholders to ask questions or express opinions.

Mr. Suthat Khancharoensuk (a shareholder) asked as follows:

- 1) Following the opening of a branch in China, how much income had been earned in the previous year?
- 2) Had the closing of the Pizzanotti business affected the Company, and how?
- 3) Would the closing of the Central Lat Phrao branch affect the Company, and how?
- 4) The Company had an exchange profit in 2009 but none in 2010. What was the cause?
- 5) What was the tendency of the interest expenses of the Company?
- 6) In the previous year, had the Company opened new branches in accordance with the set target?
- 7) Did the newly opened branches become successful?

Mrs. Kessuda Raiva, Senior Vice President, explained that in the previous year the revenue of the China branch was approx. 8 million Baht, which was not quite high, because it was a newly opened branch. Therefore, this year the Company had a plan to increase the sales turnover, whereas the closing of the Pizzanotti business obliged the Company to establish a partial investment reserve. However, the Company had not yet terminated the entire operation.

The Chair added that despite the closing of the Pizzanotti business the Company had not yet ceased to make pizzas but had moved to produce and sell them in S&P restaurants, thereby making it possible to reduce the cost, whereas the Central Lat Phrao branch was only closed temporarily because the Plaza had been closed for restoration. The Company might have been somewhat affected by a decrease in the sales turnover, but most clients had moved to use services in the neighboring branches. However, when newly opened the Company's branch would move to a better location.

Mrs. Khanyupar Achakulwisut, Finance and Accounting Director, gave explanations on exchange profits and interest expenses as follows:

The Company's exchange profit in 2009 had been reflected as an exchange profit. However, in 2010 the Company had incurred a loss as a result of the Thai Baht's appreciation. Therefore, it had been reflected as an exchange loss amounting to 11.7 million Baht and contained in a different section in the financial statements.

The Company's interest expenses incurred had resulted from the opening of branches abroad, especially in a country where the Company had just opened a new branch. Therefore, loans had been required for investment in the relevant country, and most cases involved long-term loans with a fixed and relatively low rate of interest.

Mrs. Kessuda Raiva, Senior Vice President, explained further about the interest expenses that the Company had a policy to expand its operations by increasing the proportion of liabilities to capital or gearing ratio and this would help increase the rate of return for the Company's shareholders. If any project was able to borrow funds, the Company might consider borrowing at a gearing ratio of approx. 1 to 1.5 time(s). However, since the domestic businesses of the Company then had a lot of cash inflows, no funds had been borrowed.

Mr. Vitoon Sila-On, Senior Deputy General Manager for Domestic Foods Business, explained about the opening of the new branches by the Company that the Company had opened 37 new branches in total. Whether or not the target was deemed to be met, the Company attached more importance to the overall operation results of the new branches than to the number of the branches opened. If many branches were opened but their operation results were not good, the Company would then be loaded with burdens. However, this year the Company planned to generate revenues of 220 million Baht from the opening of 45 new branches, but the Company would attach more importance to the ability to generate more revenues even if not so many as 45 branches could be opened.

Mrs. Kessuda Raiva, Senior Vice President, summarized further about the business target that in 2010 the Company aimed at increasing its sales turnover by 15 percent against that of the previous year and it was able to do so at a close rate, that is, 12.4 percent. However, considering the net profit, the Company was able to surpass the set target.

The Chair explained further about the opening of the new branches that over the past period they had succeeded well. In particular, the branches opened in hospitals were highly successful in terms of both revenue and customer's satisfaction.

Mr. Than Pichitanont (a shareholder) congratulated the Company on its sales turnover of more than 5,000 million Baht and dividends paid of more than 3 Baht per share. At the same time, he asked as follows:

- 1) Why did part of the information appearing on the slide screen differ from one in the financial statement?
- 2) He was informed that the Company had a project for fast food business, whereas the majority shareholder of the Company was also conducting the fast food business. Would a conflict of interests arise?

Mrs. Khanyupar Achakulwisut, Finance and Accounting Director, explained that part of the information presented on the slide screen had been regrouped for ease of understanding or it was likely that decimal figures had been rounded, and that part of the information on international businesses had been divided into groups.

The Chair explained about the new food business that a conflict of interests would probably not arise because the concept resulted after the Ministry of Commerce had proposed that S&P help devise Thai dishes in the category of fast food for export abroad. This was because at the moment international sales of Thai food usually faced a problem regarding chefs, who are rare skilled workmen and are barred in some countries. Therefore, the production of Thai fast food would help introduce the Company to new international markets and would in no way compete with the local fast food.

