

Our Journey to Success

# 50<sup>TH</sup> ANNIVERSARY

# MINOR

2017 Annual Report  
Minor International Public Company Limited

MINOR  
INTERNATIONAL



From a single hotel in Pattaya...



**AVANI**  
HOTELS  
& RESORTS

To a multi-brand portfolio of hotels, restaurants and lifestyle products in multi-geographies.



# MINOR HOTELS

■ Direct-Owned  
□ Managed



### Anantara Resorts & Spas, Thailand

Our award-winning Anantara brand has 13 properties located throughout Thailand, our home market.

Sales (Baht million)	2017	2016	2015
2017	5,834	5,579	4,905
2016	5,579	4,905	
2015	4,905		



### Anantara Resorts & Spas, Indian Ocean

In the Indian Ocean, we operate 3 Anantara hotels in the Maldives and 2 Anantara hotels in Sri Lanka.

Sales (USD million)	2017	2016	2015
2017	93	90	84
2016	90	84	
2015	84		



### AVANI Hotels & Resorts, Thailand

We operate a total of 5 hotels in Thailand. In 2017, we added AVANI Hua Hin Resort & Villas into our portfolio.

Sales (Baht million)	2017	2016	2015
2017	1,683	768	323
2016	768	323	
2015	323		



### AVANI Hotels & Resorts, ASEAN (excluding Thailand)

We operate a total of 3 AVANI hotels in ASEAN countries (excluding Thailand) comprising 1 in Malaysia and 2 in Vietnam.

Sales (USD million)	2017	2016	2015
2017	17	16	19
2016	16	19	
2015	19		



### Tivoli Hotels & Resorts, Portugal

We operate 10 hotels in Portugal under the Tivoli brand.

Sales (EUR million)	2017	2016	2015
2017	79	73	8
2016	73	8	
2015	8		



### Niyama and Naladhu, the Maldives

Niyama Private Islands and Naladhu Private Island in the Maldives offer luxurious villas facing the azure Indian Ocean.

Sales (USD million)	2017	2016	2015
2017	39	39	37
2016	39	37	
2015	37		



### Elewana Collection and Cheli & Peacock, Africa

Elewana Collection and Cheli & Peacock today operate 16 safari camps in Tanzania and Kenya.

Sales (USD million)	2017	2016	2015
2017	39	28	24
2016	28	24	
2015	24		



### Anantara Vacation Club

Anantara Vacation Club was launched at the end of 2010. Today, we have inventories in Thailand, China, Indonesia and New Zealand.

Sales (USD million)	2017	2016	2015
2017	107	79	89
2016	79	89	
2015	89		



### Anantara Resorts & Spas, ASEAN (excluding Thailand) and China

Anantara has a total of 8 hotels in ASEAN (excluding Thailand) and China. We operate a hotel in Cambodia, 2 in Indonesia, 2 in Vietnam and 3 in China.

Sales (USD million)	2017	2016	2015
2017	36	35	37
2016	35	37	
2015	37		



### Anantara Resorts & Spas, the Middle East

We manage 9 Anantara hotels in the Middle East, of which 1 is in Qatar, 6 in the UAE and 2 in Oman.

Sales (USD million)	2017	2016	2015
2017	189	158	153
2016	158	153	
2015	153		



### AVANI Hotels & Resorts, Indian Ocean

AVANI first launched its brand in Sri Lanka in 2011. Today we operate 2 AVANI hotels in Sri Lanka and 1 in Seychelles.

Sales (USD million)	2017	2016	2015
2017	15	16	9
2016	16	9	
2015	9		



### AVANI Hotels & Resorts, the Middle East and Africa

We operate 8 AVANI hotels in the UAE, Mozambique, Botswana, Namibia, Lesotho and Zambia.

Sales (USD million)	2017	2016	2015
2017	55	45	53
2016	45	53	
2015	53		



### Tivoli Hotels & Resorts, Brazil

We operate 2 hotels in Brazil under the Tivoli brand.

Sales (BRL million)	2017	2016	2015
2017	149	125	131
2016	125	131	
2015	131		



### Marriott - Starwood, Thailand

We have 2 hotels under Marriott - Starwood brands in Thailand, namely: JW Marriott Phuket Resort & Spa and The St. Regis Bangkok.

Sales (Baht million)	2017	2016	2015
2017	1,871	1,743	1,683
2016	1,743	1,683	
2015	1,683		



### Four Seasons, Thailand

Our luxurious Four Seasons hotels are in Chiang Mai, Chiang Rai and Koh Samui.

Sales (Baht million)	2017	2016	2015
2017	1,889	1,724	1,601
2016	1,724	1,601	
2015	1,601		



### Radisson Blu, Mozambique

The Radisson Blu Hotel & Residence, Maputo in Mozambique joined our diverse brand portfolio in 2014.

Sales (USD million)	2017	2016	2015
2017	10	8	9
2016	8	9	
2015	9		



### Oaks Hotels & Resorts

Oaks, our serviced apartment brand, has 56 properties, of which 49 are in Australia, 3 in New Zealand, 2 in the UAE, 1 in Thailand and 1 in India.

Sales (AUD million)	2017	2016	2015
2017	233	215	209
2016	215	209	
2015	209		



### Tivoli Hotel & Resort, Qatar

We debut the Tivoli brand in Qatar in 2017 with the opening of Souq Waqif Boutique Hotels by Tivoli in Doha.

Sales (QAR million)	2017	2016	2015
2017	43		
2016			
2015			



### Branded Restaurants (Zuma, Benihana, Traders' Vic, Bill Bentley)

We operate many internationally branded restaurants in our hotels, including Zuma, Benihana, Trader Vic's and Bill Bentley Pub.

Sales (Baht million)	2017	2016	2015
2017	471	355	316
2016	355	316	
2015	316		



### Corbin & King, the United Kingdom

Corbin & King operates 6 brasserie-style restaurants including The Wolseley and 1 five-star hotel under the name The Beaumont.

(Investment was made in late December 2017.)

Sales (Baht million)	2017	2016	2015
2017	646	651	645
2016	651	645	
2015	645		



### Plaza, Thailand

We own and operate 3 shopping plazas, namely Royal Garden Plaza in Pattaya, Turtle Village Shopping Plaza in Phuket and Riverside Plaza in Bangkok.

Sales (Baht million)	2017	2016	2015
2017	646	651	645
2016	651	645	
2015	645		



### Anantara Resorts & Spas, Africa

We operate 4 hotels under the Anantara brand in the continent of Africa, of which 3 are in Mozambique and 1 in Zambia.

Sales (USD million)	2017	2016	2015
2017	17	15	14
2016	15	14	
2015	14		



### Anantara Resort & Spa, Portugal

We debuted the Anantara brand in Portugal through the rebranding of Tivoli Victoria Algarve Resort to Anantara Vilamoura Algarve Resort in 2017.

Sales (EUR million)	2017	2016	2015
2017	7		
2016			
2015			



### AVANI Hotel & Resort, Portugal

We introduced the AVANI brand in Portugal through the rebranding of Tivoli Jardim Lisboa Hotel to AVANI Avenida Liberdade Lisbon Hotel in 2017.

Sales (EUR million)	2017	2016	2015
2017	5		
2016			
2015			

# MINOR

FOOD

■ Direct-Owned  
□ Franchised

# MINOR

LIFESTYLE

■ Direct-Owned

Brand	Ownership	Description	Sales (2017)	Sales (2016)	Sales (2015)
<b>The Pizza Company</b>	Franchised	We operate 251 company-owned and 196 franchised The Pizza Company outlets systemwide across 10 countries.	9,372	8,824	7,255
<b>江邊城外</b>	Franchised	Riverside is a chain of casual-concept restaurants, specializing in Sichuan barbecue fish with 55 outlets in China and 1 outlet in Singapore.	555	454	356
<b>The Coffee Club</b>	Franchised	We have 410 outlets in Australia and 6 other countries. Australia Hub also runs coffee roaster business under the brand Veneziano.	655	614	650
<b>Thai Express</b>	Franchised	We operate 91 outlets in Singapore and 6 other countries in Asia under the key brands Thai Express, Xin Wang Hong Kong Café, Poulet and Basil.	145	107	126
<b>CHARLES &amp; KEITH</b>	Direct-Owned	Charles & Keith, a footwear and accessories brand, has a total of 34 outlets in Thailand.	1,058	919	770
<b>Pedro</b>	Direct-Owned	Pedro, the sister footwear brand of Charles & Keith, has 5 outlets in Thailand.	33	44	44
<b>ESPRIT</b>	Direct-Owned	Esprit, our international lifestyle fashion brand, has 81 outlets across the country of Thailand.	486	550	591
<b>bossini</b>	Direct-Owned	Bossini, the casual wear brand, has 82 outlets throughout Thailand.	281	295	265
<b>Swensen's</b>	Franchised	We operate 139 company-owned and 189 franchised Swensen's outlets systemwide in Thailand and 5 other countries.	4,070	3,896	3,956
<b>Sizzler</b>	Franchised	We run a total of 66 company-owned and 189 franchised Sizzler outlets, of which 53 are in Thailand and 13 are in China.	3,295	3,234	2,979
<b>Dairy Queen</b>	Franchised	We operate 225 company-owned and 220 franchised Dairy Queen outlets systemwide throughout Thailand and 2 outlets in the Maldives.	2,442	2,314	2,300
<b>Burger King</b>	Franchised	With its rapid expansion, today Burger King has 88 outlets in Thailand, 2 outlets in the Maldives, 2 outlets in Myanmar and 1 outlet in Seychelles.	2,799	2,271	1,754
<b>GAP</b>	Franchised	GAP, the world famous apparel brand, has a total of 14 outlets in Thailand.	302	343	383
<b>BANANA REPUBLIC</b>	Franchised	Banana Republic, an American apparel brand, has 6 stores in Bangkok.	68	70	41
<b>Brooks Brothers</b>	Franchised	Brooks Brothers, an American-based fashion brand, has 7 stores in Bangkok.	47	25	
<b>Etam</b>	Franchised	Etam, a highly-desirable French lingerie brand, has 19 stores in Thailand.	113	20	
<b>BreadTalk</b>	Franchised	The joint-venture of the BreadTalk brand in Thailand has 46 outlets.	632	503	293
<b>Select Service Partner (Thailand) Limited</b>	Franchised	Our restaurant business in airports has a total of 38 outlets.	2,062	1,736	1,366
<b>Minor Dairy Limited</b>	Franchised	We operate ice cream factory under Minor Dairy Limited.	1,284	1,303	1,275
<b>Minor Cheese Limited</b>	Franchised	We operate cheese factory under Minor Cheese Limited.	672	675	717
<b>Radley and Anello</b>	Franchised	In the bag segment, we distribute Radley from the UK with 19 stores and Anello from Japan with 96 stores in Thailand.	406	29	
<b>Zwilling J.A. Henckels and Joseph Joseph</b>	Franchised	In the homeware segment, we distribute Zwilling J.A. Henckels, which operates 23 stores, and Joseph Joseph, which operates 11 stores in Thailand.	123	99	90
<b>Minor Smart Kids</b>	Franchised	Minor Smart Kids is Thailand's leading distributor of children's books and learning aid via direct sales throughout Thailand.	195	129	134
<b>Navasri Manufacturing (NMT)</b>	Franchised	NMT is the manufacturer which supplies products to global FMCG companies.	979	954	1,044



# Contents

Vision and Core Values	5
Minor International's Footprint	6
Financial Highlights	8
Financial Status at a Glance	9
Our Journey to Success	10
Chairman's Message	16
Board of Directors	24
Minor Hotels	26
Minor Food	50
Minor Lifestyle	64
Minor's Journey to Sustainability	72
Awards 2017	74
Report of the Board of Directors' Responsibilities for Financial Statements	81
Report of the Audit Committee	82
Independent Auditor's Report	85
Financial Statements	89
Management Discussion and Analysis	261
Connected Transactions	280
Nature of Business	303
Major Events in 2017	304
Risk Factors	306
Report of the Nominating and Corporate Governance Committee	311
Report of the Compensation Committee	312
Good Corporate Governance	313
Shareholders' Structure and Management	329
Dividend Policy	347
Subsidiaries, Associates and Joint Ventures	348
Corporate Information	360



## Vision

To be a Leading Hospitality, Restaurant Operator and Lifestyle Brand Retailer through the delivery of branded products and services that provide 100% satisfaction to all stakeholders.

Delivering premium branded hospitality services, restaurant concepts and lifestyle products globally.

Every year, over 66,000 service professionals at 158 hotels, 2,064 restaurants and 398 retail outlets have the pleasure of serving more than 220 million customers in 32 countries.

## Core Values

Customer-Focused

---

Result-Oriented

---

People Development

---

Innovative

---

Partnership

---



# Minor International's Footprint



158  
Hotels



20,209  
Hotel Keys



2,064  
Restaurants



398  
Retail Points of Sales



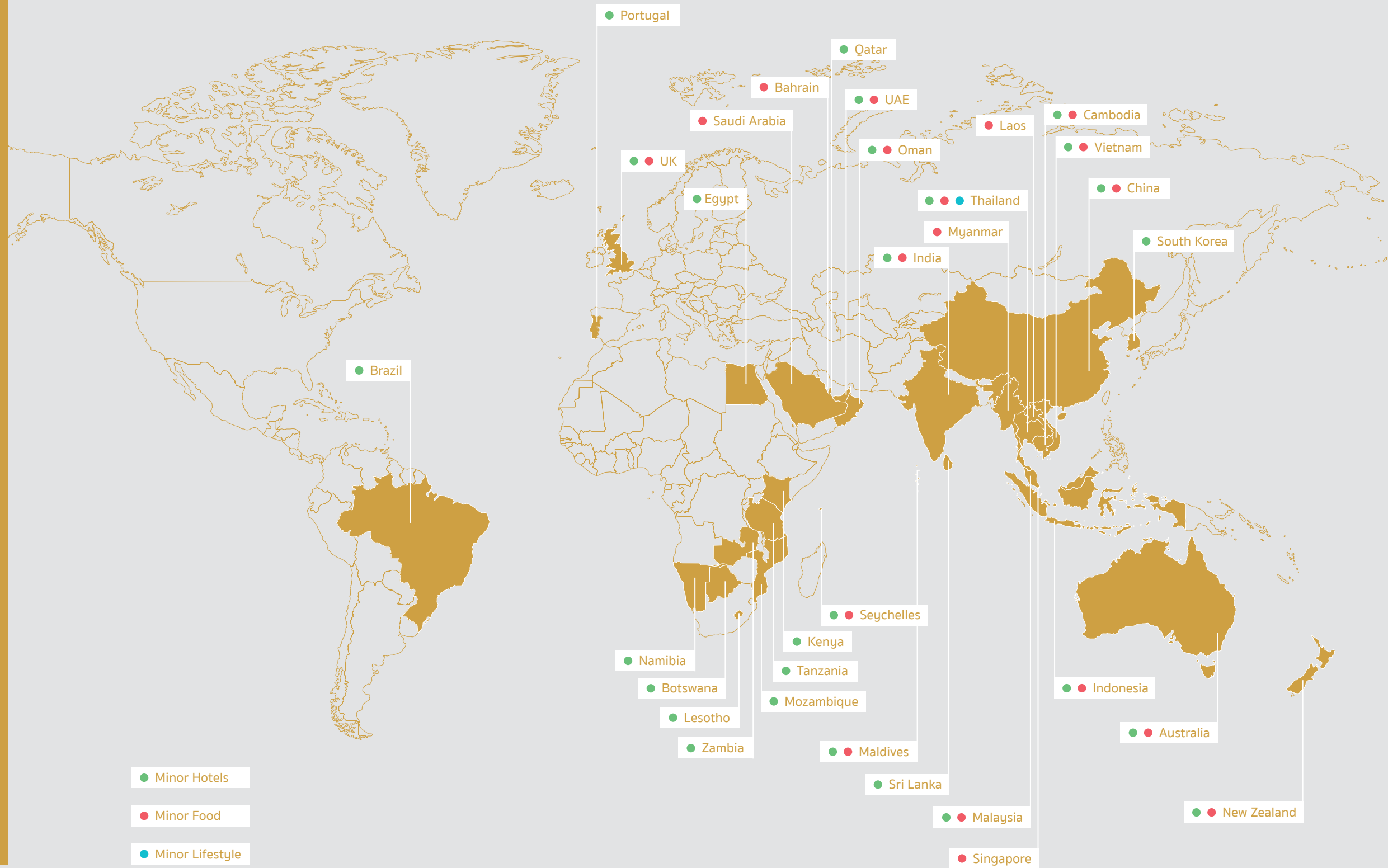
Over 50  
Brands



32  
Countries



Over 110  
Awards Received





## Financial Highlights

		2013	2014	2015	2016	2017
<b>Consolidated</b> (Baht million)	Net Sales	34,669	37,228	42,345	51,152	55,001
	Total Revenues	36,936	39,787	48,014	56,973	58,644
	Gross Profit	21,413	23,299	26,225	31,710	34,893
	EBITDA	8,304	8,849	11,908	13,229	12,274
	EBIT	5,884	6,044	8,846	9,447	8,164
	Net Profit	4,101	4,402	7,040	6,590	5,415
	Total Assets	60,124	74,279	98,382	108,453	118,444
	Total Liabilities	33,249	44,255	61,670	67,656	68,423
	Interest Bearing Debt	23,385	34,082	45,473	49,832	50,163
	Total Equities	26,875	30,024	36,711	40,797	50,021
	Net Cash Flow from Operating Activities	5,181	4,785	2,499	6,494	6,480
<b>Profitability Ratio</b> (Percentage)	Gross Profit Margin	58.04	58.85	58.01	57.46	58.83
	Net Profit Margin	11.10	11.06	14.66	11.57	9.23
	Return on Total Assets (ROA)	7.33	6.55	8.15	6.37	4.77
	Return on Equity (ROE)	17.86	15.47	21.10	17.00	11.93
<b>Debt to Equity Ratio</b> (Times)	Interest Bearing Debt/Equity Ratio	0.87	1.14	1.24	1.22	1.00
	Long Term Debt/Equity Ratio	0.69	0.91	1.13	1.03	0.90
	Gearing Ratio	1.11	1.30	1.57	1.55	1.26
<b>Per Share Data</b> (Baht)	Earnings per Share	1.04	1.00	1.60	1.50	1.22
	Book Value per Share	6.72	7.50	8.34	9.25	10.83
	Dividends per Share	0.35	0.35	0.35	0.35	0.40
	Dividend Payout Ratio (%)	33.50	31.82	21.89	23.40	32.81
<b>Share Capital</b> (Thousand shares)	Par Value	1.00	1.00	1.00	1.00	1.00
	Registered Ordinary Shares	4,018,326	4,201,634	4,641,789	4,621,828	4,621,828
	Registered Preferred Shares	-	-	-	-	-
	Number of Ordinary Shares Outstanding	4,001,355	4,001,557	4,402,312	4,410,368	4,618,914
	Number of Preferred Shares Outstanding	-	-	-	-	-
	Number of Weighted Average Ordinary Shares Outstanding	3,925,044	4,401,708	4,402,365	4,406,519	4,441,818
	Number of Weighted Average Preferred Shares Outstanding	-	-	-	-	-
	<b>Number of Warrants Outstanding:</b>					
	• Offered to Existing Shareholders	-	200,064	199,512	192,187	-
	• Offered to Employee Stock Option Program	1,109	-	-	-	-

Note: 1. Dividend payout ratio is calculated from dividend per share divided by earnings per share.

2. Excluding non-recurring items associated with Sun International, Oaks Elan Darwin and Minor DKL of Baht 2,335 million from the 2015 reported earnings, dividend payout ratio based on the 2015 core earnings from operations is 32.75%.

3. Excluding non-recurring items associated with the Tivoli Group, BreadTalk, Oaks and Anantara Vacation Club of Baht 2,014 million from the 2016 reported earnings, dividend payout ratio based on the 2016 core earnings from operations is 33.69%.

4. Dividend per share for the 2017 performance has been approved as per MINT Board of Director's resolution on 19 February 2018 and will be proposed to the Annual General Meeting of Shareholders on 3 April 2018.