Mrs. Duangduan Inthorn (a shareholder) said that at the previous meeting of shareholders she had been late for the meeting. Therefore, she had not been provided with snacks and drinking water because the Company staff had informed her that the meeting had then commenced. She recommended that the Company improve the service provided for shareholders present at the meeting and that the container of snacks prepared for the attendance be changed from a tray to a box because it is easier to eat. In addition, at subsequent meetings a signage should be prepared to inform shareholders of where they can park their cars.

The Chair explained that over the past years the Company staff might have been too strict. However, the Company apologized for such inconvenience and the Management would remind the organizing team to improve the service.

Miss Piyarat Khunchit (a proxy of the Thai Investors Association) said that goods prices tended to rise. She wanted to know what effect would be produced on the Company and how the Company would cope with such situation.

Mr. Pravesvudhi Raiva, Vice President, explained that the rise in goods prices was unavoidable because it was not under the Company's control. Over the past years, the goods prices had increased for a certain period of time. The Company had endeavored not to shift the burden onto its customers, but it would start first with self-adjustment within the Company as aforesaid by, for example, improving the purchasing system so that it was incorporated in the central management and became more efficient. In addition, the Company endeavored to reduce its expenses, as it could be perceived that over the past years the Company had been able to reasonably reduce its expenses in various sections. However, if in future the cost of raw materials should rise considerably, the Company might be required to increase the prices of its products as appropriate so as to maintain a standard level of quality of its products, to which the Company attaches the greatest importance.

Mr. Suthat Khancharoensuk (a shareholder) made a further recommendation about the Meeting agenda. Since there was no table for snacks provided in the Conference Hall, it was not convenient for the attendance to have the snacks. Therefore, he recommended that a snack space be provided so that the Meeting would not be disturbed.

The Chair thanked him and explained that the Company would subsequently endeavor to improve the organization of meetings. There being no questions asked or further opinions expressed by the shareholders, the Chair requested the Meeting to pass a resolution adopting the operation results and other reports in 2010. For this agenda item, the majority votes of the shareholders present and entitled to vote were required.

The Meeting resolved to adopt the report on the Company's operation results in 2010 by:

Resolution	Number of Votes	Percentage
For	76,001,548	99.9999
Against	0	0.0000
Abstention	6	0.0000
Total Votes	76,001,554	100.000

**Resolution:** The Meeting resolved, by its majority votes, to adopt the report on the Company's operation results in 2010.

**Agenda Item 3: Approval of the balance sheet and profit and loss statement ended December 31, 2010**

The Chair requested that the Meeting approve the balance sheet and profit and loss statement ended December 31, 2010, which had been submitted, together with the invitation to the Meeting, to the shareholders, and Miss Cattleya Saengsastra, Chairman of the Audit Committee, was invited to give further opinions.

Miss Cattleya Saengsastra, Chairman of the Audit Committee, reported her further opinions to the Meeting as follows:

The Audit Committee had been appointed by the Board of Directors. It comprised 3 independent directors, with Miss Cattleya Saengsastra as the Chairman, Mr. Dusit Nontanakorn and Miss Sophavadee Uttamobol as members of the Audit Committee. In 2010, the Audit Committee had held 4 meetings with external auditors, internal auditors, finance and accounting executives, managers and executives concerned to consider various matters, such as, reviews of financial statements of the Company so that they conformed to the pertinent laws and rules in terms of both taxation and the implementation of the pertinent rules of the Stock Exchange. Following the meetings with the auditors, it was found that the Company had made an improvement by being able to prepare its financial statements more quickly. The problems that had been found mostly involved possible risks. However, those possible risks remained at low level and were controllable.

The main duties of the Audit Committee are divided into 6 items, that is:

1. To review financial statements of the Company. In the financial statements of the previous year, the auditor had expressed an unqualified opinion, and the Audit Committee, having considered them and found no irregular transactions, had approved of the auditor's report and the financial statements of the Company.

2. To assess the risk management. The Audit Committee, having reviewed the information on the assessment of the risk management, had found no significant risks, except only small operational risks, such as, petty cash control. The Audit Committee was of the opinion that in subsequent years the Company should make available a more strict control system that can prepare up-to-date reports, thereby making it possible to control performance and risks more efficiently.

3. To verify the internal control of the Company. The Company had planned for its internal audit every year and made available an internal audit unit which kept performing the duty to examine the operations of internal working units so that they conformed to the systems, plans and targets laid down. The Audit Committee had made regular reviews and had in no way found that the Company had a significant problem of internal audit.

4. To verify the compliance with laws, rules and regulations. In the previous year, the Company had started to comply with an accounting standard that had changed, that is, the rules concerning employee's benefits. For those which had not yet become effective, the Company had also prepared for the rules that would gradually apply.

5. To verify interrelated transactions and transactions that might carry conflicts of interests, by meeting with internal auditors, law office executives, finance and accounting executives and the Management. It was found that in 2010 the Company and its subsidiaries had performed interrelated transactions in the ordinary course of business and that the Company had disclosed information sufficiently and appropriately.

6. To propose the appointment and remuneration of the Company's auditors. The Audit Committee had considered and proposed the matter to the Board of Directors, which would forward it to the Meeting of Shareholders for approval for the election and remuneration of the auditors under the subsequent item on the agenda



At the end of the report, the Chair informed the Meeting that the Board of Directors was, after due consideration, of the opinion that the balance sheet and profit and loss statement for the accounting period ended December 31, 2010, which had been audited and certified by the certified public accountants in conformity with generally accepted accounting principles, should be approved. At the same time, the shareholders were accorded an opportunity to ask questions or express further opinions.

There being no questions asked or further opinions expressed by the shareholders, the Chair requested the Meeting to pass a resolution approving the balance sheet and profit and loss statement for the accounting period ended December 31, 2010. For this agenda item, the majority votes of the shareholders present and entitled to vote were required.

The Meeting resolved to approve the balance sheet and profit and loss statement ended December 31, 2010 by:

Resolution	Number of Votes	Percentage
For	76,004,455	99.9999
Against	0	0.0000
Abstention	6	0.0000
Total Votes	76,004,461	100.000

**Resolution:** The Meeting resolved, by its majority votes, to approve the balance sheet and profit and loss statement ended December 31, 2010.

**Agenda Item 4: Approval for the payment of the dividend on the operation results of 2010**

The Chair assigned Mr. Pravesvudhi Raiva, President, to give explanations to the Meeting regarding the payment of the dividend on the operation results of 2010.

Mr. Pravesvudhi Raiva, President, reported to the Meeting that, pursuant to the Company's policy to pay the dividend at the rate of approx. 60 percent of the net profit after deduction of income tax and according to the consolidated operation results and financial standing, the Company's net profit for 2010 amounted to 381.88 million Baht. Therefore, the Company allocated 318.77 million Baht as the dividend, which was equal to 3.25 Baht/share. However, since an interim dividend had been paid at the rate of 1.25 Baht per share for 98,081,673 paid-up shares after deduction of the portion bought back or treasury stock and the payment thereof had amounted to 122.60 million Baht, the balance as the dividend then payable was at the rate of 2.00 Baht per share and amounted to 196.16 million Baht. The dividend would be paid to the shareholders whose names appeared as of the date of determination of shareholders' entitlement to the dividend (Record Date), i.e. March 11, 2011, and the dividend was scheduled to be paid on May 19, 2011.

At the end of the report, the Chair informed the Meeting that the Board of Directors was, after due consideration, of the opinion that the interim dividend payment should be acknowledged, and she requested approval of the Meeting of Shareholders for the payment of the dividend on the operation results of 2010 at the rate of 3.25 Baht per share. At the same time, the shareholders were accorded an opportunity to ask questions or express further opinions.

Mr. Suthat Khancharoensuk (a shareholder) was of the opinion that each payment of a great amount of dividend by the Company had resulted in the Company's shares not being so merchantable as they should be. So he recommended that the Company pay dividends more than twice a year. Doing so would probably produce good effects on the price and the trading of shares of the Company. The Company was requested to take the point into consideration in conjunction with the management of its cash flows and investments.

The Chair thanked him and accepted his recommendation for consideration. There being no questions asked or further opinions expressed by the shareholders, the Chair requested the Meeting to pass a resolution approving the payment of the dividend on the operation results of 2010. For this agenda item, the majority votes of the shareholders present and entitled to vote were required.