## Financial Status at a Glance

### Consolidated Cash Flow Statements

For the Year Ended 31 December 2017

(Baht million)

Net Cash Inflows from Operating Activities		6,480
Net Cash Payment for Investing Activities	(1)	(11,584)
Net Cash Receipts from Financing Activities	(2)	6,156
Net Increase in Cash & Cash Equivalents		1,052
Loss on Exchange on Cash & Cash Equivalents		(66)
Cash & Cash Equivalents on 31 December 2016		4,305
Cash & Cash Equivalents on 31 December 2017		5,291

### Consolidated Financial Position Statements

As at 31 December 2016

(Baht million)

<b>Assets</b>	
Cash & Cash Equivalents	4,305
Other Current Assets	12,632
Investments & Other	42,723
Property, Plant and Equipment	48,699
<b>Total Assets</b>	<b>108,359</b>
<b>Liabilities &amp; Equities</b>	
Current Liabilities	17,915
Non-current Liabilities	49,647
Share Capital, Premium & Reserves	10,211
Retained Earnings - net	27,191
Non-controlling Interests	3,395
<b>Total Liabilities &amp; Equities</b>	<b>108,359</b>

### Consolidated Income Statements

For the Year Ended 31 December 2017

(Baht million)

Revenues	57,569
Gross Operating Profit	34,923
S&A Expenses	27,833
Operating Profit	7,090
Profit Sharing	1,074
Earnings before Financial Costs and Tax	8,164
Financial Costs	1,757
Earnings before Tax	6,407
Corporate Tax	787
Non-controlling Interests	205
<b>Net Profit</b>	<b>5,415</b>

### Consolidated Financial Position Statements

As at 31 December 2017

(Baht million)

<b>Assets</b>	
Cash & Cash Equivalents	5,291
Other Current Assets	(4) 16,194
Investments & Other	(5) 45,642
Property, Plant and Equipment	(6) 51,272
<b>Total Assets</b>	<b>118,399</b>
<b>Liabilities &amp; Equities</b>	
Current Liabilities	(7) 16,558
Non-current Liabilities	(8) 51,820
Share Capital, Premium & Reserves	(9) 16,267
Retained Earnings - net	31,062
Non-controlling Interests	2,692
<b>Total Liabilities &amp; Equities</b>	<b>118,399</b>

### Retained Earnings

As at 31 December 2017

(Baht million)

Balance as at 31 December 2016	27,191
Legal Reserve	-
Total Earnings for 2017	5,415
Dividends	(3) (1,544)
Balance as at 31 December 2017	31,062

#### Notes:

- Cash flow paid for investing activities of Baht 11,584 million was for normal capital expenditure of hotel, restaurant and other businesses, together with the Company's strategic investments, including the increase in shareholding of Riverside and the conversion of loan to 70% stake in Grab Food in the UK.
- Net cash received from financing activities of Baht 6,156 million was primarily from issuance of ordinary shares following the exercise of warrants of Baht 7,584 million, netted of with dividend payment of Baht 1,544.
- During 2017, the Company paid total dividend of Baht 1,544 million in cash (Baht 0.35 per share).
- Other current assets increased by Baht 3,562 million, primarily from the increased instalment sales of Anantara Vacation Club and the consolidation of Corbin & King.
- Investments & Other increased by Baht 2,919 million, primarily from net increase in the Company's strategic investments, including the increase in shareholding of Riverside and the conversion of loan to 70% stake in Grab Food in the UK.
- Total net fixed asset increased by Baht 2,573 million, primarily from the renovation of Tivoli portfolio and the investment in Corbin & King.
- Current liabilities decreased by Baht 1,357 million, primarily from the decrease in the current portion of debentures due to the maturity of existing debentures.
- Long-term liabilities increased by Baht 2,173 million, primarily from the increase in debentures and long-term borrowings to support the investments and expansion of the Company.
- Share Capital, Premium & Reserves increased by Baht 6,056 million, primarily from warrants conversion in November 2017.





1967

2017

Our Journey to Success



## FOUNDING MINOR GROUP

1967

The founder, 17-year-old William Heinecke, founded two companies: Inter-Asian Publicity, an advertising agency, and Inter-Asian Enterprises, an office cleaning company.

1970

Inter-Asian Publicity and Inter-Asian Enterprises were put under the umbrella of Minor Holdings, the name which represented William Heinecke's legal status as a 'minor'.



1978

Minor International, named Royal Garden Resort Co., Ltd. at that time, was established with the opening of Royal Garden Resort Pattaya, the first hotel in the portfolio. Today, the hotel is known as AVANI Pattaya Resort & Spa.

1980

As the exclusive franchisee, Minor introduced an international pizza brand to Thailand with the first outlet in Pattaya.



## Establishing Minor International and Its Core Businesses



1982

Minor Corporation, now Minor Lifestyle, was founded to engage in the manufacturing of household goods and distribution of lifestyle products in Thailand.

ESPRIT



## Going Public to Support Rapid Expansion

1988 - 1993

Minor's three businesses were listed separately on The Stock Exchange of Thailand as Royal Garden Resort Public Company Limited (RGR), The Pizza Public Company Limited (PIZZA) and Minor Corporation Public Company Limited (MINOR).

2001 - 2005

RGR acquired PIZZA and took the new name of Minor International Public Company Limited, with MINT as its acronym.



2009

MINOR was merged into MINT, resulting in the three businesses under one umbrella.

FOUR SEASONS  
Hotels and Resorts





# Driving Business and Geographical Diversification

2012

Minor made significant entrance into the restaurant business in China through the investment in Beijing Riverside & Courtyard, a distinctive restaurant chain specializing in Sichuan barbecue fish.



2014

Minor expanded its presence in Africa with the acquisition of Mozambique portfolio and six hotels in Zambia, Botswana, Namibia and Lesotho.



2017

Minor's hotel business entered into the UK with a significant investment in Corbin & King.

2015

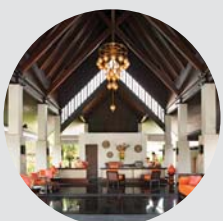
Minor's geographical presence was expanded into Europe and South America with the acquisition of Tivoli Hotels & Resorts.



TIVOLI  
HOTELS & RESORTS

2010

Minor launched Anantara Vacation Club, the point-based timeshare business under its own brand.



ANANTARA  
VACATION CLUB

2011

The acquisition of Oaks Hotels & Resorts, the leading operator of serviced apartment business in Australia, was the first entry point of Minor's hotel business into the country.



OAKS  
HOTELS & RESORTS



THE  
ESTATES  
SAMUI

2006

Minor launched its first real estate development project, The Estates Samui, adjacent to its Four Seasons Resort Koh Samui.



ANANTARA  
HOTELS-RESORTS-SPAs

2008

The hotel management business debuted with the opening of Anantara Seminyak Bali Resort in Indonesia.

Major investments were made in international restaurant brands, including The Coffee Club, Australia's largest home-grown café group, and Thai Express, the Thai casual-dining restaurant concept from Singapore.



Thai Express



2005

Significant steps were taken to expand hotel business outside of Thailand with the investments in the Maldives and subsequently Sri Lanka and East Africa.



2001

Minor developed its first own luxury hotel brand called Anantara.

Minor developed its own pizza brand called The Pizza Company.



## Building Owned Brands



# Chairman's Message



**William Ellwood Heinecke**  
Chairman and Group Chief Executive Officer





Anantara Hua Hin,  
the first Anantara hotel



# 1987



## Dear Fellow Stakeholders,

This year is a very exciting year for Minor. It is with great pleasure we mark this year as the celebration of Minor Group's 50<sup>th</sup> anniversary. For me, our first 50 years was merely the beginning of our journey, to build a strong foundation for an even greater future to come.

Looking back, we have come a long way. Since Minor Group's inception in 1967 with an advertising agency and a cleaning company, and Minor International's beginning in 1978 with the Royal Garden Resort Pattaya, we as a company have been through countless impediments, whether they were the Asian financial crisis, political unrests, epidemics or natural disasters. But every time, we have emerged even stronger, and we have continued to grow our businesses successfully regardless. From

a single hotel and one restaurant in Pattaya about 40 years ago, Minor International has expanded the businesses and today has a portfolio of over 150 hotels, 2,000 restaurants and 390 retail outlets across multiple brands. From capital of a bit over USD 1,000 and a handful of employees in Thailand, currently, Minor International's market capitalization is over USD 6 billion, with over 66,000 employees in 32 countries.

Reflecting on our journey, I attribute our success to several key factors. We have always had a long-term strategic plan, which everyone in the organization supports. This strategic plan has led to business diversification, in terms of brands, business models and geographies, which have allowed us to deliver consistent growth overtime. We could only come this far with incredible contributions from an incredible team of people, both management



and staff, who helped steer us in the right direction throughout our 50 years. These people created and built our portfolio of brands, again and again striving to satisfy our customers. Our commitment has been to deliver quality products and services that provide 100% satisfaction to our stakeholders. We could not have done it without the operational excellence that we have accumulated over time.

Another achievement during our 50 years that I would like to highlight is our sustainability development journey. We started off with each hotel property, each brand, each business unit doing what they could to give back to society by organizing their own individual corporate social responsibilities activities. Today, we have Corporate Sustainability Department that oversees our sustainability strategy and corporate-wide activities, to ensure that everyone is progressing in the same direction. I am proud to report that Minor International's inclusions in many of the sustainability indices, including the Dow Jones Sustainability Emerging Markets Index, the FTSE4Good Emerging Index and the list of Thailand Sustainability Investment (THSI) by The Stock Exchange of Thailand, are testaments of our unwavering efforts.



1998







2000



Minor International's Management Team

- |  |   |   |
|--|---|---|
| <p>1. William Ellwood Heinecke<br/> <i>Chairman and Group<br/>                 Chief Executive Officer</i></p> <p>2. Paul Charles Kenny<br/> <i>Chief Executive Officer<br/>                 of Minor Food</i></p> | <p>3. Emmanuel Jude Dillipraj Rajakarier<br/> <i>Chief Operating Officer of Minor<br/>                 International and Chief Executive<br/>                 Officer of Minor Hotels</i></p> <p>4. Patamawalai Ratanapol<br/> <i>Chief People Officer of Minor International</i></p> <p>5. James Richard Amatavivadhana<br/> <i>Chief Executive Officer of Minor Lifestyle</i></p> | <p>6. Brian James Delaney<br/> <i>Corporate Chief Financial Officer</i></p> <p>7. Stephen Andrew Chojnacki<br/> <i>Chief Commercial Officer<br/>                 and General Counsel</i></p> <p>8. John Scott Heinecke<br/> <i>Chief Operating Officer -<br/>                 Hot Chain of Minor Food</i></p> |
|--|---|---|



**Corporate Management Team**

- |  |   |
|--|---|
| <p>1. Steve Delano Herndon<br/> <i>Chief Information Officer</i></p> <p>2. Chaiyapat Paitoon<br/> <i>Deputy Corporate Chief Financial Officer &amp; Strategic Planning</i></p> <p>3. Somsri Ruchdaponkul<br/> <i>VP of Corporate Finance &amp; Corporate Secretary</i></p> | <p>4. Supasith Xanasongkram<br/> <i>VP of Legal</i></p> <p>5. Isara Siribunrit<br/> <i>VP of Shared Service</i></p> <p>6. Jutatip Adulbhan<br/> <i>VP of Investor Relations</i></p> |
|--|---|



# 2016

Coming back to the present, in 2017, we continued to strengthen our business platform, just like what we have done in each and every year over the past 50 years, in order to ensure our path for growth. Minor International reported net profit of Baht 5,415 million in 2017, an increase of 18% from 2016 core net profit, attributable to the performance of all the three business units. Our key achievements in 2017 are as follows:

- Minor Hotels focused on introducing our brands in our existing markets, strategically offering a wider range of choices to our customers and cross-selling our brands. We introduced the Anantara and AVANI brands for the first time in Europe with the launch of Anantara Vilamoura Algarve Resort and AVANI Avenida Liberdade Lisbon Hotel in Portugal, traditionally a Tivoli territory. In Australasia, where we have our Oaks properties, Minor Hotels introduced the AVANI brand for the first time, with the launch of AVANI Metropolis Auckland Residences in New Zealand and AVANI Broadbeach Gold Coast Residences in Australia. In addition to our prominent Anantara, AVANI and Oaks' presence in the Middle East, we introduced the Tivoli brand with the debut of Souq Waqif Boutique Hotels by Tivoli in Doha, Qatar.

- In other existing markets, we continued to expand our hospitality portfolio. Minor Hotels opened Anantara Guiyang Resort, a 218-room management contract, our third hotel in China. We strengthened our AVANI brand



AVANI Riverside Bangkok



Souq Waqif Boutique by Tivoli





further in Thailand by entering into a 50% joint venture to invest and operate AVANI Hua Hin Resort & Villas, our fifth AVANI hotel in Thailand, and the 25<sup>th</sup> hotel in our Thailand portfolio. Moreover, Minor Hotels continued to upgrade our hotel portfolio in Portugal in order to further capture the rising demand as well as the potential of higher room rates. Following the completion of the renovation of five hotels, two in 2016 and three in 2017, we are in the process of renovating another four hotels, which will be completed in time for the high season in 2018.

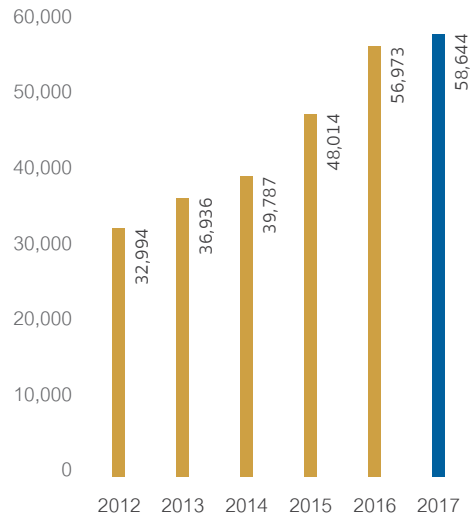
- In 2017, Minor Hotels made a leap forward by entering into two new markets. Oaks made its entrance into India with the opening of Oaks Bodhgaya, a 25% joint-venture hotel in Bihar, India. In addition, Minor Hotels entered into the UK with a 74% investment in Corbin & King, comprising six restaurants across London, which includes The Wolseley in Piccadilly, together with a management contract of the Art Deco five-star hotel, The Beaumont, in the heart of Mayfair. The investment will serve as a platform for further expansion in the UK market.

- Minor Hotels announced a joint venture with Kajima Corporation to launch Avadina Hills by Anantara, a residential project adjacent to Anantara Layan Phuket Resort. Furthermore, after the adjustment of sales package back in mid-2015, Anantara Vacation Club demonstrated a robust business turnaround with revenue increase of 28% in 2017.



### Consolidated Revenue

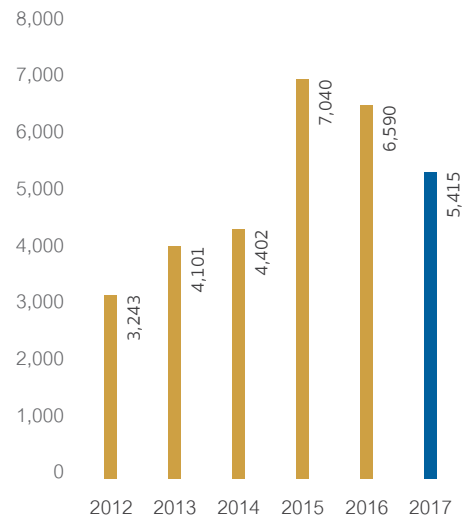
(Baht million)



Note: Core revenue excluding non-recurring items were Baht 45,678 million in 2015 and Baht 54,285 million in 2016

### Consolidated Net Profit

(Baht million)



Note: Core net profit excluding non-recurring items were Baht 4,705 million in 2015 and Baht 4,576 million in 2016



- Minor Food continued to expand in China, a market which we believe has immense potential. Minor Food increased the shareholding in our key brand in the country, Riverside, the Sichuan barbecue fish restaurant concept, from 69% to 85%. In addition, we launched the franchise of Thai Express in China, with the opening of the first outlet in Beijing International Airport.

- We believe that there is a substantial opportunity for Thai Food internationally. Therefore, Minor Food further strengthened its presence in the UK with a 70% investment stake in Grab Food, the Thai casual-dining restaurant, through the conversion of its loan to equity. In addition, Minor Food's 50% joint venture, Patara Fine Thai Cuisine, acquired the existing four Patara outlets in the UK, resulting in seven Patara restaurants in the portfolio by the end of 2017.

- Minor Lifestyle continued to build its portfolio by selectively adding new brands. In 2017, we introduced Joseph Joseph, the design-led houseware products from the UK and OVS, the Italian fashion brand for men, women and kids.

- While we expanded our businesses, we did not compromise our financial position and made sure that our balance sheet remained strong. The MINT-W5 warrants program issued by Minor International was a success. With the exercise rate of 98.7%, Minor International received an additional equity of Baht 7.9 billion for the entire warrant program. As a result, not only did we have a lower leverage ratio, but we also have additional funding for future expansion.

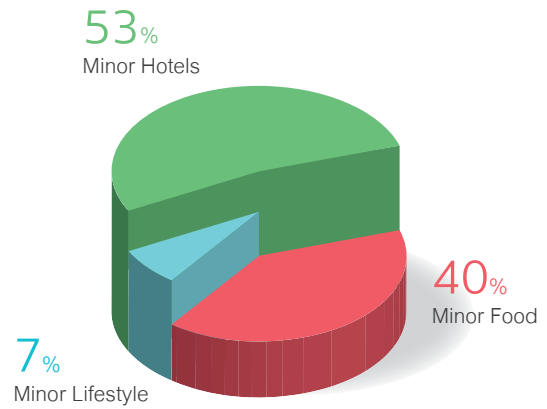


江边城外  
JIANGBIANCHENGWAI





### 2017 Revenue Breakdown



Today, Minor is in a strong position to grow further and farther. Our five-year plan calls for a 15 - 20% compounded annual growth rate (CAGR) of net profit and a return on invested capital (ROIC) of over 13% by 2022. In order to achieve these goals, Minor International will drive growth of our multi-brand portfolio, maximize profitability and expand through strategic investments, joint-venture partnerships and acquisitions. We believe we have the right portfolio of brands, people and a strong financial position, and these elements will be the force behind our next chapter of growth and success.

I cannot end this message without expressing my sincere appreciation to my fellow board members, management and staff. In addition, on behalf of the Board of Directors, I would like to express my sincere gratitude to our stakeholders, whether they are our customers, business partners or shareholders for their continued support. 2017 has been a busy and rewarding year, and I look forward to working with everyone to deliver continuing strong results over the next 50 years and beyond.

**William Ellwood Heinecke**  
 Chairman and Group Chief Executive Officer

March 2018



## Board of Directors





# MINOR HOTELS



**Emmanuel Jude  
Dillipraj Rajakarier**  
CEO of Minor Hotels



## 1992

Royal Garden Riverside was launched, comprising resort-style hotel in Bangkok and the group's first plaza.





## 2008

First purpose-built flagship Anantara hotel was introduced in Phuket under the name Anantara Mai Khao Phuket Villas.



## 2011

Anantara Kihavah Maldives Villas was the first wholly-owned hotel outside of Thailand.

Anantara Mai Khao Phuket

It is incredibly exciting to be celebrating Minor Group's 50<sup>th</sup> anniversary in 2018. I am proud to report that 2018 also marks Minor Hotels' 40<sup>th</sup> year of operation. Our first hotel, Royal Garden Resort Pattaya, opened its doors in 1978. From a single hotel with fewer than 100 rooms, today we have grown to 158 hotels with over 20,000 rooms spanning 25 countries. In addition to Thailand, we now have hotels across Asia, Australasia, Africa, Europe and South America. Minor Hotels' business has matured from a heavy reliance on partnerships with international brands to a focus on our own deep portfolio of internationally-renowned brands including Anantara, AVANI, Tivoli, Oaks and Elewana Collection. Our business model has grown from being a hotel owner to deep involvement in many different aspects of the hotel and hospitality business, including management of hotels for third party owners, management letting rights, spas, residential development and a vacation club. We

have transformed from a Thai hotel owner to a broadly diversified multinational hospitality company and are well on our way to becoming a significant global player with a valuable set of hospitality brands. Our diversified portfolio, across different geographies and business models, has proven to be extremely valuable as a source of resiliency through difficult times over the years and is a strong foundation for robust growth of Minor Hotels going forward.

We owe much of our success over the past 40 years to the hard work, passion and dedication of our team members throughout the business, whether they be at the corporate office, at the front desk of one of our hotels or elsewhere within our growing business. Likewise, our success going forward will continue to rely on having the best, most committed and dedicated team in the business and Minor Hotels will continue to invest in our people and systems to ensure that we remain an employer of choice within the hospitality industry.

In 2017, Minor Hotels reported revenues of Baht 30,970 million and net profit of Baht 3,375 million, growth rates of 12% and 20%, respectively, from core 2016. The key drivers of our growth in 2017 were hotels in Thailand and the Tivoli portfolio in Portugal and Brazil, together with successful residential sales and recovery of Anantara Vacation Club.

We closed 2017 on a high note achieving another important milestone, capitalizing on an opportunity to enter into a new key market, the UK, by acquiring a 74% stake in Corbin & King. Corbin & King owns and operates six brasserie-style restaurants in greater London, led by the celebrated and critically-acclaimed The Wolseley in Piccadilly. Corbin & King also manages the award-winning 73-key Art Deco five-star hotel, The Beaumont, in the heart of Mayfair. Minor Hotels plans to continue to grow our portfolio and expand our close partnership with Corbin & King throughout the UK and internationally.