The Meeting resolved to approve the payment of the dividend on the operation results of 2010 by:

Resolution	Number of Votes	Percentage
For	76,036,555	99.9999
Against	0	0.0000
Abstention	6	0.0000
Total Votes	76,036,561	100.000

**Resolution:** The Meeting resolved, by its majority votes, to approve the payment of the dividend on the operation results of 2010 at the rate of 3.25 Baht per share. The balance then payable for the dividend was at the rate of 2.00 Baht per share. The dividend payable amounted to 196.16 million Baht and will be paid by May 19, 2011.

**Agenda Item 5: Approval of the directors' remuneration**

The Chair informed the Meeting that the fixing of the directors' remuneration in this year had met with the Nomination and Remuneration Committee's approval. Then she invited Mr. Aviruth Wongbuddhapitak, Chairman of the Nomination and Remuneration Committee, to report opinions about the fixing of the directors' remuneration to the Meeting.

Mr. Aviruth Wongbuddhapitak, Chairman of the Nomination and Remuneration Committee, reported the opinions about the fixing of the directors' remuneration for 2011 as follows:

Following the appointment of the Nomination and Remuneration Committee by the Company in February 2010, the Nomination and Remuneration Committee had met to consider the payment of remuneration to the directors of the Company. Over the past years, it had been found that the payment could still be improved so that it followed the course of practice applied by local leading companies, that is, the Company would pay fees and meeting allowances to directors present at meetings and pay gratuities to the directors at the end of the relevant year according to the operation results of the Company.

Considering that the retention of office of director of the Company requires duties and responsibilities, whether the director is present at a meeting or not, and that the Board of Directors is a key factor of the management of the Company, no matter what status the Company is in, the Company's directors should be remunerated fairly and appropriately. It was, therefore, deemed expedient to also pay regular remuneration on a monthly basis to the Company's directors. In 2011, approval had been sought for the payment of the directors' remuneration in accordance with the following details:

Board/Committee	Position	Regular Remuneration, only for Non-executive Directors (Baht/Person/Month)		Meeting Allowance (Baht/Person/Meeting)	
		2011 (Yr. Proposed)	2010	2011 (Yr. Proposed)	2010
Board of Directors	Chairman	-	-	30,000	20,000
	Director	20,000	-	20,000	20,000
Audit Committee	Chairman	15,000	-	30,000	20,000
	Member	10,000	-	20,000	20,000
Nomination and Remuneration Committee	Chairman	-	-	15,000	-
	Member	-	-	10,000	-

The regular remuneration would be paid only to directors who are third parties and not executives. And for transparency, directors who are executives of the Company would not receive the regular remuneration in their capacity as directors of the Company because they were already receiving suitable regular remuneration in their capacity as executives, whereas for members of the Audit Committee, since they have additional duties and responsibilities relating to financial statements and internal audit, it was deemed expedient to let them have additional remuneration for those duties and responsibilities.

Regarding the Board Chairman and the Audit Committee Chairman, who are considered to have more duties and responsibilities than ordinary directors, it was deemed expedient to let them have an additional meeting allowance, and it was proposed that their allowance be paid at the rate of 1.5 times of that for an ordinary director, which rate follows the course of practice adhered to by most of the companies listed on the Stock Exchange. In addition, since the Company had appointed the Nomination and Remuneration Committee, payment of meeting allowances to such Committee had also been considered. Members of the Nomination and Remuneration Committee would receive the meeting allowance at the rate of 10,000 Baht/meeting and the Committee Chairman at the rate of 15,000 Baht/meeting.

The remuneration and meeting allowances above would take effect in and after May 2011 until the Nomination and Remuneration Committee considered that such remuneration was not appropriate or consistent with the overall economic condition, whereupon it would be proposed to the Board of Directors for consideration and approval would be sought from a meeting of shareholders for alterations to be made thereto.

For the remuneration regarding annual gratuities, in 2010 the gratuities had been paid to the Company's directors at the rate of 200,000 Baht each and to the Audit Committee members at the rate of 250,000 Baht each. But this year there was a change because the gratuities would be paid to the Board Chairman at the rate of 300,000 Baht and to the 11 directors of the Company at the rate of 200,000 Baht each. The payment thereby amounted in total to 2,500,000 Baht. It could be perceived that the annual gratuities to be received by the Audit Committee members decreased against those of the previous year because this year the Company had proposed the payment of the regular remuneration.

At the end of the report, the Chair informed the Meeting that the Board of Directors was, after due consideration, of the opinion that the directors' remuneration should be approved as appropriately and thoroughly considered by the Nomination and Remuneration Committee, which remuneration was also consistent with the directors' duties and responsibilities and with the growth of the Company's business. At the same time, the shareholders were accorded an opportunity to ask questions or express further opinions.

Mr. Suthat Khancharoensuk (a shareholder) asked if the directors' remuneration structure then requested for approval would be for the last time and if it would be increased or reduced according to the operation results of the Company, and if, in addition to the remuneration proposed for approval, the Company's directors would receive other additional remuneration.

Mr. Aviruth Wongbuddhapitak, Chairman of the Nomination and Remuneration Committee, explained that the directors' remuneration then requested for approval was divided into 2 parts. The first part comprised the regular remuneration and meeting allowances, which would remain fixed until they were changed. The second part was the directors' gratuities, which would be proposed to the meeting of shareholders for approval every year so that the payment of the remuneration to the directors was in accordance with the operation results of the Company and with the shareholders' interests. Apart from these payments of remuneration, the Company's directors did not receive any further remuneration.

There being no questions asked or further opinions expressed by the shareholders, the Chair requested the Meeting to pass a resolution approving the directors' remuneration. For this agenda item, at least two-thirds of the votes of the shareholders present and entitled to vote were required.

The Meeting resolved to approve the directors' remuneration by:

Resolution	Number of Votes	Percentage
For	75,995,462	99.9454
Against	41,500	0.0545
Abstention	6	0.0000
Total Votes	76,036,968	100.000

**Resolution:** The Meeting resolved, by more than two-thirds of its votes, to approve the directors' remuneration for 2011 as follows:

Board/Committee	Position	Regular Remuneration, only for Non-executive Directors (Baht/Person/Month)	Meeting Allowance (Baht/Person/Meeting)
Board of Directors	Chairman	-	30,000
	Director	20,000	20,000
Audit Committee	Chairman	15,000	30,000
	Member	10,000	20,000
Nomination and Remuneration Committee	Chairman	-	15,000
	Member	-	10,000

The remuneration and meeting allowances above would take effect in and after May 2011 until the Nomination and Remuneration Committee considered that such remuneration was not appropriate or consistent with the overall economic condition, whereupon it would be proposed to the Board of Directors for consideration and approval would be sought from a meeting of shareholders for alterations to be made thereto.

And the annual gratuities were fixed for the Board Chairman at 300,000 Baht and for the 11 directors of the Company at 200,000 Baht each. The gratuities thereby amounted in total to 2,500,000 Baht.

**Agenda Item 6: Election of the new directors to replace those retiring by rotation**

The Chair informed the Meeting that this year the Company has appointed the Nomination and Remuneration Committee to recruit and select individuals qualified for serving as directors of the Company, as notified to the Meeting in the previous item on the agenda. Then she invited Mr. Aviruth Wongbuddhapitak, Chairman of the Nomination and Remuneration Committee, to report opinions about the election of the new directors to replace those retiring by rotation.

Mr. Aviruth Wongbuddhapitak, Chairman of the Nomination and Remuneration Committee, reported that, to conform to the principle of good corporate governance, the Nomination and Remuneration Committee had performed the duty to elect the new directors to replace those retiring by rotation. In this regard, the Company's Articles of Association stipulate that at every annual ordinary meeting of shareholders one-third of the Company's directors retire by rotation. This year 4 directors were to retire by rotation, namely:

1. Mr. Pravesvudhi Raiva            President
2. Miss Sophavadee Uttamobol   Independent Director and Audit Committee Member
3. Mr. Dusit Nontanakorn        Independent Director and Audit Committee Member
4. Mr. Aviruth Wongbuddhapitak   Independent Director

The Company had announced on its website that the shareholders were invited to nominate individuals they considered appropriate to be selected as directors of the Company, and the announcement was in accordance with the guideline adhered to by general leading companies in the country. However, on the expiration of the relevant period of time, no shareholders had proposed any other individuals to the Company. Therefore, the Nomination and Remuneration Committee, having taken into consideration their qualifications and eligibility under the laws and the criteria and requirements of the Office of the Securities and Exchange Commission (SEC) and under the law governing public limited companies, as well as their qualifications, knowledge and ability, and experience that would be beneficial to the conduct of business of the Company, deemed it expedient to reelect the 4 directors to be retired by rotation to the office of director. To this, the Nomination and Remuneration Committee had proposed the matter to the Board of Directors for consideration, and the Board of Directors, having agreed to it, had forwarded it to the Meeting of Shareholders for approval.