Kitich Camp Mathews Forest



AVANI  
HOTELS & RESORTS



TIVOLI  
HOTELS & RESORTS

Tivoli Carvoeiro Algarve



### Minor Hotels Management Team

- |   |  |   |
|---|--|---|
| 1. Emmanuel Jude Dillipraj Rajakarier<br><i>Chief Executive Officer of Minor Hotels</i> | 8. Marion Emer Walsh-Hedouin<br><i>VP of Marketing Communications &amp; PR</i>                     | 14. Micah Tamthai<br><i>VP of Real Estate</i>   |
| 2. Robert Jim Kunkler<br><i>Chief Operating Officer</i>                                 | 9. Bryan Thomas Bailey<br><i>VP of Revenue and Distribution</i>                                    | 15. Kosin Chantikul<br><i>VP of Investment &amp; Acquisitions</i>                                 |
| 3. Michael David Marshall<br><i>Chief Commercial Operations</i>                         | 10. Marcos Horacio Cadena Gutierrez<br><i>VP of Digital, Ecommerce and Electronic Distribution</i> | 16. Clive Howard Leigh<br><i>Chief Financial Officer, Anantara Vacation Club</i>                  |
| 4. Caroline Stevens<br><i>Chief People Officer</i>                                      | 11. Tracey Sian Lloyd<br><i>VP of Talent</i>   | 17. Claudio Maurizio Bisicky<br><i>Chief Operating Officer, Anantara Vacation Club</i>            |
| 5. Rajiv Puri<br><i>SVP of Project &amp; Development</i>                                | 12. Khoo Kum Seng Desmond<br><i>VP of Engineering</i>  | 18. Daniel Stephen Collins<br><i>VP of Development &amp; Construction, Anantara Vacation Club</i> |
| 6. James Alexander Kaplan<br><i>SVP of Development</i>                                  | 13. Pleumjit Chaiya<br><i>VP of Project Development - Thailand</i>                                 | 19. Kevin Burton Sands<br><i>VP of Marketing Operations, Anantara Vacation Club</i>               |
| 7. Wayne Williams<br><i>SVP of Finance</i>  |  |   |



16 11 19 17 3 6 5 13 18 1 2 9 14 10 8 7 4 15 12

### Australia Hub



4 2 3 1

- |   |   |
|---|---|
| 1. Dan Hastings<br><i>Acting Chief Operating Officer - Oaks Hotels &amp; Resorts</i>              | 3. Anne-Marie Burgess<br><i>General Manager of People - Oaks Hotels &amp; Resorts</i> |
| 2. Lachlan Hoswell<br><i>General Counsel &amp; Commercial Officer - Oaks Hotels &amp; Resorts</i> | 4. Daryn Griggs<br><i>Head of Commercial - Oaks Hotels &amp; Resorts</i>              |

### Brazil & Portugal Hub



5 4 2 1 6 3

- |   |   |
|---|---|
| 1. Rui De Sousa<br><i>Regional Director of Operations - Lisbon</i>                        | 4. Francisco Lopes<br><i>Head of Finance - Europe &amp; South America</i> |
| 2. Jorge Beldade<br><i>Regional Director of Operations - Algarve</i>                      | 5. Jorge Lopes<br><i>Head of Commercial - Europe &amp; South America</i>  |
| 3. Marco Amaral<br><i>VP of Operations &amp; Development - Europe &amp; South America</i> | 6. Helena Costa<br><i>Regional Director of Human Resources - Portugal</i> |



### Asia & China Hub



- |  |   |
|--|---|
| <p>1. <b>Thomas Bruno Meier</b><br/> <i>SVP of Operations - Asia</i></p> <p>2. <b>Stanley Wang</b><br/> <i>VP of Operations &amp; Development - China</i></p> <p>3. <b>Alejandro Bernabe</b><br/> <i>VP of Operations - AVANI Hotels &amp; Resorts</i></p> | <p>4. <b>Meg Evans</b><br/> <i>Regional Director of Sales &amp; Marketing - South East Asia</i></p> <p>5. <b>Sonya Brown</b><br/> <i>Group Director of Human Resources - Asia</i></p> <p>6. <b>Jimmy Yue</b><br/> <i>Call Centre Director - Hong Kong &amp; Shanghai Anantara Vacation Club (Hong Kong)</i></p> |
|--|---|

### Middle East Hub



- |   |   |
|---|---|
| <p>1. <b>Wael Soueid</b><br/> <i>Area General Manager - Anantara Hotels, Resorts and Spas, Abu Dhabi and General Manager - Eastern Mangroves by Anantara</i></p> <p>2. <b>Thomas Fehlbier</b><br/> <i>Area General Manager - Qatar</i></p> <p>3. <b>David Garner</b><br/> <i>VP of Sales and Marketing - Middle East, Sri Lanka, Seychelles</i></p> | <p>4. <b>Ramzy Fenianos</b><br/> <i>VP of Development - Europe, Middle East &amp; Africa</i></p> <p>5. <b>Jorg Meyer</b><br/> <i>Group Director of Human Resources - Europe, Middle East &amp; Africa</i></p> <p>6. <b>Ira Malik</b><br/> <i>Group Director of Spa - Middle East &amp; Africa</i></p> <p>7. <b>Natasha Rhymes</b><br/> <i>Group Director of PR &amp; Communications</i></p> |
|---|---|

### Africa Hub



- |   |   |
|---|---|
| <p>1. <b>Elri Neervoort</b><br/> <i>Regional Director of Finance - Africa</i></p> <p>2. <b>Sifiso Hlazo</b><br/> <i>Regional Director of Revenue - Africa</i></p> | <p>3. <b>Adam Beadon</b><br/> <i>Regional Director of Sales &amp; Marketing - Africa</i></p> <p>4. <b>Ashleigh Christie</b><br/> <i>Regional Human Resources Manager - Africa</i></p> |
|---|---|

### Sri Lanka Hub



- |  |   |
|--|---|
| <p>1. <b>Giles Selves</b><br/> <i>General Manager - Anantara Peace Haven Tangalle and Cluster General Manager - Anantara Kalutara &amp; AVANI Kalutara</i></p> | <p>2. <b>Ross Sanders</b><br/> <i>General Manager - Anantara Peace Haven Tangalle</i></p> |
|--|---|

## Sector Overview and Competition

With Minor Hotels' rapid expansion over the years, our key markets today are Thailand, Australia, Europe, Brazil, the Maldives, Middle East and Africa.

### Thailand

Thailand continues to be a highly attractive destination for travelers of all types, whether they are business or leisure travelers, eco- or luxury tourists, from within Asia or across the globe. The country has a well-established reputation as a leading global tourist destination, with its sandy beaches, rich culture, jungle treks, reasonably-priced accommodation, good food and friendly service. Well-developed transport and communications infrastructure, modern retail centers and varied cultural and religious attractions have helped the Kingdom to stay well ahead of its regional competitors.

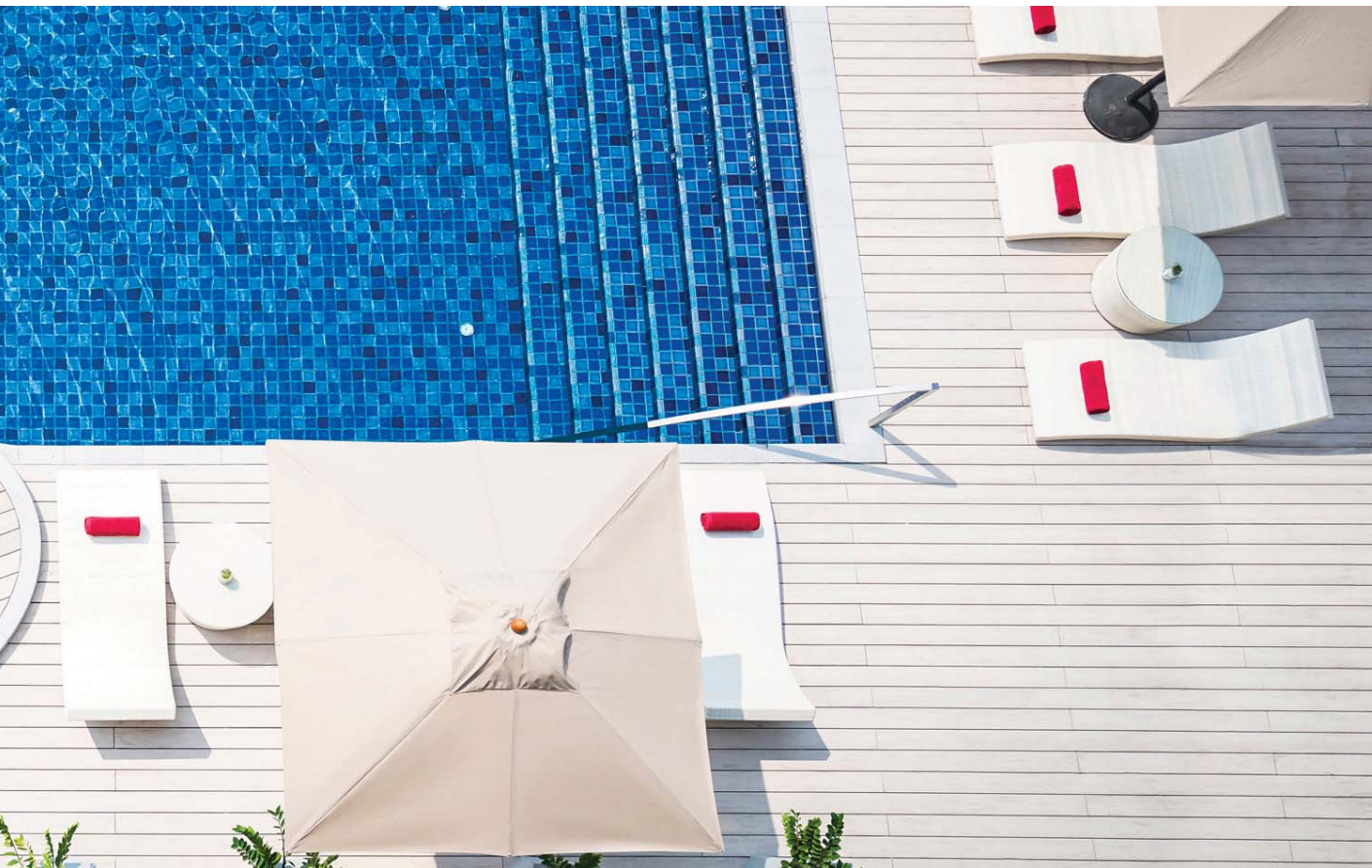
With both government and private sector initiatives to promote Thai tourism across the globe, the sector has become one of the country's most important industries, contributing more than 20% of Thailand's GDP in 2017. Ministry of Tourism and Sports reported 35.4 million international tourist arrivals in 2017, setting a new record with a 9% increase from 32.6 million in 2016. China, the largest single country of tourists coming to Thailand, contributing almost 30% of international tourist arrivals, continued to be a major driver with 12% increase in 2017 compared to prior year. Tourism revenue increased by 9%, to Baht 2.8 trillion in 2017 from Baht 2.5 trillion in 2016. With such strong fundamentals and core competitive strengths, looking forward into 2018, the number of inbound tourists is expected to grow by 7% to 38 million visitors. Continuing to focus on quality, the government expects tourism revenues of over Baht 3.0 trillion in 2018, representing growth of 9% from 2017.

**AVANI**  
HOTELS  
& RESORTS

AVANI Riverside  
Bangkok







### Australia

Tourism Research Australia forecast the country's inbound arrivals to grow 7.0% in 2018 and 5.4% in 2019. The country's tourism in recent years have been driven by international arrivals, in particular the Asian markets. The biggest source market has been China, followed by India, supported by increasing prosperity and growing middle class with greater capacity and appetite to travel. By 2017 - 2018, China is expected to be the largest source of inbound arrivals to Australia, overtaking New Zealand. China's share of total visitors to Australia is expected to grow from 15% in 2017 to over 25% in 2027.

Domestically, Australian economic growth is expected to remain below its historical average in the near future, while discretionary expenditure is impacted by slower growth in capital city house prices and sluggish wage growth. As a result, domestic visitor nights are forecast to increase by only 1.5% in 2018. As economic growth picks up in 2019 and the Australian dollar remains close to its long-term average, domestic tourism activities are expected to strengthen, with domestic visitors forecast to grow by 2.9%.







The Beaumont

## CORBIN & KING

### Europe

Our first expansion into Europe was the acquisition of Tivoli Hotels & Resorts in Portugal in 2015. Later in 2017, we expanded our presence in the continent through the investment in Corbin & King in the UK.

With its mild climate, abundant sunshine, outstanding beaches and rich culture, Portugal is the ideal year-round European holiday destination. Its renowned cuisine, fine wines and hospitable culture are additional attractions. Tourism in Portugal has been growing since 2011, helping the heavily indebted country grow out of its economic and debt crises. According to World Travel & Tourism Council, the total contribution of travel and tourism to Portugal's GDP was 17% in 2016 and is forecast to rise to nearly 20% of GDP by 2027. Portugal received over 20 million tourists in 2016, a 5% increase from the prior year. The trend continued into the first six months of 2017, where tourist arrivals were up by 8.1% to 8.6 million visitors from the prior period. Europe was the single most important source of visitors to Portugal. Even with

concerns regarding Brexit, the UK remained the biggest tourist market for Portugal, followed by Germany, France and Spain. As tourism fears of geopolitical instabilities and terrorism drove customers away from other Mediterranean destinations, Portugal has been the principal beneficiary.

In the UK, Organization for Economic Co-operation and Development (OECD) expects GDP growth to ease to 1.5% in 2017, and further weaken to just above 1% in 2018 - 2019. Private consumption is projected to remain subdued as higher inflation, pushed up by the past depreciation of British pounds, holds back household purchasing power. There is also a negative impact of uncertainty about the final outcome of Brexit negotiations. In any case, the weak pound has been helpful to exporters and inbound tourism. VisitBritain forecast 39.9 million inbound visits in 2017, an increase of 6.2%, and 41.7 million visits in 2018, an increase of 4.4%. With the pounds remaining much lower than the pre-referendum level, the UK will remain a good value-for-money destination.



Tivoli Mofarrej São Paulo



### Brazil

The hospitality industry in Brazil has seen declining occupancies since 2012 primarily as a result of the slowdown in the country's GDP growth rate. Nevertheless, the industry began to exhibit signs of improvement in late 2016, with international tourist arrivals of 6.6 million in 2016, an increase of 4.8% from the prior year. The trend continued into 2017 with stabilized demand and limited growth of new supply. In addition, the tourism industry is supported by improving economic and political conditions, with a pickup in household consumption, improvement in investment, low interest rates, recovering business sentiment and stronger dynamics in the labor market. As a result, at the end of 2017, the Brazilian government raised its 2017 and 2018 GDP growth forecasts to 1.1% and 3.0% respectively, following the faster-than-expected recovery from the deepest recession in decades.



Niyama Private Islands Maldives



### The Maldives

With its pristine natural islands, crystal-clear water and white sandy beaches, the Maldives is today one of the most expensive and aspirational leisure destinations worldwide. Tourism is the single largest contributor to the economy, representing almost 80% of total GDP in 2016. In 2017, the number of tourists visiting the Maldives increased by 8.0%, driven by European tourists, particularly from Russia and Italy. The increase in European tourists in that period offset the decline of the China market. In past years, China has been the largest source market for the Maldives, accounting for 22% of total visitors in 2017, but a market that has been declining over the past three years, primarily attributable to the slowdown in the Chinese economy. Unlike Australia and Thailand, the Maldives is perceived as a premium tourism destination and therefore was more sensitive to the economic slowdown.

The Maldives launched an integrated marketing campaign "Story of Maldives" for 2017 and 2018, focusing on emerging trends such as experiential travel, food, cultural tourism and ecotourism, targeting tech-savvy millennials through the internet and social media. Furthermore, the government is in the process of improving tourism infrastructure with the expansion and upgrade of the main Velana International Airport and the construction of five domestic airports, which are expected to be completed in late 2018.

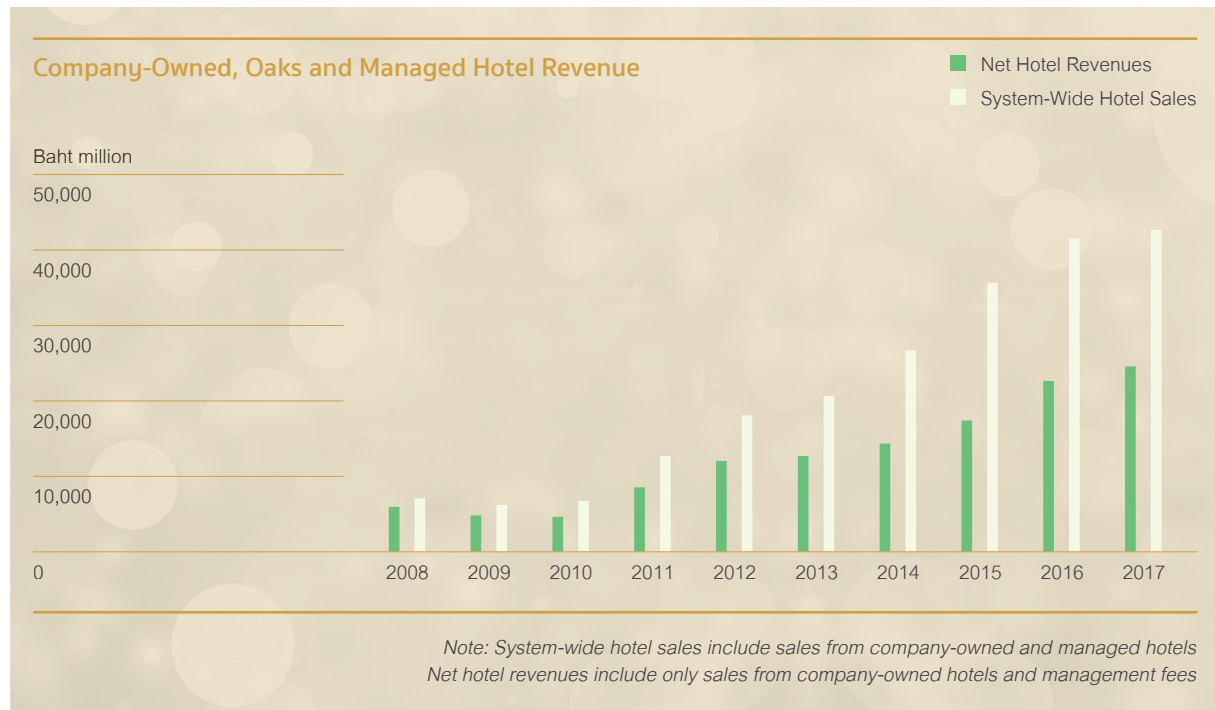




### Middle East & Africa

Middle Eastern countries that we operate generally demonstrated good tourism growth in 2017. Both the UAE and Oman reported increases in year-to-date 2017 tourist arrivals. However, arrivals into Qatar declined by 18% in the first nine months of 2017, following the blockade imposed since June 2017. In the long term, the government of these countries aim to increase the contribution of tourism revenue to their GDP. The UAE is perceived as commercial and business hub of the Middle East. In addition, new mega projects, such as Marsa Al Arab, a USD 1.7 billion mega tourist resort, will attract a steady flow of tourists into the country. Qatar continues to implement its National Tourism Sector Strategy, which they will work with partners to diversify visitor source markets, tourism products and services, with a focus on enhanced end-to-end visitor experience. In early 2016, Oman launched its National Tourism Strategy (NTS), with the primary aim to quadruple their international visitors to 11.7 million per year by 2040 from 2015. The plan is to develop and promote a series of destinations across the sultanate, offering visitors a broader variety of experiences, with the goal of encouraging extended visits and greater engagement with the country's culture and natural sites.

The World Tourism Organization UNWTO's tourism outlook is positive for Africa in general, and sub-Saharan Africa in particular. In 1995, Africa welcomed just 19 million visitors from abroad. That figure increased nearly three-fold to 57.8 million in 2016. UNWTO forecasts that arrivals will more than double to 134 million by 2030. The countries in the region realize that Africa's travel and tourism industry has incredible potential to generate growth, create jobs and drive economic development. With its rich natural and cultural resources, the continent's relatively underdeveloped tourism sector provides vast growth opportunities. Various investments have been made in the region, including in hotels, infrastructure and airports. For example, the upgrade of the Victoria Falls International Airport to accommodate wide-bodied aircrafts resulted in increase in flights to Victoria Falls and consequently growth in tourist arrivals of 22% in the first half of 2017.



Royal Pavilion Villas  
 by Qasr Al Sarab

## Performance Highlights and Development Plan

Minor Hotels reported net profit of Baht 3,375 million in 2017, an increase of 20% from 2016 core net profit. This growth was primarily attributable to Thailand hotels, the Tivoli portfolio in Portugal and Brazil, higher residential sales and the turnaround of Anantara Vacation Club.

### Company-Owned Hotels

At the end of 2017, Minor Hotels operated 70 owned and partially owned or joint-venture hotels, with 9,099 rooms, representing an increase of 2% from the prior year. Our owned and joint-venture hotels are operated under the Anantara, AVANI, Tivoli, Oaks, Elewana Collection, Four Seasons, St. Regis, JW Marriott and Radisson Blu brands. In 2017, our owned and joint-venture hotels reported revenues of Baht 17,704 million, an increase of 10% from 2016 core revenues, and represented 57% of Minor Hotels' total revenues in 2017.







Tivoli Palácio de Seteais Sintra

**TIVOLI**  
HOTELS & RESORTS

	Overall			Thailand			Australia**			Portugal			Maldives		
	2017	2016	% Change	2017	2016	% Change	2017	2016	% Change	2017	2016	% Change	2017	2016	% Change
System-Wide Sales (Baht million)	42,320	41,249	3	11,359	10,324	10	9,110	9,264	-2	5,055	3,436	47	4,028	4,830	-17
Total Number of Hotels	158	155	2	25	24	4	55	53	4	12	12	0	5	6	-17
Total Number of Rooms	20,209	19,776	2	4,387	4,202	4	6,863	6,784	1	2,412	2,480	-3	410	454	-10
Occupancy Rate (%)*	67	68	-1	77	74	3	78	77	1	58	64	-6	64	57	7
Average Daily Rate (ADR)* (Baht)	5,705	5,956	-4	4,844	4,998	-3	4,588	4,557	1	5,092	4,526	12	23,561	27,766	-15
Revenue per Available Room (RevPar)* (Baht)	3,837	4,051	-5	3,753	3,723	1	3,596	3,495	3	2,970	2,886	3	14,966	15,867	-6

\* Organic statistics excluding new hotels

\*\* Include management letting rights in New Zealand and the UAE

Revenues (Baht million)	2017	2016*	% Change
Hotels (Owned & Managed)	25,181	23,336	8
Real Estate (Residences & Anantara Vacation Club)	5,316	3,922	36
Other Mixed-use	473	499	-5
<b>Total Minor Hotels</b>	<b>30,970</b>	<b>27,757</b>	<b>12</b>

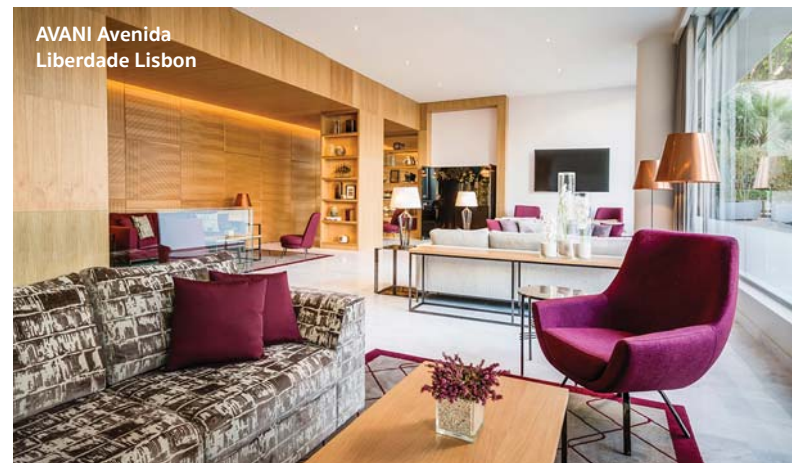
\* Exclude non-recurring items

Below are the key developments in Minor Hotels' business in 2017.