At the end of the report, the Chair requested the Meeting to elect the new directors to replace those retiring by rotation. For this purpose, the Board of Directors by the directors having no interests, after due consideration, deemed it advisable to propose to the shareholders the election of the 4 directors as appropriately and thoroughly considered by the Nomination and Remuneration Committee. The 4 individuals so nominated were qualified and had knowledge and ability suitable for reelection to the office of director of the Company. At the same time, the shareholders were accorded an opportunity to ask questions or express further opinions.

When there was no further question, the Chair requested the Meeting to pass a resolution electing the new directors to replace those retiring by rotation. In this agenda item, each individual director would be elected. All shareholders and proxies appointed by shareholders who had not yet voted in their letter of proxy were requested to pass a resolution by using ballots, whereby they could elect to vote for either the appointment of the directors *en bloc* or the election of individual directors. And when the votes had been collected, the result of the counting of the votes for each individual director so elected would be notified. And for the transparency of the election of the directors in this agenda item, the Company's auditors were invited to observe the counting of the votes.

The Meeting resolved to approve the election of the directors to replace those retiring by rotation by:



## 1. Mr. Pravesvudhi Raiva President

Resolution	Number of Votes	Percentage
For	76,036,362	99.9992
Against	600	0.0007
Abstention	6	0.0000
Total Votes	76,036,968	100.000

## 2. Miss Sophavadee Uttamobol Independent Director and Audit Committee Member

Resolution	Number of Votes	Percentage
For	76,036,362	99.9992
Against	600	0.0007
Abstention	6	0.0000
Total Votes	76,036,968	100.000

## 3. Mr. Dusit Nontanakorn Independent Director and Audit Committee Member

Resolution	Number of Votes	Percentage
For	76,036,362	99.9992
Against	600	0.0007
Abstention	6	0.0000
Total Votes	76,036,968	100.000

## 4. Mr. Aviruth Wongbuddhapitak Independent Director

Resolution	Number of Votes	Percentage
For	76,036,362	99.9992
Against	600	0.0007
Abstention	6	0.0000
Total Votes	76,036,968	100.000

**Resolution:** The Meeting resolved, by its majority votes, to approve the reelection of the 4 directors retiring by rotation to the office of director.

**Agenda Item 7: Election of the auditor and fixation of her/his remuneration for the 2011 accounting period**

The Chair invited Miss Cattleya Saengsastra, Audit Committee Chairman, to give additional opinions.

Miss Cattleya Saengsastra, Audit Committee Chairman, reported to the Meeting that the Audit Committee, after due consideration, deemed it expedient to nominate auditors from Deloitte Touche Tohmatsu Jaiyos Audit Firm, which shared no interests with the Company, as the auditors for the 2011 accounting period, and there were 5 auditors in total, namely:

Miss Thanawan Anuratbodee, Certified Public Accountant License No. 3440; and/or  
 Miss Wipawee Boonyaprasit, Certified Public Accountant License No. 3096; and/or  
 Miss Natchalee Boonyakarnkul, Certified Public Accountant License No. 3126; and/or  
 Mr. Chuphong Surachutikarn, Certified Public Accountant License No. 4325; and/or  
 Mr. Manoon Manusuk, Certified Public Accountant License No. 4292

The Audit Committee and the Accounting Department of the Company, having jointly considered the performance of the Audit Firm in the previous year, found that it had cooperated well with the Company and given advice to the Company to help it improve its performance system well. Moreover, this year the audit fee had not yet been increased. It was, therefore, deemed advisable to appoint the existing auditors as the auditors for 2011 and fix the auditors' remuneration at 2,100,000 Baht for the Company and 900,000 Baht for its subsidiaries and other service fees at 62,400 Baht. The remuneration amounted in total to 3,062,400 Baht, which was equal to that of the previous year. However, in the event those auditors were not able to perform their duty, Deloitte Touche Tohmatsu Jaiyos Audit Firm would be required to cause other auditors of the Firm to perform the audit of the Company's accounts on behalf of those auditors.