During 2017, Minor Hotels launched two new joint-venture hotels. In January, we brought the Oaks brand to India with the opening of Oaks Bodhgaya. Our 78-key new-build property is located in the temple town of Bodhgaya, home to a UNESCO World Heritage Site Mahabodhi Temple, where Buddha is said to have found enlightenment under the Bodhi Tree. Today, this temple complex is one of the most important Buddhist pilgrimage sites in the world. Later in the year, Minor Hotels continued to grow the AVANI brand in Thailand through a 50% joint-venture arrangement to own and operate AVANI Hua Hin Resort & Villas in the beachside town in Thailand. The resort comprises 196 guest rooms and an expansive ballroom offering an oasis setting for business and social events in Hua Hin.

During the course of 2017, we focused our efforts on investing and upgrading our hotel portfolio in Portugal following the completion of our acquisition of the Tivoli hotel portfolio in early 2016. We completed renovation of five hotels, one of which has been rebranded to an AVANI. We are in the process of renovating another four hotels, which will be completed in time for the high season in the third quarter of 2018. The renovations will provide us with the opportunity to capture the upside of growing demand in Portugal, including through rate increases. In addition, the Anantara and AVANI brands debuted in Europe with the rebranding of two Tivoli hotels to Anantara Vilamoura Algarve Resort and AVANI Avenida Liberdade Lisbon Hotel. The rebranding not only provided us with a strategic opportunity to introduce these own brands to Europe, but also allowed for increased rates as a result of product and service improvements relating to the rebranding.

AVANI  
HOTELS  
& RESORTS



ANANTARA  
HOTELS-RESORTS-SPAS





AVANI  
HOTELS  
& RESORTS

Our joint-venture company, Serendib Hotels Plc, acquired 51.15% stake of the Lantern Group, a luxury hospitality group in Sri Lanka, in September 2017. The Lantern Collection was conceptualized with the desire to create a beach getaway for travelers who appreciate an intimate vacation that captures the essence of the renowned Sri Lankan beaches. The chain comprises the Lantern Boutique Hotel, Ubuntu Boutique Hotel by Lantern and Riso & Amour Beach Villas by Lantern, with a total of 23 rooms, all within a short stroll along Mirissa beach. The investment is a milestone in Serendib's quest to grow in the luxury villas segment in Sri Lanka, enabling the group to provide superior and diverse hospitality options to discerning travelers.



### Management Letting Rights

Minor Hotels offers serviced apartment accommodation service through our management letting rights (MLR) business model, primarily under the Oaks brand in Australia and New Zealand. With our multi-brand portfolio strategy in each geographical hub and our continued commitment to grow the AVANI brand, in 2017 we introduced the AVANI Residences to these markets, through the opening of AVANI Broadbeach Gold Coast Residences in Australia and AVANI Metropolis Auckland Residences in New Zealand. AVANI Broadbeach Gold Coast Residences is located on the beautiful Gold Coast, famous for its 17 km stretch of beach, epic surf and upscale dining and entertainment options. In the heart of Auckland, known as a melting pot of cultures and cuisine, AVANI Metropolis Auckland Residences offers a stylish city retreat with the city's iconic Metropolis building overlooking Albert Park.

The addition of the two AVANI properties resulted in an increase in the number of our MLR properties to a total of 53, with over 6,400 rooms by the end of 2017. The MLR portfolio continued to be a major revenue contributor of the hospitality business, accounting for 20% of Minor Hotels' revenues in 2017. Overall revenue from Minor Hotels' MLR business increased by 3% in 2017 compared to 2016 core revenue.



### Hotel Management

Management of third-party owned hotels is a business model which enables us to grow our brand presence without having to invest capital into the relevant hotels, resulting in relatively higher profitability levels. In 2017, Minor Hotels continued to build its portfolio of managed hotels. At the end of 2017, we managed 35 third-party hotels in 14 countries under the Anantara, AVANI, Oaks, Tivoli, Elewana Collection and The Beaumont brands. We reported revenues from hotel management activities of Baht 1,171 million in 2017, a 6% increase from the previous year. During the course of 2017, we signed another 19 new hotel management contracts as we continued to grow our future hotel management pipeline. Our five-year strategic plan targets over 100 hotels under management contracts in 21 countries across our brands by 2022.

In 2017, we launched Anantara Guiyang Resort in China. Surrounded by an exclusive golf course and majestic mountains, this five-star luxury 218-key resort offers a natural oasis, 30 minutes from Guiyang City and 15 minutes from Guiyang Longdongbao International Airport. Nearby the resort, hot springs, lakes and waterfalls, karst caves, valleys and expansive forests combine to create a natural treasure trove. Ethnic minorities reveal colorful folkloric customs and 2,000 years of history can be relived with trips to dynastic relics.

Minor Hotels expanded the Tivoli brand outside of its home country, Portugal, to the Middle East with the management of Souq Waqif Boutique Hotels by Tivoli in Doha, Qatar. The hotels are a collection of nine unique and historical buildings featuring intricate décor and architecture, nestled in the heart of the historic Souq Waqif. Souq Waqif Boutique Hotels by Tivoli offers an immersion in Arabian tradition and culture, combined with the luxury service and personal attention for which Tivoli hotels are renowned.



Anantara Guiyang





### Residential Property

In 2017, we continued to build our residential inventory pipeline to ensure growth over the long term as one of Minor Hotels' core businesses. Currently, we have three projects underway to be launched over the next several years. In 2017, Minor Hotels entered into a joint venture with Kajima Corporation from Japan to develop a new luxury residential project named Avadina Hills by Anantara, next to Layan Residences by Anantara in Phuket. The project consists of 16 luxury villas. In addition, Minor Hotels has a joint-venture project to develop Anantara Ubud Residences, a 15-residential villas project in Ubud, Bali's highlands, famed for its terraced rice paddies, local artisans and Hindu temples. Another project is Anantara Desaru Residences, consisting of 20 residential villas on the Desaru Coast of southeast Malaysia. Both projects are expected to be launched in 2019.

2017 was a successful year for Minor Hotels' sales of residential properties. During the year, we sold three villas at Layan Residences by Anantara in Phuket, one villa at The Estates Samui, eight units of Anantara Chiang Mai Serviced Suites and two penthouse units of Torres Rani in Maputo. Minor Hotels has sufficient remaining inventory to sustain strong residential sales up to and through the launch of our new residential projects.



Anantara Golden Triangle  
Elephant Camp



Layan Residences  
by Anantara







### Anantara Vacation Club

Anantara Vacation Club (AVC), our points-based shared ownership business, provides its Club Point Owners with long-term access to some of the most luxurious holiday destinations in the world at a one-time fixed price. AVC's business is also complementary to our hotel business, as Club Point Owners can use their Ownership for stays at participating Minor hotels around the world and otherwise generate revenue and business for our hotel business.

In 2017, we continued to grow our AVC business, as we believe it will continue to be one of our key revenue and net profit drivers in the long term. Following the launch of the pricing and payment scheme adjustments in mid-2015, AVC's 2017 revenue grew by 28% compared to 2016. In addition, the quality of AVC's loan portfolio significantly improved with the launch of a new credit scoring process.

In terms of product offering, AVC had a total inventory of 186 Club and 21 Developer units in seven destinations, including Koh Samui, Phuket, Bangkok and Chiang Mai in Thailand, Queenstown in New Zealand, Bali in Indonesia and Sanya in China at the end of 2017. We had over 10,000 Club Point Owners as of year-end.



Anantara Vacation Club  
Mai Khao Phuket

## Hotel & Residential Development Plan

### Existing Hotel Portfolio (No. of Rooms)

Country	Hotel Name	2016	2017	2018F	2019F	2020F
Thailand	Anantara Bophut Koh Samui	106	106	106	106	106
Thailand	Anantara Golden Triangle Elephant Camp	72	61	61	61	61
Thailand	Anantara Hua Hin	187	187	187	187	187
Thailand	Anantara Layan Phuket	77	77	77	77	77
Thailand	Anantara Mai Khao Phuket Villas	83	83	83	83	83
Thailand	Anantara Riverside Bangkok	408	408	408	408	408
Thailand	Anantara Siam Bangkok	354	354	354	354	354
Cambodia	Anantara Angkor	39	39	39	39	39
Maldives	Anantara Kihavah Maldives Villas	79	79	79	79	79
Portugal	Anantara Vilamoura Algarve		280	280	280	280
Sri Lanka	Anantara Kalutara	141	141	141	141	141
Vietnam	Anantara Hoi An	94	94	94	94	94
Zambia	The Royal Livingstone Victoria Falls Zambia by Anantara	173	173	173	173	173
Thailand	AVANI Pattaya	298	298	298	298	298
Thailand	AVANI Riverside Bangkok	248	248	248	248	248
Thailand	AVANI Sunset Coast Samui	34	34	58	58	58
Botswana	AVANI Gaborone	196	196	196	196	196
Namibia	AVANI Windhoek	173	173	173	173	173
Portugal	AVANI Avenida Liberdade Lisbon		119	119	119	119
Sri Lanka	AVANI Kalutara	105	105	105	105	105
Vietnam	AVANI Quy Nhon	63	63	63	63	63
Zambia	AVANI Victoria Falls	212	212	212	212	212
Australia	Oaks Elan Darwin	301	301	301	301	301
Australia	Oaks Grand Gladstone	144	144	144	144	144
Brazil	Tivoli Ecoresort Praia do Forte Bahia	287	287	287	287	287
Brazil	Tivoli Mofarrej São Paulo	217	217	217	217	217
Portugal	Tivoli Avenida Liberdade Lisboa	306	285	285	285	285
Portugal	Tivoli Carvoeiro Algarve	293	246	246	246	246
Portugal	Tivoli Coimbra	100	100	100	100	100
Portugal	Tivoli Jardim*	119				
Portugal	Tivoli Lagos Algarve	324	324	324	324	324
Portugal	Tivoli Marina Portimao	196	196	196	196	196
Portugal	Tivoli Marina Vilamoura Algarve	383	383	383	383	383
Portugal	Tivoli Oriente Lisboa	279	279	279	279	279
Portugal	Tivoli Palácio de Seteais Sintra	30	30	30	30	30
Portugal	Tivoli Sintra	77	77	77	77	77
Portugal	Tivoli Victoria**	280				
Thailand	The St. Regis Bangkok	224	224	224	224	224
Thailand	Four Seasons Chiang Mai	76	76	76	76	76
Thailand	Four Seasons Koh Samui	60	60	60	60	60
Thailand	Four Seasons Tented Camp Golden Triangle	15	15	15	15	15
Thailand	JW Marriott Phuket	265	265	265	265	265
<b>40</b>	<b>Total Rooms - Majority Owned</b>	<b>7,118</b>	<b>7,039</b>	<b>7,063</b>	<b>7,063</b>	<b>7,063</b>
Maldives	Anantara Dhigu Maldives	110	110	110	110	110
Maldives	Anantara Veli Maldives	67	67	67	67	67
Mozambique	Anantara Bazaruto Island	44	44	44	44	44
Mozambique	Anantara Matemo Island	24	24	24	24	24
Mozambique	Anantara Medjumbe Island	12	12	12	12	12
Sri Lanka	Anantara Peace Haven Tangalle	152	152	152	152	152

\* Tivoli Jardim has been rebranded to AVANI Avenida Liberdade Lisbon in April 2017.

\*\* Tivoli Victoria has been rebranded to Anantara Vilamoura Algarve in April 2017.

Note: F = Forecast



## Hotel & Residential Development Plan

### Existing Hotel Portfolio (No. of Rooms)

Country	Hotel Name	2016	2017	2018F	2019F	2020F
Thailand	AVANI Hua Hin		196	196	196	196
Lesotho	AVANI Lesotho	158	158	158	158	158
Lesotho	AVANI Maseru	105	105	105	105	105
Mozambique	AVANI Pemba Beach	185	185	185	185	185
Sri Lanka	AVANI Bentota	75	75	75	75	75
Vietnam	AVANI Hai Phong Harbour View	122	122	122	122	122
India	Oaks Bodhgaya		78	78	78	78
Kenya	AfroChic Diani Beach	10	10	10	10	10
Kenya	Elephant Pepper Camp Masai Mara	10	10	10	10	10
Kenya	Elsa's Kopje Meru	11	11	11	11	11
Kenya	Joy's Camp Shaba	10	10	10	10	10
Kenya	Sand River Masai Mara	16	16	16	16	16
Kenya	Tortilis Camp Amboseli	18	18	18	18	18
Tanzania	Arusha Coffee Lodge	30	30	30	30	30
Tanzania	Kilindi Zanzibar	14	14	14	14	14
Tanzania	Serengeti Migration Camp	20	20	20	20	20
Tanzania	Serengeti Pioneer Camp	12	12	12	12	12
Tanzania	Tarangire Treetops	20	20	20	20	20
Tanzania	The Manor at Ngorongoro	20	20	20	20	20
Sri Lanka	Club Hotel Dolphin	154	154	154	154	154
Sri Lanka	Hotel Sigiriya	79	79	79	79	79
Maldives	Naladhu Private Island Maldives	20	20	20	20	20
Maldives	Niyama Private Islands Maldives	134	134	134	134	134
Mozambique	Radisson Blu, Maputo	154	154	154	154	154
<b>30</b>	<b>Total Rooms - Joint Venture</b>	<b>1,786</b>	<b>2,060</b>	<b>2,060</b>	<b>2,060</b>	<b>2,060</b>
Thailand	Anantara Baan Rajprasong Bangkok	97	97	97	97	97
Thailand	Anantara Chiang Mai	84	84	84	84	84
Thailand	Anantara Lawana Koh Samui	122	122	122	122	122
Thailand	Anantara Rasananda Koh Phangan Villas	64	64	64	64	64
Thailand	Anantara Sathorn Bangkok	310	310	310	310	310
Thailand	Anantara Si Kao	139	139	139	139	139
China	Anantara Guiyang		218	218	218	218
China	Anantara Sanya	122	122	122	122	122
China	Anantara Xishuangbanna	103	103	103	103	103
Indonesia	Anantara Seminyak Bali	60	60	60	60	60
Indonesia	Anantara Uluwatu Bali	74	74	74	74	74
Oman	Al Baleed Salalah by Anantara	136	136	136	136	136
Oman	Anantara Al Jabal Al Akhdar	115	115	115	115	115
Qatar	Banana Island Doha by Anantara	141	141	141	141	141
UAE	Anantara Sir Bani Yas Island Al Sahel Villa	30	30	30	30	30
UAE	Anantara Sir Bani Yas Island Al Yamm Villa	30	30	30	30	30
UAE	Anantara The Palm Dubai	293	293	293	293	293
UAE	Desert Islands by Anantara	64	64	64	64	64
UAE	Eastern Mangroves by Anantara	222	222	222	222	222
UAE	Qasr Al Sarab Desert by Anantara	206	206	206	206	206
Vietnam	Anantara Mui Ne	90	90	90	90	90
Thailand	AVANI Atrium Bangkok	568	568	568	568	568
Thailand	AVANI Khon Kaen	196	196	275	275	275
Malaysia	AVANI Sepang Goldcoast	315	315	315	315	315
Seychelles	AVANI Seychelles Barbarons	124	124	124	124	124

Note: F = Forecast

## Hotel & Residential Development Plan

### Existing Hotel Portfolio (No. of Rooms)

Country	Hotel Name	2016	2017	2018F	2019F	2020F
UAE	AVANI Deira Dubai	216	216	216	216	216
Thailand	Oaks Bangkok Sathorn	115	115	115	115	115
UAE	Oaks Liwa Executive Suites	54	54	54	54	54
Portugal	The Residences At Victoria Algarve	93	93	93	93	93
Qatar	Souq Waqif Boutique by Tivoli	183	183	183	183	183
Kenya	Kitich Camp Mathews Forest	6	6	6	6	6
Kenya	Lewa Safari Camp	13	13	13	13	13
Kenya	Loisaba Star Beds	4	4	4	4	4
Kenya	Loisaba Tented Camp	12	12	12	12	12
UK	The Beaumont		73	73	73	73
Maldives	PER AQUUM Huvafen Fushi	44				
UAE	Desert Palm PER AQUUM	39				
Tanzania	Essque Zalu Zanzibar	49				
<b>35</b>	<b>Total Rooms - Purely Managed</b>	<b>4,533</b>	<b>4,692</b>	<b>4,771</b>	<b>4,771</b>	<b>4,771</b>
Australia, New Zealand and UAE	Oaks Hotels & Resorts	6,339	6,288	6,288	6,288	6,288
Australia and New Zealand	AVANI Residences		130	130	130	130
<b>53</b>	<b>Total Rooms - Management Letting Rights</b>	<b>6,339</b>	<b>6,418</b>	<b>6,418</b>	<b>6,418</b>	<b>6,418</b>
<b>158</b>	<b>Total Rooms - Total Existing Hotels</b>	<b>19,776</b>	<b>20,209</b>	<b>20,312</b>	<b>20,312</b>	<b>20,312</b>

### Hotel Pipeline Expansion (No. of Rooms)

Country	Hotel Name	2016	2017	2018F	2019F	2020F
Vietnam	Anantara Quy Nhon Villas			25	25	25
Malaysia	Anantara Desaru Coast				103	103
<b>2</b>	<b>Total Rooms - Majority Owned</b>			<b>25</b>	<b>128</b>	<b>128</b>
Indonesia	Anantara Ubud Bali				70	70
Tanzania	Warangi Serengeti National Park				12	12
Maldives	AVANI Fares Maldives					200
<b>3</b>	<b>Total Rooms - Joint Venture</b>				<b>82</b>	<b>282</b>
Brazil	Anantara Marau Bahia			50	50	50
Laos	AVANI+ Luang Prabang			53	53	53
Tunisia	AVANI Les Berges Du Lac Tunis Suites			41	41	41
Lebanon	Oaks Beirut			110	110	110
Qatar	Al Najada Doha Serviced Apartments by Oaks			100	100	100
Brazil	Tivoli Recife			200	200	200
Qatar	Al Najada Doha by Tivoli			151	151	151
Qatar	Souq Al Wakra Qatar by Tivoli			101	101	101
Kenya	Elewana Kifaru House			5	5	5
China	Anantara Libo				173	173
China	Anantara Lijiang				607	607
China	Anantara Qiandao Lake				120	120
Mauritius	Anantara Le Chaland				164	164
Morocco	Anantara Al Houara Tangier				150	150
Oman	Anantara Sifah				198	198
Tunisia	Anantara Tozeur				93	93
UAE	Anantara Jebel Dhanna Villas				60	60
China	Anantara Minhang Shanghai				260	260
South Korea	AVANI Busan				400	400
Thailand	AVANI Sukhumvit Bangkok				385	385
UAE	AVANI Jebel Dhanna				228	228

Note: F = Forecast



## Hotel & Residential Development Plan

### Hotel Pipeline Expansion (No. of Rooms)

Country	Hotel Name	2016	2017	2018F	2019F	2020F
China	Oaks Hangzhou				132	132
South Korea	Oaks Daegu				144	144
Brazil	Tivoli Brasilia				395	395
Kenya	Loisaba Lodo Camp				7	7
China	Anantara Zhuhai					160
Saudi Arabia	Anantara Jeddah					328
Tanzania	Anantara Zanzibar					150
UAE	Anantara Mina Al Arab Ras Al Khaimah					306
China	AVANI Zhuhai					300
Mauritius	AVANI Bel Ombre Mauritius					156
Oman	AVANI Muscat					150
UAE	AVANI Al Marjan Island Ras Al Khaimah					255
UAE	AVANI Ibn Battuta Dubai					372
UAE	AVANI Jumeirah Dubai					528
Brazil	Tivoli Castelo					130
China	Tivoli Hangzhou					166
South Korea	Tivoli Busan					150
China	M Collection Hengqin					100
<b>39</b>	<b>Total Rooms - Purely Managed</b>			<b>811</b>	<b>4,327</b>	<b>7,578</b>
Australia	AVANI Melbourne			456	456	456
Australia	AVANI Box Hill				170	170
Australia	Oaks Adelaide				278	278
Australia	Oaks Toowoomba				50	50
<b>4</b>	<b>Total Rooms - Management Letting Rights</b>			<b>456</b>	<b>954</b>	<b>954</b>
<b>48</b>	<b>Grand Total Rooms</b>			<b>1,292</b>	<b>5,491</b>	<b>8,942</b>

### Residential Properties (No. of Units)

Country	Residential Properties	2016	2017	2018F	2019F	2020F
Thailand	Anantara Chiang Mai Serviced Suites	44	44	44	44	44
Thailand	Layan Residences by Anantara	15	15	15	15	15
Thailand	St. Regis Residences	53	53	53	53	53
Thailand	The Estates Samui	14	14	14	14	14
Mozambique	Torres Rani Residence	6	6	6	6	6
Thailand	Avadina Hills by Anantara				11	11
Indonesia	Anantara Ubud Residences				15	15
Malaysia	Anantara Desaru Residences				20	20
<b>8</b>	<b>Total Units</b>	<b>132</b>	<b>132</b>	<b>132</b>	<b>178</b>	<b>178</b>

### Timeshare Properties (No. of Units)

Country	Vacation Club Properties	2016	2017	2018F	2019F	2020F
Thailand	AVC - Bangkok	10	10	30	50	70
Thailand	AVC - Chiang Mai	3	5	6	9	12
Thailand	AVC - Phuket	103	127	137	137	137
Thailand	AVC - Samui	20	20	20	20	20
China	AVC - Sanya	3	3	3	3	3
Indonesia	AVC - Bali	18	18	37	66	66
New Zealand	AVC - Queenstown	3	3	3	3	3
Other	AVC - New Destinations			65	148	236
	<b>Total Units</b>	<b>160</b>	<b>186</b>	<b>301</b>	<b>436</b>	<b>547</b>

Note: F = Forecast

# MINOR

FOOD



**Paul Charles Kenny**  
CEO of Minor Food



1989

Minor pioneered the food delivery business in Thailand with pizza delivery service.







# 1992

In order to ensure quality and cost control of major raw materials, Minor founded MCL and MDL to produce cheese and ice cream.



# 2005

Minor's first overseas investment was in China, a market with high growth potential.



2017 was a milestone year for Minor Group. I am greatly honored to have the opportunity to take part in building the group to where it is today, and to commemorate Minor Group's 50<sup>th</sup> anniversary. Minor Food started the business in 1980 with a pizza outlet in Pattaya, a famous beach town in Thailand. Over the years, we have grown our portfolio and today, we have 2,064 outlets across a list of brands, from our own The Pizza Company, The Coffee Club, Riverside and Thai Express, our joint-venture brands BreadTalk in Thailand and Patara in the UK, to other prominent international brands including Swensen's, Burger King, Dairy Queen and Sizzler. Originated and headquartered in Thailand, we have expanded to 18 other countries in Asia, the Middle East, Indian Ocean and the UK. I would attribute our ability to grow at this rapid pace to our solid operational excellence and our people who have the passion with the common goals to grow the business together.

Today, Minor Food is one of the largest restaurant operators in the region, with total-system-sales of Baht 46,411 million in 2017. We reported revenue of Baht 23,582 million in 2017, a growth of 2% from 2016 core revenue. 2017 was a challenging year for Minor Food. While Thailand was impacted by the sluggish economic growth and the national mourning, the economies of Australia and Singapore have not seen a noticeable recovery. Nevertheless, we continued to selectively open new outlets, primarily in our Thailand hub and neighboring countries. Realizing the challenge in growing the revenues, we turned our focus on cost control. As a result, Minor Food's net profit increased by 14% from 2016 core net profit, a much faster rate than the revenue growth.

### Sector Overview and Competition

Minor Food today operates across four main markets: Thailand, Australia, China and Singapore. The following are our views on these key markets.





### Thailand

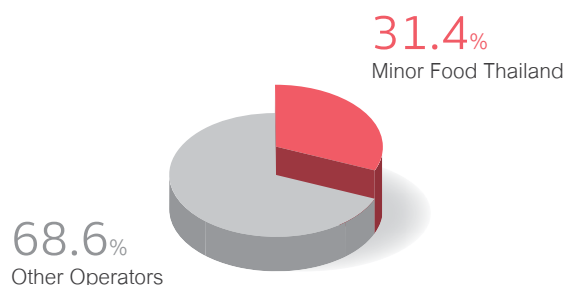
In the first half of 2017, consumer confidence index (CCI) trend showed a mixed sign, with an increase in the first quarter, but a decline in the second quarter. In the second half of the year, the University of the Thai Chamber of Commerce (UTCC) reported an increasing trend of the CCI, attributable to the recovery of exports and tourism, together with the government subsidies in an effort to improve the economy and the stability of the political environment. In any case, the CCI has not fully recovered as consumers still have concerns of the weak agricultural prices, including rice, rubber, tapioca, corn and palm oil.

The World Bank forecasts Thailand's economic growth of 3.5% in 2017, gaining traction with global growth which resulted in strong export, together with higher government spending, although private investment continued to be slow.

In 2018, the World Bank expects the country's economy to expand further to 3.6%. The continued improvement of export including tourism will eventually spur manufacturing activities, capital goods and private investments. Public infrastructure spending to connect lagging regions and upgrade rail through dual tracking will also attract private investment, raise economy-wide productivity and improve investor sentiment. Furthermore, the agricultural recovery and strengthened household balance sheets will support consumption growth.



### 2017 Estimated Market Share of Minor Food in Thailand



Remark: Minor Food Thailand sales include its domestic franchisees

### Comparative Market Share of Western Casual Dining in Thailand

	2015		2016		2017F	
	Revenue	%	Revenue	%	Revenue	%
Café	6,912	12.5%	8,314	13.6%	10,063	15.1%
Casual Dining	22,143	40.0%	24,166	39.7%	25,236	37.9%
Fast Food	20,441	37.0%	22,758	37.4%	25,223	37.9%
Ice Cream & Bakery	5,826	10.5%	5,693	9.3%	6,063	9.1%
<b>Total Market</b>	<b>55,322</b>	<b>100.0%</b>	<b>60,931</b>	<b>100.0%</b>	<b>66,585</b>	<b>100.0%</b>

Source: Top 500 food & beverage companies from Ministry of Commerce and company estimates  
Note: F = Forecast

### Minor Food Management Team

1. Paul Charles Kenny  
*Chief Executive Officer of Minor Food*
2. Patamawalai Ratanapol  
*Chief People Officer*
3. Kanya Ruengprateepsang  
*Chief Financial Officer*
4. Lerssak Boonsongsup  
*Chief Supply Chain Officer*
5. John Scott Heinecke  
*Chief Operating Officer - Hot Chain*
6. Choompot Tantisoonthorn  
*Chief Operating Officer - Cold Chain*



6 2 5 3 1 4







## China

The World Bank reported that the economic growth in China remained solid throughout 2017, with GDP growth of 6.9% for the year. The growth was supported by a rebound in the industrial sector, a resilient property market and strong export growth following the stronger global economic environment. The pick-up of the 2017 growth was the first annual acceleration for the economy since 2010.

Over the next few years, China's growth model will change to focus more on sustainability and quality rather than on speed. The World Bank forecasts a slightly slower GDP growth of 6.4% in 2018. Although personal consumption is expected to remain strong, the slower forecast of economic growth is due to less accommodative monetary policy and the government's effort to control credit and debt. China's credit continued to grow faster than GDP, with outstanding bank loans reaching 150% of GDP in November 2017 compared to 103% at the end of 2007. The slower GDP growth in the near term will improve China's long-term economic prospects. In any case, even China's slower growth still outpaces the developed economies.

## Australia

Australia's economy grew at an annual rate of 2.8% for the four quarters ending September 2017. The growth was attributable partly to the pick-up in private investment, with four consecutive quarters of investment growth, and partly to the weak September 2016 quarter. However, the household consumption remained weak. With the muted wage growth, households started to save more and pulled back significantly on spending at cafés and restaurants, recreation, household goods, alcohol and tobacco and health services.

The Organization for Economic Co-operation and Development (OECD) projected that Australian economic growth will be at the similar trend of 2.8% in 2018. The non-mining sectors, including investments, will drive the overall activities. The strengthening labor market and household incomes will sustain private consumption, and inflation and wages are expected to pick up gradually.

## Singapore

Singapore's Ministry of Trade and Industry forecast full year GDP growth to be 3 - 3.5% in 2017, primarily attributable to the global growth which benefited the manufacturing sector, in particular the semiconductor-related sector. Domestic demand, however, has not shown much improvement in 2017, as weakness in both the property and labor markets has weighed on household consumption. Lingering concerns about the health of Singapore's economy have an impact on how often consumers go to restaurants and how much they spend. Economic data showed restaurants as the laggard in the food services sector. Sales dropped 3.4% y-y in the third quarter of 2017, after falling 10.1% and 9.3% in the first and second quarter respectively. Furthermore, the restaurant sector in Singapore continued to experience intense competition with many new restaurant concepts emerging amidst shopping centers' effort to attract traffic.

For 2018, the economic expansion is expected to remain steady, with a growth of 1.5 - 3.5%. The manufacturing

sector is forecast to continue to expand on the back of external demand, providing support to overall GDP growth. However, the spill-over from the manufacturing sector on the rest of the economy is expected to be limited.

## Performance Highlights and Development Plan

Minor Food reported revenue and net profit of Baht 23,582 million and Baht 1,913 million in 2017, an increase of 2% and 14% respectively from core 2016.

With our overseas presence, Minor Food today operates under a hub system. Thailand, home of our head office and the origination of our restaurant business, remained our largest hub, contributing 60% of Minor Food's revenue in 2017. Australia and China each contributed 14% to Minor Food's revenue, followed by 9% from Singapore. The following are the highlights of Minor Food's development in 2017.

### Thailand Hub



2 6 5 1 3 8 10 7 9 4

- |   |  |
|---|--|
| 1. Chanya Rodrakquan<br><i>VP of Manufacturing</i>                                | 6. Banyat Athiyukul<br><i>General Manager of BreadTalk</i>                   |
| 2. Sarnsakul Wongtiraporn<br><i>VP of Global Supply Management, Supply Chain</i>  | 7. Sirichai Kimsawat<br><i>General Manager of Sizzler</i>                    |
| 3. Pinaki Mukherjee<br><i>Regional General Manager (India &amp; Indian Ocean)</i> | 8. Prapat Siangjan<br><i>General Manager of Burger King (Thailand)</i>       |
| 4. Joey Reyes Garcia<br><i>General Manager of Franchise International</i>         | 9. Suvat Kulphaichit<br><i>General Manager of The Coffee Club (Thailand)</i> |
| 5. Nakarintr Thamhatai<br><i>General Manager of Dairy Queen</i>                   | 10. Chutaveep Woradilok<br><i>General Manager of Select Service Partner</i>  |

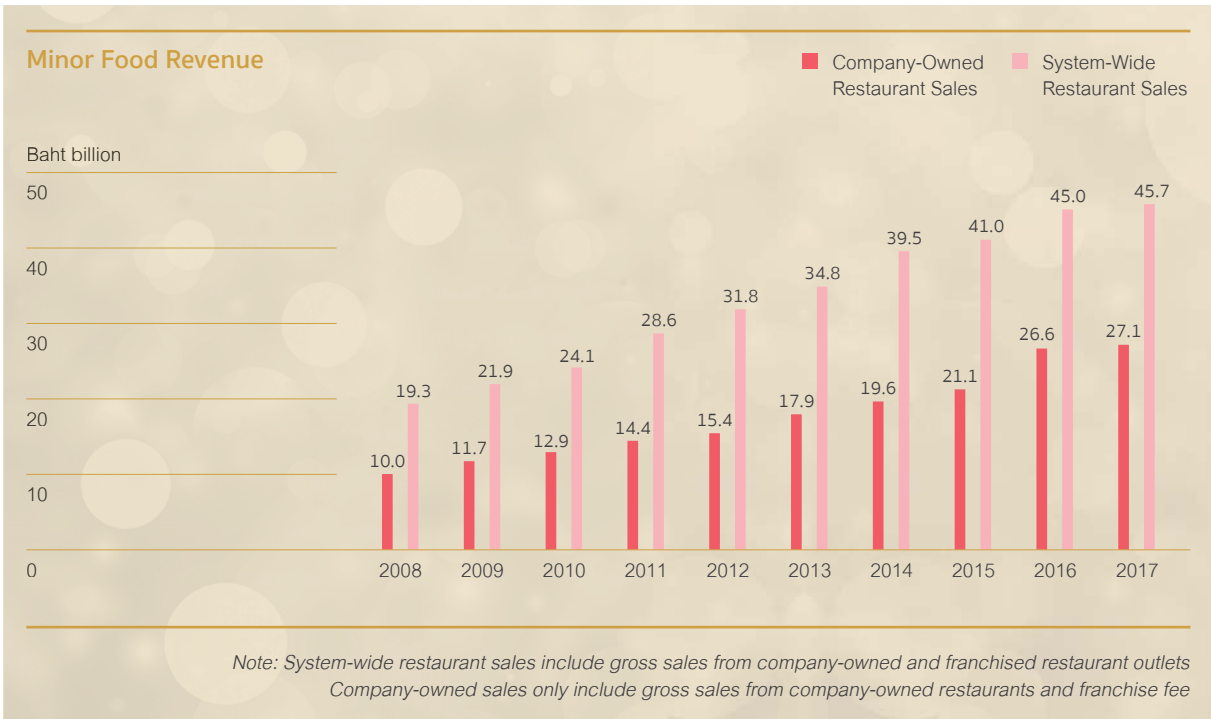
### China Hub



2 4 1 3 5 6

- |   |   |
|---|---|
| 1. Woon How Chin (Paul Chin)<br><i>Chief Executive Officer, The Minor (Beijing) Restaurant Management</i> | 4. Jenny Sim<br><i>Group Director of Human Resources &amp; Admin, The Minor (Beijing) Restaurant Management</i> |
| 2. Meng Hong Bo (Aaron)<br><i>Chief Operating Officer, The Minor (Beijing) Restaurant Management</i>      | 5. Lynn Lin<br><i>Group Director of Supply Chain Management, The Minor (Beijing) Restaurant Management</i>      |
| 3. Janice Lee<br><i>Group Director of Finance, The Minor (Beijing) Restaurant Management</i>              | 6. Paul Lai<br><i>Group Director of Property, The Minor (Beijing) Restaurant Management</i>                     |





### Australia Hub



- |   |  |   |
|---|--|---|
| <p><b>1. Nick Bryden</b><br/>                     Chief Executive Officer,<br/>                     Minor DKL Food Group</p> <p><b>2. Peter Montgomery</b><br/>                     Chief Financial Officer,<br/>                     Minor DKL Food Group</p> <p><b>3. Brian Finch</b><br/>                     National Operations<br/>                     Manager,<br/>                     The Coffee Club Australia</p> | <p><b>4. David Koch</b><br/>                     Group Financial<br/>                     Controller,<br/>                     Minor DKL Food Group</p> <p><b>5. Michael Chick</b><br/>                     General Manager,<br/>                     The Coffee Club<br/>                     International</p> <p><b>6. Jon Saunders</b><br/>                     General Manager<br/>                     Supply Chain,<br/>                     Minor DKL Food Group</p> | <p><b>7. Daniel Gosewisch</b><br/>                     General Counsel,<br/>                     Minor DKL Food Group</p> <p><b>8. Greg Masterson</b><br/>                     General Manager<br/>                     Network Development,<br/>                     Minor DKL Food Group</p> <p><b>9. Christina King</b><br/>                     Group Human Resources<br/>                     Manager,<br/>                     Minor DKL Food Group</p> |
|---|--|---|

## Thailand

Thailand continued to be Minor Food's biggest contributor. At the end of 2017, Minor Food had a total of 1,341 outlets in Thailand under the brands The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King, The Coffee Club, BreadTalk and Thai Express, an increase of 5% from 2016. Of the total number of outlets, 866 are company-owned while the remaining 475 are franchised. 2017 was a difficult year for Thailand as the nation went through the national mourning period for the first 10 months of the year, and the consumer confidence experienced some weakness, especially in the beginning and middle of the year. As a result, the overall same-store-sales for the year was flat compared to 2016. With the outlet expansion, revenue of Thailand hub increased by 5% in 2017 compared to core revenue in 2016. We attribute our success to the strong brands, product innovations and operational excellence.

Our operations have proven to be resilient as a result of brand diversification. Each brand takes its turn in the successful launch of new hero products. Back in 2015, The Pizza Company successfully launched crispy thin pizza. In 2017, Swensen's, the brand with second highest total-system-sales in Thailand, introduced many new initiatives that resulted in sales increase. In the beginning of the year, Swensen's enhanced the product presentation of its sundaes, focusing on attracting the millennials. In addition, we strengthened our kids' segment with the launch of kids' sundaes to target the family segment. Towards the end of the year, Swensen's introduced a new product line, the Korean Ice Cream Bingsu dessert, which is shaved ice in various flavors. The new product resulted in double-digit same-store-sales growth for Swensen's in December 2017.

Burger King continued to deliver double-digit total-system-sales growth in 2017 with its successful strategy to expand the local customer base. In addition to opening new outlets in local communities which included both stand-alone format in gas stations and drive-thru, we have also increased the ordering channel through delivery services, which are offered through both our own website as well as third-party delivery aggregators. We continued to create new and innovative local menus, such as salted chicken with sticky rice in order to cater to local taste.

The Coffee Club in Thailand has been successful in its operations and expansion, with 2017 same-store-sales and total-system-sales growth of 7.5% and 36.2% respectively. Throughout the year, we launched numerous creative and exciting menus, both drinks and food. We introduced super shake desserts and infusion cold brew drinks in various flavors, breakthrough dishes such as croissants and egg benedicts with assorted toppings and dessert pancakes. In addition, in order to capture the change in consumer behavior trends of moving towards the digital world, The Coffee Club introduced its own mobile app, which can be used for both delivery and takeaway. Furthermore, the strategic opening of The Coffee Club in serviced apartments and hotels with high tourist traffic flow helped accelerate the total-system-sales growth.









BreadTalk

## China

Minor Food operates the brands Riverside, Sizzler and Thai Express in China, with a total of 76 outlets at the end of 2017. We strongly believe in the growth potential of Riverside, the Sichuan barbecue fish concept and our key brand in China, and increased our shareholding in Riverside from 69% to 85%. For the Thai Express brand, we expanded through the franchise business model, with the launch of the first franchised outlet at the Beijing International Airport in 2017. Our China hub demonstrated profitable operations for the fifth consecutive year in 2017, with improving net profit margin in 2017.

Riverside, our main brand, continued to exhibit strong performance with positive same-store-sales growth throughout the four quarters of 2017. Sizzler and Thai Express, the two smaller brands, reported negative same-store-sales growth. In response to the soft performance of the two brands, Minor Food has taken the initiative to launch new generation of Sizzler and Thai Express outlets, which included localizing the food taste, modifying the menus, improving the product presentation and adjusting the dish sizes.

With the fast-growing technology trend in China, Riverside has offered mobile ordering experience. Once in the restaurant, customers are able to scan the QR code and use their phones to explore the menus and place their orders. This will result in higher efficiency, less human errors and lower costs. In addition, with the delivery trend, all three brands in China offer delivery menus, and collaborate with local delivery companies to provide food delivery services.

## Australia

At the end of 2017, Australia hub had a total of 431 outlets. The Coffee Club remained the biggest contributor to the Australia hub, with over 80% of total-system-sales. The brand's outlets are primarily in Australia and New Zealand, with presence in Thailand, the UAE, the Maldives, Indonesia and Seychelles. In 2017, Australia hub contributed 14% of Minor Food's revenues, and reported net profit growth of 12% from 2016.

As the domestic consumer spending continued to be challenging in 2017, we remained cautious in our outlet expansion in Australia. Instead, we focused on overseas expansion of The Coffee Club, primarily in Thailand



and the UAE. During the year, we also focused on the expansion of our upstream, higher margin business, Veneziano Coffee Roasters. This has resulted in higher overall profitability for the hub.

### Singapore

Our portfolio in Singapore consists of outlets primarily under the brands Thai Express, Xin Wang Hong Kong Café, Poulet and Basil. At the end of 2017, Singapore hub had 80 outlets, of which 57 are in Singapore itself. Over the past year, Minor Food has been focusing on adjusting its operations to the overall economic environment of Singapore. We have been rationalizing the portfolio by closing down the non-performing outlets, which resulted in a net closure of nine outlets in Singapore in 2017. Although this means a decline in overall revenues in Singapore, the hub is operating with better efficiency and generating improving margins.

As we understand that the overall restaurant industry in Singapore has been impacted by the economic challenges and increased competition over the past few years, we continued to expand our Thai Express network outside of Singapore. In addition to our presence in Vietnam with 21 outlets, we are building our network in Thailand and China.



### Other Markets

In addition to the four main hubs, Thailand, Australia, China and Singapore, Minor Food operates 271 outlets in 15 countries in Asia, the Middle East, Indian Ocean and the UK. While some of these markets are small today, they have a potential to grow and contribute meaningful revenue and net profit in the future.

Our Cambodia, Laos, Myanmar and Vietnam (CLMV) market continued to grow rapidly in 2017. Our outlets under the brands The Pizza Company, Swensen's, Thai Express and Burger King in CLMV countries increased by almost 30% to 133 outlets at the end of 2017. During the year, we also entered into a new market, Seychelles, with the opening of two outlets, one Burger King and one The Coffee Club.

Minor Food continued to develop the Thai food portfolio as we believe in its potential in the long term. In 2017, Patara Fine Thai Cuisine Limited, our 50% joint-venture company, successfully acquired the four existing Patara restaurants in the UK, resulting in a total of seven Patara outlets in the portfolio at the end of 2017. In addition, we converted loan to 70% equity in Grab Food, the Thai restaurant concept in the UK under the brand Grab Thai, with easy, relaxed, fast and quality Thai street food that Thais eat every day. At the end of 2017, Grab Thai had a total of five outlets.