**Table of Comparison of Audit Fees**

Auditor's Remuneration	2011 (Yr. Proposed)	2010
Audit fee for the Company (Baht)	2,100,000	1,860,000
Audit fee for the subsidiaries (Baht)	900,000	1,140,000
Other service fees (Baht)	62,400	62,400
<b>Total (Baht)</b>	<b>3,062,400</b>	<b>3,062,400</b>

At the end of the report, the Chair requested the Meeting to approve the election of the auditors and the fixation of their remuneration for the 2011 accounting period. For this purpose, the Board of Directors was, after due consideration, of the opinion that Deloitte Touche Tohmatsu Jaiyos Audit Firm should be elected auditor for the 2011 accounting period and that its remuneration should be fixed at 3,062,400 Baht in total as proposed. At the same time, the shareholders were accorded an opportunity to ask questions or express further opinions.

Mr. Than Pichitanont (a shareholder) asked about the cause of the decrease in the audit fee for the subsidiaries, whereas the audit fee for the Company had increased.

Miss Cattleya Saengsastra, Audit Committee Chairman, explained that this year the auditor had offered the audit fee in accordance with the higher quantity of the work. As a result, the proportion of the audit fees for the Company and its subsidiaries must be adjusted accordingly.

There being no questions asked or further opinions expressed by the shareholders, the Chair requested the Meeting to pass a resolution electing the auditors and fixing their remuneration for the 2011 accounting period. For this agenda item, the majority votes of the shareholders present and entitled to vote were required.

The Meeting resolved to elect the auditors and fix their remuneration for the 2011 accounting period by:

Resolution	Number of Votes	Percentage
For	76,014,962	99.9701
Against	22,000	0.0289
Abstention	6	0.0000
Total Votes	76,036,968	100.000

**Resolution:** The Meeting resolved, by its majority votes, to approve the election of Miss Thanawan Anuratbodee, Certified Public Accountant License No. 3440, and/or Miss Wipawee Boonyaprasit, Certified Public Accountant License No. 3096, and/or Miss Natchalee Boonyakarnkul, Certified Public Accountant License No. 3126, and/or Mr. Chuphong Surachutikarn, Certified Public Accountant License No. 4325, and/or Mr. Manoon Manusuk, Certified Public Accountant License No. 4292, from Deloitte Touche Tohmatsu Jaiyos Audit Firm, auditors for the 2011 accounting period and fix the audit fee at 2,100,000 Baht for the Company, other service fees at 62,400 Baht, and the audit fee at 900,000 Baht for the subsidiaries, all of which amounted to 3,062,400 Baht, as proposed.

**Agenda Item 8: Other business**

The Chair informed the Meeting that the Company had announced on its website that the shareholders were invited to propose agenda items to the Meeting for consideration in advance, but none of them had proposed such agenda items to the Company. Therefore, no other business was proposed to the Meeting for consideration and approval, and no resolution would be passed on this agenda item. However, the shareholders would be accorded an opportunity to ask questions or make any other recommendations.

Mr. Than Pichitanont (a shareholder) asked about a thread written on the website pantip.com regarding the services of S&P. The thread had started in the previous year and later it became the frequent thread for the expression of opinions about S&P. It was found that a variety of problems had been reported, such as, cakes prepared but not conforming the orders, cakes that had been previously more delicious, late delivery of products, and late serving of foods, etc. He would like to know how the Company made follow-ups and improvements.

Mr. Vitoon Sila-On, Senior Deputy General Manager for Domestic Foods Business, explained that the Company attached great importance to feedback and comments on the Company. Websites are a good medium and the executives concerned had constantly made follow-ups on them and endeavored to apply such feedback and comments to the improvement of the Company's systems and operations at all times. Apart from the websites, the Company had other media through which its customers could leave feedback or make comments, such as, questionnaires in restaurants and telephone calls via the Public Relations Department and the Call Center. For the Company's services, since the Company had many employees, there might be some defects. However, the Company was in no way indifferent, for example, for the complaints about late serving, which were received regularly, the Company had always made improvements for more rapidity, starting from the kitchen work process, adjustments to the menus for more conciseness, and other methods of work in various aspects. After the follow-ups, much better developments had been found. However, the Company still wanted its customers to keep on making advice so that the Company would apply it to the improvement of all aspects of service and that, by doing so, the Company's restaurants would always remain the favorites of its customers.