### Minor Food System-Wide Outlet Development Program

Number of Outlets	2015	2016	2017
<b>Equity</b>	<b>957</b>	<b>1,018</b>	<b>1,072</b>
The Pizza Company	224	230	251
Swensen's	141	144	139
Sizzler	55	60	66
Dairy Queen	237	226	227
Burger King	57	74	93
The Coffee Club	52	61	69
Thai Express	76	82	74
Riverside	53	58	56
BreadTalk	24	36	46
Others*	38	47	51
<b>Franchise</b>	<b>894</b>	<b>978</b>	<b>992</b>
The Pizza Company	138	161	196
Swensen's	178	186	189
Dairy Queen	173	210	220
The Coffee Club	390	400	364
Thai Express	15	21	23
<b>Total Outlets</b>	<b>1,851</b>	<b>1,996</b>	<b>2,064</b>

Number of Outlets	2015	2016	2017
<b>Domestic</b>			
• Equity	775	814	866
• Franchise	409	458	475
<b>International</b>			
• Equity	182	204	206
• Franchise	485	520	517
<b>Total Outlets</b>	<b>1,851</b>	<b>1,996</b>	<b>2,064</b>

\* Note: Others include restaurants in the UK and restaurant operators at airports



# MINOR

LIFESTYLE



**James Richard Amatavivadhana**  
CEO of Minor Lifestyle



## 1990

Minor entered into fashion business with the Esprit brand.





2003

Minor entered into the household segment with the distribution of Zwilling J.A. Henckels.



2006

Charles & Keith, the shoes and accessories brand was introduced to Thailand.





Minor Lifestyle is proud to be a part of Minor Group's 50 years of history. Throughout Minor Lifestyle's journey over the past 35 years, we have gone through many developments. We began our journey with the contract manufacturing business, by producing cosmetics for international brands at that time. Subsequently, in the 1990s, we entered into lifestyle fashion space through partnership with Esprit. Esprit has become our long-term business alliance, until today. Nevertheless, because of the fast-changing pace of consumer behaviors and tastes in the fashion segment, we have seen the composition of our portfolio change over time. The important thing is we continued to build our platform to ultimately address our customers' needs, and adhere to our operational excellence in order to deliver quality products and services to our customers. At the end of 2017, we operated close to 400 points of sale and 14 brands under the lifestyle business, and our contract manufacturing business over the years transformed to produce household products for FMCG companies.

Looking at 2017, Minor Lifestyle's revenue grew by 17% while our net profit increased by 57% compared to the prior year, primarily attributable to the outstanding performance of the fashion business during the year. Thanks to the portfolio of new brands that we added in 2016, we started to see the visible impact with the improving overall performance in 2017.







  
*Brooks Brothers*



## Sector Overview and Competition

Domestic consumer sentiment showed a mixed trend in the first half of 2017. Consumer confidence index (CCI), as reported by the University of the Thai Chamber of Commerce (UTCC) increased in the first quarter, but declined in the second quarter of the year. In the second half of 2017, the CCI improved for five consecutive months to the highest point of the year of 79.2 in December. The improvement was attributable to the recovery of exports and tourism, the country's emergence from the national mourning period, the stability of the political environment, together with the government subsidies in the effort to improve the economy. Nevertheless, the CCI has not fully recovered as consumers were cautious of the recovery of the economy, coupled with the continued concerns of the weak agricultural prices, and therefore are not willing to spend.

### Minor Lifestyle Management Team

1. James Richard Amatavivadhana  
*Chief Executive Officer of  
 Minor Lifestyle*
2. Suthat Anuwutthinawin  
*Chief Operating Officer and Acting  
 VP of Finance & Accounting*
3. Chak Chalermchai  
*SVP of New Business  
 Development & Real Estate*
4. Claudia Vinke  
*Group General Manager of  
 Charles & Keith, Pedro,  
 Zwilling J.A. Henckels,  
 Joseph Joseph and Modern Living  
 Home & Kitchenware*

5. Jutharat Piboonthamasak  
*Business Director of E Commerce*
6. Preeyaphan Suiadee  
*General Manager of  
 Minor Education Group*
7. Nisakorn Masunthasuwana  
*General Manager of OVS*
8. Nitin Raizada  
*General Manager of  
 Navasri Manufacturing Limited*
9. Nisarath Jaratsunthornphak  
*Senior Brand Manager of  
 Brooks Brothers and Radley*

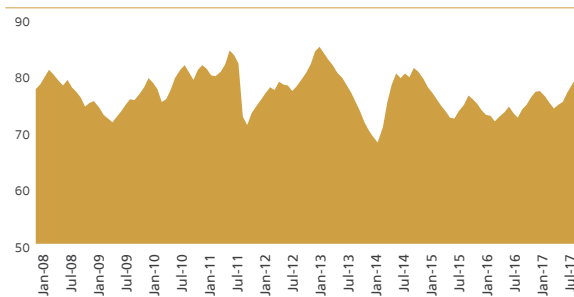
10. Jaruwan Tangsithchaikul  
*Senior Brand Manager of  
 Bossini and Esprit*
11. Ma. Brenda-LYN Perez Gualberto  
*Senior VM, Creative and  
 Shop Development Director*
12. Sakchai Suvathi  
*Senior Shop Development Director*
13. Dararat Boonthum  
*Brand Manager of Etam*
14. Wiphamart Tumsan  
*Brand Manager of  
 Zwilling J.A. Henckels,  
 Joseph Joseph and Modern Living  
 Home & Kitchenware*





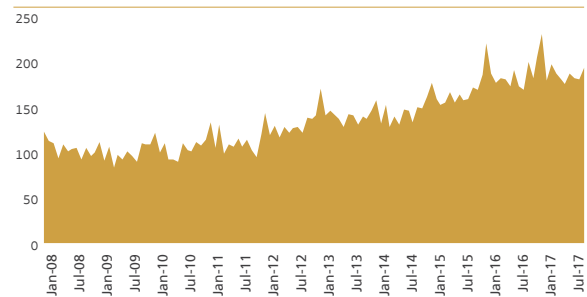


### Consumer Confidence Index



Source: University of the Thai Chamber of Commerce

### Retail Sales of Clothing, Footwear and Leather Articles Index



Source: Bank of Thailand

In Thailand, retail market is still lagging the broader global trend, where online market is a threat to the survival of large shopping malls. Many operators and developers are still looking to expand branches or stores in high potential locations around the country. However, more and more retail space are being allocated to F&B outlets and sports products and services. In terms of competition, the mega fashion retailers continue to benefit from economies of scale, which allow them to have very competitive pricing and customer service, as well as bargaining power over manufacturers and landlords. Furthermore, as retailers are concerned about the online and mobile shopping, many are developing their own online platform, including mobile applications, as well as enhancing the ambiance of their brick-and-mortar stores in parallel in order to support the online-to-offline strategies.

### Performance Highlights and Development Plans

At the end of 2017, Minor Lifestyle had a total of 398 retail outlets and points of sale. Of total, 91% are operated under fashion brands, while the remaining 9% are under household brands. Minor Lifestyle's revenue and net profit increased by 17% and 57% respectively in 2017, primarily from the exceptional performance of the fashion business. Anello, the Japanese backpack brand, received remarkable response since its launch at the end of 2016 and quickly became the third largest brand in the fashion portfolio, contributing 11% of retail trading revenue in 2017. In addition, Charles & Keith, the ladies' shoes and accessories brand, with the highest contribution of 34% to total retail trading revenue, reported strong increase in revenue and net profit of 15% and 43% respectively in 2017 from the prior year.



Minor Lifestyle expanded net number of outlets by 22% during 2017. We launched two new brands in 2017, Joseph Joseph and OVS. Joseph Joseph is an English houseware manufacturer, famous for its design-led products. Its ability to blend innovative design, contemporary style and distinctive use of color is unique within the industry. OVS is Italy's number one fast-fashion brand, offering the freedom to dress with Italian style, every day and at the best possible prices. In terms of expansion, during the year, we continued to expand and build the platform of the brands launched in 2016, while streamlining some of the prevailing brands. We quadrupled Anello outlets to 96, and doubled Radley outlets to 19 by the end of 2017. At the same time, in response to the change in consumer taste, we have selectively closed down some of the outlets under the Esprit and Bossini brands. We rebranded our educational business, which operates direct sales of educational books, to Minor Smart Kids. At the same time, we strengthened Minor Smart Kids' sales force and ensured aggressive execution of sales seminars, resulting in performance which was better than budget in 2017.





The performance of Navasri Manufacturing Limited (NMT), the contract manufacturing business, was weak during the first half of the year, primarily because of the soft domestic consumption environment, together with the national mourning, which delayed many new product launches, including those in the household category. However, NMT demonstrated much better performance in the second half of the year, with the successful launches of new products and promotional campaigns by our major customers. As a result, the contract manufacturing revenue turned to positive growth of 3% for the full year 2017. Going forward, we will be selectively adding new product categories, while ensuring quality and operational excellence, in order to improve efficiency and margins.

#### Development of Retail Points of Sale

Total Points of Sale	2015	2016	2017
Esprit	126	98	81
Bossini	87	88	82
Banana Republic	3	6	6
Brooks Brothers		7	7
GAP	17	20	14
OVS			1
Etam		12	19
Charles & Keith	31	33	34
Pedro	5	6	5
Anello		24	96
Radley		8	19
<b>Total Fashion</b>	<b>269</b>	<b>302</b>	<b>364</b>
Zwilling J.A. Henckels	22	22	23
Joseph Joseph			11
<b>Total Home &amp; Kitchen</b>	<b>22</b>	<b>22</b>	<b>34</b>
<b>Grand Total*</b>	<b>291</b>	<b>324</b>	<b>398</b>

\* The figures exclude Tumi's, Red Earth's and Kojima Denim's points of sale as Tumi's, Red Earth's and Kojima Denim's outlets were closed in 2015, 2016 and 2017 respectively.





## Minor's Journey to Sustainability

Minor's success is a result of endeavors that have been and will continue to be driven by our pursuit for excellence. To ensure that we continue this success into the future, we have embarked upon our journey to sustainability.



Historically, Minor has always believed in the spirit of giving. We engaged in several charitable activities that over time evolved into our Corporate Social Responsibility programs. However, since then we have realized that to adopt the values and commitments of a responsible corporate citizen, we need to extend beyond ad hoc philanthropy and strive for sustainability. We need to conduct ourselves in a way that enhances the competitiveness of the company while simultaneously improves the economic, social and environmental conditions of our numerous stakeholders, including our customers, partners, communities, and the society at large.

Since 2011, Minor has developed its sustainability framework and strategy. The company's visions, core values and the business strategy, as well as the interests of its stakeholders, are key guides to how we form our sustainability directions. We assess the materiality of issues that are both important to us and to our stakeholders to establish Minor's Sustainability Framework, and then develop our long-term sustainability strategy and plans,

which are reviewed annually, accordingly. We have also taken into consideration the United Nation's Sustainable Development Goals (SDGs) when developing our strategies, to align ourselves to create greater impact to the larger global community.

Minor's Sustainability Framework comprises of four Drivers: Driving People Development, Engaging in End-to-End Customer Experience, Committing to Long-Term and Sustainable Partnerships and Managing Environmental Impact. These four drivers are reinforced by two critical Enablers: Social Responsibility Mindset and Good Corporate Governance. These six aspects stem from and reinforce Minor's five Core Values: Customer-Focused, Result-Oriented, People Development, Innovative, and Partnership.

Minor's "Drive" culture is reflected in our Sustainability Framework. In our Drive for Empowerment, we believe that by continuously developing our leaders and employees, and investing in educational support and life skills enhancement for children and youth, people within Minor's sphere of influence are empowered to achieve their highest





potential. We Drive for Shared Success with our partners by establishing long-term partnerships to achieve mutual sustainable success. Likewise, we strive to enrich our customers' experience through end-to-end engagement and by delivering the best products and services that provide 100% satisfaction. Our commitment to producing a positive environmental and social impact wherever we have a footprint, and promoting social responsible mindsets among our people and peers, defines our **Drive for Harmony**. As a well-governed and responsible corporate citizen, we will continue to **Drive for Good Governance** which is the critical foundation for achieving true sustainability for the future.

The Sustainability Strategy is developed and integrated as part of our annual five-year strategic plan, which is endorsed by the Board, to ensure that different needs of our diverse stakeholders are considered together with our plan for growth. The Corporate Sustainability Department is responsible for updating and executing the strategy. The team consults and works closely with all business units to

embed sustainability, and ensure our sustainability initiatives and practices are aligned with the Group's overall strategic direction. The team also facilitates by monitoring and communicating progress of our sustainability initiatives and practices.

As a testament to our pledge for sustainability, Minor International is included in the Dow Jones Sustainability Emerging Markets Index (DJSI) in the Hotels, Resorts & Cruise Lines Industry for the fourth consecutive year. We are also included in the FTSE4Good Index for the second year following the December 2017 index review. Both indices were designed to track the performance of the world's leading companies with strong economic, social, environmental, and governance practices. We are equally proud to be certified as a member of Thailand's Private Sector Collective Action Against Corruption, which demonstrates our commitment to instill good corporate governance throughout our organization.

For more details regarding the sustainability strategies and initiatives, please refer to our 2017 Sustainability Report.

## Awards 2017



### Corporate



2017 Corporate Hotelier of the World Awards to Mr. William Ellwood Heinecke	HOTELS Magazine
Outstanding Investor Relations Awards 2017 (SET Market Capitalization of Over Baht 100 Billion)	The Stock Exchange of Thailand
Outstanding SET Sustainability Awards 2017 (SET Market Capitalization of Over Baht 100 Billion)	The Stock Exchange of Thailand
Thailand's Most Honored Mid-Cap Company, All-Asia Executive Team 2017 Rankings	Institutional Investor
Top 3 Best CEO in Consumer/Discretionary Sector by Sell-Side Analysts, All-Asia Executive Team 2017 Rankings	Institutional Investor
Top 3 Best Investor Relations Program in Consumer/Discretionary Sector by Sell-Side Analysts, All-Asia Executive Team 2017 Rankings	Institutional Investor
Thailand's Second Best Managed Companies 2017	FinanceAsia
Thailand's Second Best Investor Relations 2017	FinanceAsia
Thailand's Top 3 Most Committed to Corporate Governance 2017	FinanceAsia
Thailand's Top 5 Best at Corporate Social Responsibility 2017	FinanceAsia
Best in Sector Awards: Consumer Discretionary, South East Asia 2017	IR Magazine
Best Popular Agro & Food Stock Awards	The Stock Exchange of Thailand and Khao Hoon Thurakit Newspaper
Included in Dow Jones Sustainability Emerging Markets Index (DJSI) 2017 in Hotels, Resorts and Cruise Lines Industry (fourth consecutive year)	S&P Dow Jones Indices and RobecoSAM
Included in FTSE4Good Emerging Index 2017 (second consecutive year)	FTSE Russell
Included in the ESG100	Thaipat Institute
Included in the List of Thailand Sustainability Investment (THSI) 2017	The Stock Exchange of Thailand





## Corporate

Sustainability Report Award 2017 - Recognition Category	The Securities and Exchange Commission, Thailand, Thai Listed Company Association and ThaiPat Institute
2017 Excellence CG Scoring (fifth consecutive year)	Thai Institute of Directors Association
Certified as a Member of the Private Sector Collective Action Coalition Against Corruption (CAC)	Thai Institute of Directors Association
2017 AMCHAM CSR Excellence Awards - Gold Status	The American Chamber of Commerce in Thailand
Thailand's Best Developer - Leisure/Hotel Sector 2017	Euromoney

## Minor Hotels



### Minor Hotels

#### Al Baleed Salalah by Anantara

#### Anantara Al Jabal Al Akhdar

Runner-Up in Overall Brand Performance 2017	Global Hotel Alliance
2017 Hot List	Conde Nast Traveller Middle East
Readers' Choice Awards 2017: Top 10 Resorts in the Middle East	Conde Nast Traveler US
Readers' Choice Awards 2017: Favourite Hotel/Resort For Wellness	Conde Nast Traveller Middle East
Oman's Best Resort Spa 2017	World Spa Awards
2017 IT List	Travel + Leisure US
2017 Hot List	Conde Nast Traveler US
2017 Hot List	Conde Nast Traveller Middle East
2017 Hot List	Conde Nast Traveller India
Best of the Best 2017: Resort of the Year	Robb Report China
Readers' Choice Awards 2017: Top 10 Resorts in the Middle East	Conde Nast Traveler US

## Minor Hotels

Anantara Angkor	Readers' Choice Awards 2017: Top 5 Hotels & Resorts in Cambodia	DestinAsian
Anantara Bazaruto Island	Mozambique's Best Resort Spa 2017	World Spa Awards
Anantara Bophut Koh Samui	Best Destination Spa 2017	Travel + Leisure India
Anantara Chiang Mai	Best Global Hotel in Thailand	Conde Nast Traveler China
Anantara Dhigu Maldives	Readers' Choice Awards 2017: Top 20 Resorts in the Indian Ocean	Conde Nast Traveler US
Anantara Golden Triangle Elephant Camp	World's Best Awards: Top 10 Resort Hotels in Southeast Asia	Travel + Leisure US
	Best Global Hotel in Thailand	Conde Nast Traveler China
	Readers' Choice Awards 2017: Top 30 Resorts in Asia	Conde Nast Traveler US
Anantara Hoi An	Readers' Choice Awards 2017: Top 10 Best Hotels & Resorts in Vietnam	DestinAsian
Anantara Hua Hin	Readers' Choice Awards 2017: Best Resort in Asia	Conde Nast Traveler US
	Readers' Choice Awards 2017: Top 10 Resorts in the World	Conde Nast Traveler US
Anantara Kihavah Maldives Villas	Readers' Choice Awards 2017: Top 20 Resorts in the Indian Ocean	Conde Nast Traveler US
	Best International Resort	Conde Nast Traveler Spain
Anantara Layan Phuket	The Best Luxury Hotels in Phuket	Telegraph UK
Anantara Mai Khao Phuket Villas	Couple's Treatment of the Year: Anantara Spa's Couple's Exotic Romance Retreat	AsiaSpa Awards 2017
	Readers' Choice Awards 2017: Top 10 Best Hotels & Resorts in Thailand	DestinAsian
Anantara Medjumbe Island	The 2017 World's Most Beautiful Island Hotels	CNN
Anantara Mui Ne	Best Global Hotel in Vietnam	Conde Nast Traveler China
Anantara Peace Haven Tangalle	2017 Hot List	Conde Nast Traveler US
	Asia Pacific Property Awards: Best Hotel Interior Sri Lanka	International Property
	The Best Hotels, Bars And Spas For 2017: Best Guest Experience	Forbes
Anantara Sanya	China's Best Resort Spa 2017	World Spa Awards
Anantara Sathorn Bangkok	Readers' Choice Awards 2017: Top 10 Hotels in Bangkok	Conde Nast Traveler US
Anantara Siam Bangkok	Readers' Choice Awards 2017: Top 3 Hotels in Bangkok	Conde Nast Traveler US
Anantara Sir Bani Yas Islands	Readers' Choice Awards 2017: Top 10 Resorts in the Middle East	Conde Nast Traveler US
Anantara The Palm Dubai	Readers' Choice Awards 2017: Top 10 Resorts in the Middle East	Conde Nast Traveler US
Anantara Veli Maldives	Readers' Choice Awards 2017: Top 20 Resorts in the Indian Ocean	Conde Nast Traveler US



## Minor Hotels

Anantara Vilamoura Algarve	2017 Best Newcomer or Back on the Scene, Europe & Mediterranean	Conde Nast Johansens
	2017 Hot List	Conde Nast Traveler Spain
	Readers' Choice Awards 2017: Top 5 Resorts in Europe	Conde Nast Traveler US
	Top 10 Best European Conference Resorts	Business Travel Magazine UK
Anantara Xishuangbanna	Best Family Hotel in China	Conde Nast Traveler China
Eastern Mangroves by Anantara	Readers' Choice Awards 2017: Top 10 Resorts in the Middle East	Conde Nast Traveler US
Qasr Al Sarab Desert by Anantara	World's Best Desert Spa 2017	World Spa Awards
	Best Global Hotel in the Middle East	Conde Nast Traveler China
	Readers' Choice Awards 2017: Top 3 Resorts in the Middle East	Conde Nast Traveler US
The Royal Livingstone Victoria Falls Zambia by Anantara	Zambia's Best Safari Spa 2017	World Spa Awards
AVANI Avenida Liberdade Lisbon	Readers' Choice Awards 2017: Top 3 Resorts in Spain and Portugal	Conde Nast Traveler US
AVANI Sepang Goldcoast	Best Honeymoon Destination in South East Asia	Asian Lifestyle Tourism Awards
Tivoli Avenida Liberdade Lisboa	Readers' Choice Awards 2017: Top 10 Resorts in Spain and Portugal	Conde Nast Traveler US
Tivoli Ecoresort Praia Do Forte Bahia	Brazil's Best Resort Spa 2017	World Spa Awards
Oaks Cypress Lakes	Australia's Best Golf Hotel 2017	World Golf Awards
	Finalist in the Deluxe Accommodation Category	New South Wales Tourism Awards 2017
Oaks Oasis	Finalist in the Self Contained Accommodation Category	Queensland Tourism Awards 2017
	Runner-Up in Holidays with Kids Best Family Resort Awards 2017	Holiday with Kids Magazine (Australia)
Naladhu Private Island Maldives	Readers' Choice Awards 2017: Best Resort in the World	Conde Nast Traveler US
	Readers' Choice Awards 2017: Best Resort in the Indian Ocean	Conde Nast Traveler US
Niyama Private Islands Maldives	Readers' Choice Awards 2017: Top 5 Resorts in the World	Conde Nast Traveler US
	Readers' Choice Awards 2017: Top 3 Resorts in the Indian Ocean	Conde Nast Traveler US
Elewana Collection	Top 5 Luxury Wildlife Excursions in the World	Moneyinc.com
Elsa's Kopje Meru, Elewana Collection	Top 3 Most Romantic Property	Safari Awards 2017
Loisaba Star Beds, Elewana Collection	Runner-Up in Best Community Focused, Best Value Safari Property, Best Walking Safari	Safari Awards 2017

## Minor Hotels

<b>Serengeti Pioneer Camp, Elewana Collection</b>	Winner of Best Safari House	Safari Awards 2017
<b>The Manor at Ngorongoro, Elewana Collection</b>	Runner-Up in Best Family Safari	Safari Awards 2017
<b>Four Seasons Chiang Mai</b>	Readers' Choice Awards 2017: Best Hotel & Resort in Thailand	DestinAsian
	Top 10 Resorts in Asia, Australia and New Zealand	Brides Honeymoon Awards 2017 (USA)
	World's Best Awards: The 10 Best Resort Hotels in Southeast Asia	Travel + Leisure US
	Best Hideaway Resort	Haute Grandeur Global Hotel Awards 2017
<b>Four Seasons Koh Samui</b>	World's Best Awards: Top 10 Best Resort Hotels in Asia	Travel + Leisure US
	Best Resort Spa in Asia	Haute Grandeur Global Hotel Awards 2017
	Best Relaxation Retreat in Asia	Haute Grandeur Global Hotel Awards 2017
	Luxury Hotel of the Year - Thailand	Luxury Travel Awards 2017
	Readers' Choice Awards 2017: Best Resort in Asia	Conde Nast Traveller Asia
<b>Four Seasons Tented Camp Golden Triangle</b>	World's Best Awards: Top 100 Hotels in the World	Travel + Leisure US
	Readers' Choice Awards 2017: Top 40 Resorts in Asia	Conde Nast Traveller UK
	Readers' Choice Awards 2017: Top 50 Resorts in the World	Conde Nast Traveller UK
<b>JW Marriott Phuket</b>	2017 Honeymoon Awards: Beach Resorts under \$350/Night	Brides Magazine USA
	Luxury Resort & Spa of the Year 2017	Luxury Travel Guide UK
	2017 Certificate of Excellence	TripAdvisor
	Readers' Travel Awards 2017: The Favorite Hotel in Asia	Conde Nast Traveller India
	Holidays with Kids' Top 10 Awards 2017: Top 10 Family Resorts	Holiday with Kids Magazine (Australia)
<b>The St. Regis Bangkok</b>	No.1 Best Business Hotel in Thailand and Top 5 Business Hotels in Asia	Smart Travel Asia
	Readers' Choice Awards 2017: Best Hotel in Bangkok	Conde Nast Traveler
	Best Business Hotel in Bangkok	The Business Traveler Awards 2017
<b>Green Growth 2050 Members</b>	Total 51 Certification Member Hotels; 32 with Gold Certification	



**Minor Food**



<b>Minor Food</b>	Thailand's Top Corporate Brand Values 2017 in Food & Beverage Sector	Chulalongkorn Business School and The Stock Exchange of Thailand
<b>Dairy Queen</b>	2017 International Dairy Queen Franchisee Mission Vision and Value (MVV) Award	International Dairy Queen Corporation
	Golden Crown Award for Outstanding Sales Achievement	International Dairy Queen Corporation
<b>Sizzler</b>	Bronze Award, MAT Award 2017: The REAL Marketing Excellences	Marketing Association of Thailand
<b>The Pizza Company</b>	National Winner for Marketing 3.0 Award – Country Level, 2017 Asia Marketing Excellence Awards	Asia Marketing Federation
<b>Minor Dairy Limited and Minor Cheese Limited</b>	Quality Award, Thai Food and Drug Administration	Ministry of Public Health
	Green Industry Level 3 (Green Culture)	Ministry of Industry
	Excellent Establishment on Labour Relations and Welfare (Country Level) for the Year 2017	Ministry of Labour

**Minor Lifestyle**



<b>Bossini</b>	Best Marketing Award 2017	Bossini (Hong Kong)
<b>Navasri Manufacturing Limited (NMT)</b>	Standard of Prevention and Correction of Drug Problems in the Establishment	Pathum Thani Province
<b>Minor Smart Kids</b>	Top Distributor for Outstanding Sales Award	ETL Learning





## Report of the Board of Directors' Responsibilities for Financial Statements

The Board of Directors of Minor International Public Company Limited is responsible for the financial report of the Company and subsidiaries which have been prepared in accordance with generally accepted accounting standards in Thailand. The policies pursued are deemed appropriate and applied consistently with adequate disclosure of important information in the notes to the financial statements.

The Board oversees and reviews corporate governance as well as establishes and maintains a proactive risk management system and internal control system to ensure that accounting records are accurate, complete, adequately and timely, to prevent fraud and materially irregular operations. The Board of Directors has appointed an Audit Committee comprising four independent directors to provide effective oversight of the financial statements, internal control system and internal audit. The views of the Audit Committee are reported in the Committee's report in this annual report.

The Board is of the view that the overall internal control systems are adequate and appropriate and provide reasonable assurance that the consolidated and company financial statements presents the financial position, results of operations and cash flow accurately in all material respects.



**Mr. William Ellwood Heinecke**  
Chairman of the Board of Directors

## **Report of the Audit Committee**

---

The Board of Directors of Minor International Public Company Limited has appointed Mr. Charamporn Jotikasthira as a new Audit Committee member, effective on 4 April 2017 onward.

### **Composition of the Audit Committee**

The Audit Committee of Minor International Public Company Limited is comprised of four independent directors. The Company's Corporate Chief Financial Officer and Head of Internal Audit & Risk Management serve as ex-officio members.

### **Audit Committee's Principal Responsibilities**

The Audit Committee is empowered by the Board of Directors to examine all matters relating to the financial status of the Company, and its internal and external audits. The Committee pursues and promotes good corporate governance by actively creating awareness and providing advice to management on risk management, appropriate internal control practices, and other related activities of the Company in compliance with the rules and regulations of The Stock Exchange of Thailand, and all other regulatory bodies.

The Audit Committee met independently with the management and the internal and external auditors of the Company, conducted reviews and evaluations of accounting policies, the procedures relative to the accounting policies, the internal control assessment, and the audit plan. The Audit Committee also verified and accepted the consolidated financial statements for every quarter-end and provided assessments and recommendations to the Board of Directors. Where weaknesses were identified in internal controls, corrective and preventive action plans were timely established to eliminate or mitigate impact of the associated risks. The Board of Directors, following the review and recommendations of the Audit Committee, approved the policy and reports for related party transactions.

The Group Internal Audit Department serves to identify and verify business risks and internal control weaknesses within the Company by carrying out systematic audit activities focusing on risks related to strategic, financial, operations and compliance across the Company and its subsidiaries. The result of each internal audit report were thoroughly discussed with the relevant management teams to incorporate their agreed action plans and submitted to senior management and the Audit Committee regularly.

The Group Internal Audit function serves as a facilitator and change management agent to improve the Company's corporate governance, risk management and compliance through internal audit processes, post-audit follow up, and implementation of a risk management system. The team also performs advisory role to the business on key controls and risk management of various project implementations including fraud prevention recommendations to business entities, and works closely with each of the business units to support compliance with the existing Code of Conduct and to foster Good Corporate Governance.



## The Audit Committee's Principal Activities during the Year

In 2017, the Committee's principal activities including the following matters:

1. Reviewed and approved quarterly consolidated financial statement and full year consolidated financial statements, considered the connected party transactions arising in 2017 were rational and contributed benefits to the Company, and provided assessments and recommendations to the Board of Directors.
2. Reviewed on a quarterly basis, the status of the Company's compliance with laws and regulations of The Stock Exchange of Thailand, the Securities and Exchange Commission and other relevant laws pertaining to the Company's business.
3. Reviewed accomplishments of the Company with respect to the performance effectiveness especially performance of new project operations and of overseas subsidiaries.
4. Reviewed the suitability and efficiency of internal control system and internal audit system, to determine the Group Internal Audit's independence. The Committee also approved the Group Internal Audit plan and reviewed the results of internal audit reports and their agreed improvement actions.
5. Widen the scope of group internal audits and enhanced corporate governance overview of new and existing domestic and overseas businesses.
6. Monitored risk management processes for the Group and Risk Management plan and its mitigation actions of each Business Unit.
7. Considered independently the nomination and appointment of external auditor and the annual audit fee for 2017. The Committee also had a non-management meeting with the external auditor during 2017.
8. The minutes of the Audit Committee Meetings were sent to the Board of Directors for acknowledgement. Major issues were discussed in the Board of Directors meetings.

## The Audit Committee Provided the Following Opinions

1. The Company's 2017 financial reports are accurate, complete, and reliable. The internal control systems for financial reporting process were appropriate.
2. The Company complied with the securities laws, the Exchange's regulations, and other laws relating to the Company's businesses in all material aspects.
3. The Company's internal control systems and risk management process were appropriate and suitable. Assets are appropriately safeguarded, proper accounting records are maintained, and resources are effectively and efficiently utilized.
4. The Group Internal Audit Department performed its duty appropriately and effectively.
5. PricewaterhouseCoopers ABAS, the Company's external auditor, is suitable and provided appropriate services.
6. The related transactions arising in 2017 were rational and contributed optimal benefits of the Company.
7. For the year 2017, the Audit Committee held four meetings to review the Company's consolidated financial statements that had been certified by the external auditor and the Group's internal audit results and corrective actions.

The attendance of meetings by each committee member was as follows:

	Name	Position	Attendance/Audit Committee Meeting
1.	Khunying Jada Wattanasiritham	Chairman	4/4
2.	Ms. Suvabha Charoenying	Member	4/4
3.	Mr. Patee Sarasin	Member	4/4
4.	Mr. Charamporn Jotikasthira*	Member	2/3

\* Appointed on 4 April 2017.

8. The Audit Committee performed its duties in accordance with its Charter that was approved by the Board of Directors.

The Audit Committee has recommended to the Board of Directors that PricewaterhouseCoopers ABAS, be reappointed as the Company's auditor for the financial year ending 31 December 2018. The re-appointment of the audit firm and acceptance of its fees will be subjected to the approval of the shareholders at the Annual General Meeting to be held on 3 April 2018.



**Khunying Jada Wattanasiritham**  
Chairman of the Audit Committee



## Independent Auditor's Report

### To the shareholders of Minor International Public Company Limited

#### My opinion

In my opinion, the consolidated financial statements of Minor International Public Company Limited (“the Company”) and its subsidiaries (“the Group”) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2017, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

#### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate income statements for the year then ended;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

#### Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (“TSAs”). My responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King’s Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p><b>Business combination</b></p> <p>Refer to Note 35 to the financial statements related to acquisition of subsidiaries.</p> <p>During the year ended 31 December 2017, the Group acquired subsidiaries as detailed in Note 35. Management assessed that the acquisition is qualified as a business combination.</p> <p>Following the transaction, management determined gain on bargain purchase and goodwill of Baht 7.55 million and Baht 1,396.19 million. The valuations of identifiable net assets acquired were performed as part of the Purchase Price Allocation.</p> <p>I focused on this area due to significance of gain on bargain purchase and goodwill balance, and due to its nature of transactions that involves valuation of the fair value of net assets acquired on the acquisition date. In addition, the valuation methodology involves significant area of judgement, which is based on the inputs and assumptions in the model that will affect the valuation of gain on bargain purchase and goodwill.</p>	<p>The audit procedures included the followings;</p> <p>I reviewed management's assessment whether the acquisition should be accounted for as a business combination.</p> <p>I assessed the appropriateness of the net assets acquired and the liabilities assumed at the acquisition date. I also challenged management's procedure for determining the fair value of the net assets acquired by comparing management's assumptions to data from other independent sources to assess appropriateness of key financial assumptions applied in purchase price allocation.</p> <p>I tested the calculation of the gain on bargain purchase and goodwill arising from the acquisition, being the difference between the total net consideration paid and the fair value of the net assets acquired.</p> <p>I evaluated the adequacy of the disclosures made in notes of the financial statements.</p> <p>Based on the above procedures, I considered management's key assumptions used in assessing the value of the net assets acquired was reasonable based on available evidence.</p>
<p><b>Assessment of goodwill impairment</b></p> <p>Refer to Note 4 to the financial statements for critical accounting estimates and judgements related to goodwill.</p> <p>The Group has goodwill of Baht 8,776.84 million as at 31 December 2017, which mainly relates to 2 business segments which are Hotel &amp; Spa and Restaurant. The Group is required to, at least annually, test goodwill for impairment.</p> <p>I focused on this area due to the size of goodwill balance of around 7% of total assets and the annual assessment process involves significant management judgement, which is based on assumptions that are affected by expected future market and economic conditions.</p> <p>For the year ended 31 December 2017, the management have performed an impairment assessment over the goodwill balance by:</p> <ol style="list-style-type: none"><li>1. Calculating the value in use for each Cash Generating Unit ("CGU") using a discounted cash flow model. These models used cash flows (revenues and expenses) for each CGU for 5 years, with constant terminal growth rate applied to the 5<sup>th</sup> year. These cash flows were then discounted to net present value using the weighted average cost of capital (WACC); and</li><li>2. Comparing the resulting value in use of each CGU to their respective book values.</li></ol> <p>Based on the annual goodwill impairment test, the management concluded there is no goodwill impairment as at 31 December 2017. The key assumptions is disclosed in Note 18 to the financial statements.</p>	<p>The audit procedures included the followings;</p> <p>I obtained, understood, evaluated and challenged the composition of management's cash flow forecasts and the process by which they were developed, including test the mathematical accuracy of the underlying calculations.</p> <p>I compared current year actual results with the figures included in the prior year forecast to consider whether any forecasts included assumptions that, with hindsight, had been optimistic.</p> <p>I assessed management's key assumptions by comparing them to historical results and economic and industry outlook.</p> <p>I reviewed parameters used to determine the discount rate applied and re-performed the calculations.</p> <p>I challenged management on the adequacy of their sensitivity calculations over all their CGUs. The valuation of goodwill are sensitive to changes in key assumptions such as revenue growth and discount rate, in case they are not achieved, could reasonably be expected to give rise to impairment charge in the future.</p> <p>I evaluated the adequacy of the disclosures made in notes of the financial statements, including those regarding the key assumptions and sensitivity of those assumptions.</p> <p>Based on the above procedures, I considered management's key assumptions used in assessing the goodwill impairment was reasonable based on available evidence.</p>



## Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

## Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

## Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.



**Anothai Leekitwattana**

Certified Public Accountant (Thailand) No. 3442

Bangkok

19 February 2018



## Statement of Financial Position

As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	5,336,158,898	4,398,761,426	1,079,134,211	101,512,128
Short-term investment	12	1,695,238,408	-	-	-
Trade and other receivables	8	8,261,569,127	6,074,117,592	1,121,135,591	909,469,072
Inventories	9	3,116,646,560	2,762,633,585	6,810,348	5,800,010
Land and real estates project for sales	10	1,886,563,777	2,548,643,885	-	-
Other current assets	11	1,233,641,355	1,247,134,896	84,404,578	116,171,053
<b>Total current assets</b>		<b>21,529,818,125</b>	<b>17,031,291,384</b>	<b>2,291,484,728</b>	<b>1,132,952,263</b>
<b>Non-current assets</b>					
Trade receivables long-term contracts	8	3,237,938,264	3,693,583,838	-	-
Available-for-sale investments	12	29,940,218	24,765,904	28,554,770	23,040,895
Investments in subsidiaries	13	-	-	6,073,492,298	6,073,492,298
Investments in associates	13	7,087,166,244	6,692,163,068	2,767,066,898	2,767,066,898
Interests in joint ventures	13	3,542,424,779	2,693,888,953	5,484,460	5,484,460
Other long-term investments	12	67,325	100,044,306	-	100,000,000
Long-term loans to related parties	14	6,174,383,316	5,738,633,698	55,931,483,047	39,243,653,377
Land and projects under development	15	104,444,220	-	-	-
Investment properties	16	1,189,713,028	923,035,620	-	-
Property, plant and equipment	17	51,271,864,189	48,698,892,599	233,013,162	269,486,629
Intangible assets	18	19,664,822,157	18,483,497,332	3,838,534	40,194,053
Prepaid rents	19	2,012,665,669	1,984,700,325	622,849	1,245,867
Deferred tax assets	32	805,406,498	1,005,428,063	-	-
Other non-current assets	20	1,792,900,010	1,383,221,401	44,014,816	42,410,648
<b>Total non-current assets</b>		<b>96,913,735,917</b>	<b>91,421,855,107</b>	<b>65,087,570,834</b>	<b>48,566,075,125</b>
<b>Total assets</b>		<b>118,443,554,042</b>	<b>108,453,146,491</b>	<b>67,379,055,562</b>	<b>49,699,027,388</b>

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Statement of Financial Position (Cont'd)

As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term borrowings					
from financial institutions	21	1,554,533,245	1,123,537,522	1,000,962,153	430,000,000
Trade and other payables	22	8,952,708,641	7,575,457,052	468,123,899	450,505,438
Short-term borrowings from related parties	21	-	-	1,707,306,993	2,317,923,667
Current portion of finance lease liabilities	21	7,474,588	8,442,935	-	-
Current portion of long-term borrowings					
from financial institutions	21	1,757,932,380	2,389,121,022	653,618,000	-
Current portion of debentures	21	2,000,000,000	4,300,000,000	2,000,000,000	4,300,000,000
Current portion of deferred income		125,473,201	142,559,913	194,642	944,263
Income tax payable		325,609,358	496,304,869	17,969,252	7,665,700
Other current liabilities	23	1,878,956,661	1,973,735,281	54,088,637	68,669,233
<b>Total current liabilities</b>		<b>16,602,688,074</b>	<b>18,009,158,594</b>	<b>5,902,263,576</b>	<b>7,575,708,301</b>
<b>Non-current liabilities</b>					
Finance lease liabilities	21	10,264,789	11,575,476	-	-
Long-term borrowings	21	21,698,332,404	20,498,861,507	13,546,109,566	3,818,902,500
Debentures	21	23,134,045,000	21,500,000,000	23,134,045,000	21,500,000,000
Employee benefits obligations	24	222,234,045	222,770,643	16,823,424	16,387,683
Deferred tax liabilities	32	5,519,599,364	6,050,821,453	153,454,388	154,480,840
Other non-current liabilities	25	1,235,461,944	1,363,132,558	162,588,090	187,379,864
<b>Total non-current liabilities</b>		<b>51,819,937,546</b>	<b>49,647,161,637</b>	<b>37,013,020,468</b>	<b>25,677,150,887</b>
<b>Total liabilities</b>		<b>68,422,625,620</b>	<b>67,656,320,231</b>	<b>42,915,284,044</b>	<b>33,252,859,188</b>

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.



## Statement of Financial Position (Cont'd)

As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Liabilities and equity (Cont'd)</b>					
<b>Equity</b>					
Share capital	26				
Authorised share capital					
4,621,828,347 ordinary shares of					
Baht 1 each		4,621,828,347	4,621,828,347	4,621,828,347	4,621,828,347
Issued and paid-up share capital					
4,618,914,291 ordinary shares of					
Baht 1 each (2016: 4,410,368,436					
ordinary shares of Baht 1 each)	26	4,618,914,291	4,410,368,436	4,618,914,291	4,410,368,436
Share premium ordinary shares	26	15,014,609,717	7,639,594,103	14,988,957,341	7,613,941,727
Expired warrants in a subsidiary		104,788,723	104,788,723	-	-
Retained earnings					
Appropriated - legal reserve	28	464,178,907	464,178,907	464,178,907	464,178,907
Unappropriated		31,062,493,233	27,190,682,429	4,972,290,549	4,542,659,138
Other components of equity	29	(3,936,391,289)	(2,407,887,023)	(580,569,570)	(584,980,008)
Equity attributable to owners of the parent		47,328,593,582	37,401,725,575	24,463,771,518	16,446,168,200
Non-controlling interests		2,692,334,840	3,395,100,685	-	-
<b>Total equity</b>		<b>50,020,928,422</b>	<b>40,796,826,260</b>	<b>24,463,771,518</b>	<b>16,446,168,200</b>
<b>Total liabilities and equity</b>		<b>118,443,554,042</b>	<b>108,453,146,491</b>	<b>67,379,055,562</b>	<b>49,699,027,388</b>

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Income Statement

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Revenues</b>	<b>6</b>				
Revenues from hotel and related services operations		23,387,663,340	21,371,382,029	493,033,352	504,469,200
Sales of real estates		4,258,264,213	3,137,819,105	-	-
Rental income from property business		345,183,360	363,716,284	-	-
Revenues from entertainment operations		103,050,292	113,311,355	105,210,292	113,311,355
Sales of food and beverage		20,016,221,594	19,971,890,313	-	-
Sales from distribution and manufacturing		4,054,865,362	3,474,300,686	-	-
Revenues from management services		1,171,025,296	1,102,820,089	48,646,248	287,270,156
Franchise fee income		1,664,741,570	1,616,392,248	-	-
Dividends income		38,849,153	7,992,324	1,564,210,709	1,774,531,532
Interest income		501,660,627	480,260,515	1,894,414,520	1,433,168,701
Other income	30	2,027,900,447	4,741,037,999	46,104,452	63,013,554
<b>Total revenues</b>		<b>57,569,425,254</b>	<b>56,380,922,947</b>	<b>4,151,619,573</b>	<b>4,175,764,498</b>
<b>Expenses</b>	<b>31</b>				
Direct cost of hotel and related services operations		12,500,810,129	11,744,569,441	261,720,656	270,218,623
Cost of sales of real estates	10	1,091,159,005	959,859,208	-	-
Direct cost of rental from property business		253,393,100	249,641,248	-	-
Direct cost of entertainment operations		41,997,594	44,834,021	74,138,607	79,152,280
Cost of sales of food and beverage		6,395,633,930	6,545,208,819	-	-
Cost of sales from distribution and manufacturing		2,363,440,317	2,070,626,222	-	-
Selling expenses		16,140,465,730	16,631,190,906	97,055,038	389,626,332
Administrative expenses		11,693,016,227	9,279,776,441	500,637,267	610,578,710
Financial costs		1,756,739,216	1,605,814,932	1,241,409,985	1,014,963,095
<b>Total expenses</b>		<b>52,236,655,248</b>	<b>49,131,521,238</b>	<b>2,174,961,553</b>	<b>2,364,539,040</b>

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.