Mr. Suthat Khancharoensuk (a shareholder) made a recommendation about the standards of service of the Company, saying that sometimes food quantities, ingredients, tastes and containers were found to be somewhat different, and asked further about the target of business and growth of the Company in 2011.

Mr. Pravesvudhi Raiva, President, explained that overall the Company aimed at growing at the rate of 15 percent against that of the previous year, whereas regarding the improvement of the operation process the Company had always made improvements for betterment. Since great care is required for service business while there are as many as 6,000 employees of the Company, errors are unavoidable. Nevertheless, the Company's executives and employees were working hard and attentively to solve problems that had arisen and satisfy customers.

Mr. Suthat Khancharoensuk (a shareholder) asked about the financial management policy of the Company because over the previous years even if the Company had derived a lot of cash inflows from its operations, the dividends had been paid at high rates and this year such payments had resulted in a fairly great decrease in the book value. So he would like to know what policy the Company had regarding its cash management. In addition, what was the Company's decision about the Treasury Stock Program?

Mrs. Kessuda Raiva, Senior Vice President, explained that the payment of dividends at high rates was, in the Management's opinion, a policy with which most shareholders would probably be satisfied. However, to manage cash flows, the Company had a way to manage its cash flows for the maximum benefit of the Company by considering such investments in projects as appropriate and possible to generate satisfactory revenues for the Company, for example, this year the Company was planning to emphasize on production and had a plan for investment of approx. 200 million Baht to expand the production capacities of both the bakery and food factories. In an overall picture, the Company had a plan for investment totalling approx. 500 million Baht for use in the expansion of its local and international businesses for both the production sector and the expansion of its branches in order that more revenues and returns would be yielded to the Company in future.

Mr. Pravesvudhi Raiva, President, explained further that the Treasury Stock Program of the Company, which had been implemented, was found to be a program producing good effects on both the Company and its shareholders. The Company would derive benefits from its investment in the treasury stock because the shares of S&P are well-based and the shareholders would derive benefits directly from the dividends that had increased.

Mr. Chiraphat Chantharachote (a shareholder) made a recommendation, saying that, at subsequent ordinary meetings of shareholders, on Agenda Item 2, if the Board's opinion was changed from "...deemed it expedient to adopt the operation results..." to "...deemed it expedient to acknowledge the operation results...", then it was not necessary to pass a resolution on that item.

Mr. Suthat Khancharoensuk (a shareholder) said that since the food industry is regarded as a business with high risks, especially those regarding quality control and safety of raw materials. He would like to know what plans or measures the Company had to handle such risks.

Mr. Pravesvudhi Raiva, President, explained that the Company attaches considerable importance to risks regarding quality control and product safety by using the best measures and systems available to control the quality of products ranging from raw materials to finished foods, so as to prevent possible damage. Therefore, it was confident that the Company had made available to its full capacity a measure to prevent those risks.

Mrs. Kessuda Raiva, Senior Vice President, explained further that to procure raw materials the Company had examined all suppliers of goods of the Company regularly and also inspecting individual items of goods so as to prevent risks that would occur.

Miss Sunee Chaipinyo (the proxy of Mrs. Siucheng Saetae) asked about the cause of the increase in the Company's trade accounts receivable and overdue from approx. 50 million Baht in the previous year to over 70 million Baht in this year, and she asked if the Company had established a retirement age reserve for its employees, and at what approximate amount?

Mrs. Khanyupar Achakulwisut, Finance and Accounting Director, explained that a significant cause of the increase in the trade accounts receivable is the new accounting standard applicable. However, the Company's trade accounts receivable that remained outstanding tended to decrease by degrees. Regarding the establishment of the retirement age reserve for the employees, it is necessary to use an insurance mathematician to calculate the establishment thereof. And since S&P is a company established for over 30 years, the establishment of this reserve would require a fairly great amount, but following a comparison of the effects to the statement of retained earnings and deficits, the amount was deemed not quite great, that is, approx. 20 million Baht, because the Company elected to use the method of adjustment to its retained earnings as at the beginning of the period.

There being no further questions asked or further opinions proposed by any shareholders, the Chair thanked the shareholders present at the Meeting on that day and adjourned the Meeting at 12.05 p.m.

Signature ..... Chairman  
( Mrs. Patara Sila-On )

Signature ..... Secretary to the Meeting  
( Mr. Vitoon Sila-On )