## Income Statement (Cont'd)

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Operating profit		5,332,770,006	7,249,401,709	1,976,658,020	1,811,225,458
Share of profit of investments in associate and joint ventures	13	1,074,244,208	591,855,162	-	-
Profit before income tax		6,407,014,214	7,841,256,871	1,976,658,020	1,811,225,458
Income tax	32	(787,072,461)	(1,032,049,748)	(3,440,402)	41,246,951
Profit for the year		5,619,941,753	6,809,207,123	1,973,217,618	1,852,472,409
Profit attributable to:					
Owners of the parent		5,415,397,011	6,589,995,865	1,973,217,618	1,852,472,409
Non-controlling interests		204,544,742	219,211,258	-	-
		5,619,941,753	6,809,207,123	1,973,217,618	1,852,472,409
Earnings per share	33				
Basic earnings per share		1.2192	1.4955	0.4442	0.4204
Diluted earnings per share		1.2192	1.4935	0.4442	0.4198

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Statement of Comprehensive Income

For the year ended 31 December 2017

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Profit for the year	5,619,941,753	6,809,207,123	1,973,217,618	1,852,472,409
Other comprehensive income (expense):				
Item that will be reclassified subsequently to income statement				
(Loss) gain on remeasuring of available-for-sale investments, net of tax	(105,615,051)	(89,337,453)	4,410,438	2,293,013
Exchange differences on translating financial statements, net of tax	(982,605,819)	(333,087,480)	-	-
Other comprehensive (expense) income for the year, net of tax	(1,088,220,870)	(422,424,933)	4,410,438	2,293,013
Total comprehensive income for the year	4,531,720,883	6,386,782,190	1,977,628,056	1,854,765,422
Total comprehensive income attributable to:				
Owners of the parent	4,376,909,271	6,108,357,598	1,977,628,056	1,854,765,422
Non-controlling interests	154,811,612	278,424,592	-	-
	4,531,720,883	6,386,782,190	1,977,628,056	1,854,765,422



# Statement of Changes in Equity

For the year ended 31 December 2017

	Consolidated financial statements (Baht)													
	Attributable to owners of the parent											Non-controlling interests	Total equity	
	Notes	Issued and paid-up share capital	Share premium	Expired warrants in a subsidiary	Legal reserve	Unappropriated retained earnings	Other components of equity				Total other components of equity			Total owners of the parent
							Discount on business combination under common control	Discount on additional investment in subsidiary	Other comprehensive income					
								Remeasuring of available-for-sale investments	Translation adjustment					
Opening balance as at 1 January 2016		4,402,311,611	7,354,672,555	104,788,723	464,178,907	22,140,776,139	(755,412,590)	(273,806,053)	228,306,113	(863,292,393)	(1,664,204,923)	32,802,523,012	3,908,633,527	36,711,156,539
Changes in equity for the year														
Additional ordinary shares	26	8,056,825	284,921,548	-	-	-	-	-	-	-	-	292,978,373	-	292,978,373
Business combination		-	-	-	-	-	-	(126,436,106)	-	-	(126,436,106)	(126,436,106)	(722,687,945)	(849,124,051)
Additional investment in subsidiary		-	-	-	-	-	-	(135,607,727)	-	-	(135,607,727)	(135,607,727)	-	(135,607,727)
Dividend paid	34	-	-	-	(1,540,089,575)	-	-	-	-	-	-	(1,540,089,575)	(69,269,489)	(1,609,359,064)
Total comprehensive income for the year		-	-	-	6,589,995,865	-	-	(89,337,453)	(392,300,814)	(481,638,267)	6,108,357,598	278,424,592	6,386,782,190	
Closing balance as at 31 December 2016		4,410,368,436	7,639,594,103	104,788,723	464,178,907	27,190,682,429	(755,412,590)	(400,242,159)	3,360,933	(1,255,593,207)	(2,407,887,023)	37,401,725,575	3,395,100,685	40,796,826,260

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Statement of Changes in Equity (Cont'd)

For the year ended 31 December 2017

	Consolidated financial statements (Baht)													
	Attributable to owners of the parent											Non-controlling interests	Total equity	
	Notes	Issued and paid-up share capital	Share premium	Expired warrants in a subsidiary	Legal reserve	Unappropriated retained earnings	Other components of equity				Total other components of equity			Total owners of the parent
							Discount on business combination under common control	Discount on additional investment in subsidiary	Other comprehensive income					
								Remeasuring of available-for-sale investments	Translation adjustment					
Opening balance as at 1 January 2017		4,410,368,436	7,639,594,103	104,788,723	464,178,907	27,190,682,429	(755,412,590)	(400,242,159)	3,360,933	(1,255,593,207)	(2,407,887,023)	37,401,725,575	3,395,100,685	40,796,826,260
Changes in equity for the year														
Additional ordinary shares	26	208,545,855	7,375,015,614	-	-	-	-	-	-	-	-	7,583,561,469	157,363,926	7,740,925,395
Business combination		-	-	-	-	-	-	-	-	-	-	-	(203,973,721)	(203,973,721)
Additional investment in subsidiary		-	-	-	-	-	-	(490,016,526)	-	-	(490,016,526)	(490,016,526)	(695,582,008)	(1,185,598,534)
Dividend paid	34	-	-	-	-	(1,543,586,207)	-	-	-	-	-	(1,543,586,207)	(115,385,654)	(1,658,971,861)
Total comprehensive income for the year		-	-	-	-	5,415,397,011	-	-	(105,615,051)	(932,872,689)	(1,038,487,740)	4,376,909,271	154,811,612	4,531,720,883
Closing balance as at 31 December 2017		4,618,914,291	15,014,609,717	104,788,723	464,178,907	31,062,493,233	(755,412,590)	(890,258,685)	(102,254,118)	(2,188,465,896)	(3,936,391,289)	47,328,593,582	2,692,334,840	50,020,928,422

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.



## Statement of Changes in Equity (Cont'd)

For the year ended 31 December 2017

	Separate financial statements (Baht)								
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated retained earnings	Other components of equity			Total equity
						Discount on business combination under common control	Other comprehensive income Remeasuring of available-for-sale investments	Total other components of equity	
Opening balance as at 1 January 2016		4,402,311,611	7,329,020,179	464,178,907	4,230,276,304	(587,397,515)	124,494	(587,273,021)	15,838,513,980
Changes in equity for the year									
Additional ordinary shares	26	8,056,825	284,921,548	-	-	-	-	-	292,978,373
Dividend paid	34	-	-	-	(1,540,089,575)	-	-	-	(1,540,089,575)
Total comprehensive income for the year		-	-	-	1,852,472,409	-	2,293,013	2,293,013	1,854,765,422
Closing balance as at 31 December 2016		4,410,368,436	7,613,941,727	464,178,907	4,542,659,138	(587,397,515)	2,417,507	(584,980,008)	16,446,168,200

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Statement of Changes in Equity (Cont'd)

For the year ended 31 December 2017

	Notes	Separate financial statements (Baht)							Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated retained earnings	Other components of equity			
						Discount on business combination under common control	Other comprehensive income	Total other components of equity	
							Remeasuring of available-for-sale investments		
Opening balance as at 1 January 2017		4,410,368,436	7,613,941,727	464,178,907	4,542,659,138	(587,397,515)	2,417,507	(584,980,008)	16,446,168,200
Changes in equity for the year									
Additional ordinary shares	26	208,545,855	7,375,015,614	-	-	-	-	-	7,583,561,469
Dividend paid	34	-	-	-	(1,543,586,207)	-	-	-	(1,543,586,207)
Total comprehensive income for the year		-	-	-	1,973,217,618	-	4,410,438	4,410,438	1,977,628,056
Closing balance as at 31 December 2017		4,618,914,291	14,988,957,341	464,178,907	4,972,290,549	(587,397,515)	6,827,945	(580,569,570)	24,463,771,518

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.



## Statement of Cash Flows

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		6,407,014,214	7,841,256,871	1,976,658,020	1,811,225,458
Adjustments for:					
Depreciation and amortisation	16 - 19	4,130,145,554	3,860,327,886	103,932,157	101,597,442
Amortisation of borrowing cost	21	7,486,760	14,751,674	-	-
Gain from bargain purchase	30	-	(2,511,841,219)	-	-
Gain from fair value adjustment on change in status to investment in subsidiary		-	(40,901,207)	-	-
Gain from fair value adjustment on change in status to investment in associate	30	-	(135,607,728)	-	-
Gain from fair value adjustment on change in status of trading investment	30	(163,784,778)	-	-	-
Doubtful accounts (Reversal)		(104,519,657)	282,227,708	42,845	251,653
Inventory obsolescence (Reversal)	9	(272,219)	22,101,494	-	-
Share of profit of investments in associates and joint ventures	13	(1,074,244,208)	(591,855,162)	-	-
Interest expenses		1,756,739,216	1,605,814,932	1,241,409,985	1,014,963,095
Interest income		(501,660,627)	(480,260,515)	(1,894,414,520)	(1,433,168,701)
Dividends income		(38,849,153)	(7,992,324)	(1,564,210,709)	(1,774,531,532)
Translation adjustment		(12,523,061)	208,446,713	-	-
Unrealised (gain) loss on exchange rate		(517,795,215)	(541,637,048)	14,684,502	(237,637,358)
Impairment of investment in subsidiary		-	-	-	3,569,800
Impairment of investment in joint ventures		-	3,047,295	-	18,800,000
Loss (gain) on disposals, impairment charge and write-off of property, plant and equipment and investment properties		206,450,464	140,104,254	(181,978)	(4,811,656)
Loss on disposals, impairment charge and write-off of intangible assets and prepaid rents		85,861,856	25,874,279	-	-
Employee benefit obligations	24	34,073,098	25,501,609	1,858,741	2,014,009

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Statement of Cash Flows (Cont'd)

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Changes in operating assets and liabilities</b>					
Trade and other receivables		(1,975,366,438)	426,086,603	(211,709,364)	233,918,883
Inventories		(132,957,931)	(361,896,189)	(1,010,337)	987,631
Land and real estates project for sales		578,398,385	658,190,162	-	-
Land and projects under development		(104,444,220)	-	-	-
Other current assets		151,231,117	(196,834,923)	15,700,051	(8,320,820)
Other non-current assets		653,505,890	(22,010,304)	(1,604,168)	(7,947,501)
Trade and other payables		323,732,314	(926,956,691)	(16,015,672)	(62,398,190)
Other current liabilities		(170,244,186)	549,760,911	(12,429,133)	(1,195,889)
Employee benefits paid	24	(33,322,197)	(64,787,806)	(1,423,000)	(1,158,100)
Other non-current liabilities		(278,762,424)	(676,668,892)	716,238	(14,498)
<b>Cash generated from (used in) operations</b>		<b>9,225,892,554</b>	<b>9,104,242,383</b>	<b>(347,996,342)</b>	<b>(343,856,274)</b>
Interest paid		(1,747,165,299)	(1,571,797,247)	(1,208,160,133)	(912,624,060)
Income tax (paid) received		(998,359,468)	(1,038,390,989)	5,044,435	(31,039,344)
<b>Net cash generated from (used in)</b>					
operating activities		<b>6,480,367,787</b>	<b>6,494,054,147</b>	<b>(1,551,112,040)</b>	<b>(1,287,519,678)</b>

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Statement of Cash Flows (Cont'd)

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Cash flows from investing activities</b>					
Cash paid for loans to related parties	14	(1,219,329,012)	(911,783,618)	(17,408,469,125)	(5,034,712,049)
Cash received from loans to related parties	14	321,783,378	320,304,127	-	-
Increase in loans to other companies		(562,149,622)	-	(570,000)	-
Acquisition of subsidiaries, net cash acquired		(856,816,967)	(3,116,737,941)	-	-
Repayment of loans related to acquisition of subsidiary		(1,487,754,483)	-	-	-
Cash invested in general investment	12	(23,019)	(16,611)	-	-
Cash invested in available-for-sale investments	12	(2,044,983,332)	(43,349,777)	(827)	-
Cash in investments in subsidiaries	13	-	-	-	(343,569,800)
Cash invested in investments in associate	13	(72,439,811)	(40,670,200)	-	(30,950,801)
Cash invested in investments in joint ventures	13	(647,885,097)	(234,519,735)	-	-
Proceeds from sale of short-term investments		-	7,445,960	-	-
Proceeds from sale of available-for-sale investments	12	513,550,388	-	-	-
Proceeds from sale of held-to-maturity investments	12	100,000,000	-	100,000,000	-
Proceeds from sale of investment in associate	13	2,593,620	-	-	-
Interest received		437,675,910	415,223,119	1,894,414,520	1,433,168,701
Dividends received		355,036,414	258,043,093	1,564,210,709	1,774,531,532
Payments for land and project under development		-	(7,960,774)	-	-
Purchases for investment properties	16	(33,982,935)	(8,668,361)	-	-
Purchases of property, plant and equipment		(5,912,688,157)	(5,619,918,113)	(54,156,887)	(124,167,418)
Purchases of intangible assets and prepaid rents		(594,894,270)	(443,729,294)	(291,775)	(18,307,210)
Proceeds from disposal of assets held for sales		50,509,176	-	-	-
Proceeds from disposals of property, plant and equipment and investment properties		67,668,922	276,594,829	1,304,453	21,169,547
Proceeds from disposals of intangible assets		-	5,097,908	36,655,306	4,642,693
<b>Net cash used in investing activities</b>		<b>(11,584,128,897)</b>	<b>(9,144,645,388)</b>	<b>(13,866,903,626)</b>	<b>(2,318,194,805)</b>

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.



## Statement of Cash Flows (Cont'd)

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Cash flows from financing activities</b>					
(Decrease) increase in short-term borrowings					
from related parties	14	-	(18,795,000)	(548,078,729)	757,099,801
Receipts from short-term borrowings from financial institutions		10,051,435,785	29,461,908,040	10,051,435,785	27,350,000,000
Repayments of short-term borrowings from financial institutions		(9,543,912,709)	(30,956,957,560)	(9,452,932,759)	(28,250,000,000)
Receipts from long-term borrowings from financial institutions	21	11,974,838,170	4,199,573,302	11,063,764,370	714,526,000
Repayments of long-term borrowings from financial institutions	21	(10,608,030,668)	(2,233,927,299)	(148,356,180)	(66,154,250)
Repayments of financial lease liabilities		(6,778,138)	(11,343,848)	-	-
Receipts from issuance of debentures	21	3,689,830,000	4,000,000,000	3,689,830,000	4,000,000,000
Repayment of debentures	21	(4,300,000,000)	-	(4,300,000,000)	-
Receipts from issuance of ordinary shares by exercise of warrants	26	7,583,561,469	292,978,334	7,583,561,469	292,978,373
Cash received from non-controlling interest for disposal of investments in subsidiary		-	509,900	-	-
Cash paid to non-controlling interest for purchase of investments in subsidiaries		(1,183,465,338)	(121,400,917)	-	-
Cash received from non-controlling interest for additional investment in subsidiary		157,363,926	-	-	-
Dividends paid to shareholders	34	(1,543,586,207)	(1,540,089,575)	(1,543,586,207)	(1,540,089,575)
Dividends paid to non-controlling interests		(115,385,654)	(69,269,489)	-	-
<b>Net cash receipts from financing activities</b>		<b>6,155,870,636</b>	<b>3,003,185,888</b>	<b>16,395,637,749</b>	<b>3,258,360,349</b>

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Statement of Cash Flows (Cont'd)

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Net increase (decrease) in cash and cash equivalents		1,052,109,526	352,594,647	977,622,083	(347,354,134)
Cash and cash equivalents at the beginning		4,305,175,604	3,978,726,002	101,512,128	448,866,262
Loss on exchange rate		(65,725,574)	(26,145,045)	-	-
Cash and cash equivalents, closing balance		5,291,559,556	4,305,175,604	1,079,134,211	101,512,128

Cash and cash equivalents as at 31 December

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash and deposits with banks	7	5,336,158,898	4,398,761,426	1,079,134,211	101,512,128
Bank overdrafts	21	(44,599,342)	(93,585,822)	-	-
		5,291,559,556	4,305,175,604	1,079,134,211	101,512,128

Supplementary information for cash flows

Non-cash transactions

Significant non-cash activities for the years ended 31 December 2017 and 2016 are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Acquisition of property, plant and equipment, and land and projects under development	20,049,150	336,712,219	384,280	-
Acquisition of investment in subsidiaries by payable	-	117,048,870	-	-

The notes to the consolidated and separate financial statements on pages 104 to 260 form an integral part of the financial statements.

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

### 1 General information

Minor International Public Company Limited (“the Company”) is a public limited company which is listed on the Stock Exchange of Thailand since October 1988 and is incorporated and domiciled in Thailand. The addresses of the Company’s registered offices are as follows:

Bangkok: 16<sup>th</sup> Floor, Berli Jucker House, 99 Soi Rubia, Sukhumvit 42, Prakanong, Klongtoey, Bangkok 10110 Thailand.

Pattaya: 218/2-4 Moo 10 Beach Road, Nongprue, Banglamung, Chonburi 20260 Thailand.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operations of the Group are summarised as follows:

The Group engages in investment activities, hotel, restaurant operations, and distribution and manufacturing. The Group mainly operates in Thailand and also has operations in other countries such as Singapore, People’s Republic of China, The Republic of Maldives, The United Arab Emirates, Sri Lanka, Australia, the Federative Republic of Brazil, The Portuguese Republic, countries in Southern Africa, and the United Kingdom, etc.

These Group consolidated financial statements were authorised for issue by the Board of Directors on 19 February 2018.



## 2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

### 2.1 Basis for preparation

The consolidated and separate financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except some investments which are carried at fair value as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 4.

## 2 Accounting policies (Cont'd)

### 2.1 Basis of preparation (Cont'd)

Certain figures in the comparative statement have been reclassified in order to be comparable to the presentation of the current year and to comply with the nature of transaction. The transaction is shown as follows:

	Consolidated financial statements		
	As previously		
	reported	Reclassifications	As reclassified
	Baht	Baht	Baht

#### Statement of financial position

as at 31 December 2016

Trade and other receivables	5,058,818,894	1,015,298,698	6,074,117,592
Trade receivables long-term contracts	4,708,882,536	(1,015,298,698)	3,693,583,838

#### Income statement for the year ended

31 December 2016

Direct cost of hotel and related services operations	11,891,003,702	(146,434,261)	11,744,569,441
Selling expenses	15,899,913,860	731,277,046	16,631,190,906
Administrative expenses	9,864,619,226	(584,842,785)	9,279,776,441

	Separate financial statements		
	As previously		
	reported	Reclassifications	As reclassified
	Baht	Baht	Baht

#### Income statement for the year ended

31 December 2016

Selling expenses	586,582,570	(196,956,238)	389,626,332
Administrative expenses	413,622,472	196,956,238	610,578,710

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

## 2 Accounting policies (Cont'd)

### 2.2 Revised financial reporting standards and related interpretations

2.2.1 Revised financial reporting standards and interpretations are effective on 1 January 2017 which are relevant to the Group:

TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 38 (revised 2016)	Intangible assets
TFRS 11 (revised 2016)	Joint arrangements

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28 (revised 2016) in addition to measurement at cost or at fair value (when announced) previously allowed. The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

TAS 28 (revised 2016), the significant change is an amendment allowing an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and perform a consolidation at the level of the investment entity associate or joint venture.



## 2 Accounting policies (Cont'd)

### 2.2 Revised financial reporting standards and related interpretations (Cont'd)

2.2.1 Revised financial reporting standards and interpretations are effective on 1 January 2017 which are relevant to the Group: (Cont'd)

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

TFRS 11 (revised 2016), the amendments clarify that 1) the accounting for the acquisition of an interest in a joint operation where the activities of the operation constitute a business. They require an investor to apply the principles of business combination accounting and 2) existing interests in the joint operation are not remeasured on acquisition of an additional interest, provided joint control is maintained.

The Group's management has assessed and considered that the above revised standards do not have significant impact to the Group.

## 2 Accounting policies (Cont'd)

### 2.2 Revised financial reporting standards and related interpretations (Cont'd)

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Group. The Group has not yet adopted these revised standards.

TAS 7 (revised 2017)	Statement of cash Flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale in the scope of TFRS 5 (revised 2017), except for the summarised financial information.

The Group's management assessed and considered that the above revised standards will not have a material impact on the Group.

## 2 Accounting policies (Cont'd)

### 2.3 Group accounting - Investments in subsidiaries, associates and interests in joint ventures

#### (1) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.



2 Accounting policies (Cont'd)

2.3 Group accounting - Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

(1) Subsidiaries (Cont'd)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised loss is also eliminated unless the transaction provides evidence of an impairment of the transferred assets. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the Company's principal subsidiaries is set out in Note 13.

## 2 Accounting policies (Cont'd)

### 2.3 Group accounting - Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

#### (2) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate, joint venture is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

## 2 Accounting policies (Cont'd)

### 2.3 Group accounting - Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

#### (3) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investments in associates include goodwill identified on acquisition, net of any accumulated impairment loss (see Note 2.14 for the impairment of assets and goodwill).

In the separate financial statements, investments in associates are accounted for using the cost method.

A list of the Group's principal associates is set out in Note 13.

#### (4) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using the cost method.

A list of the Group's principal joint ventures is set out in Note 13.



## 2 Accounting policies (Cont'd)

### 2.3 Group accounting - Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

#### (5) Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in associates and joint ventures is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduction of the ownership interest in an associate and joint ventures is recognised in profit or loss.

The Group's share of its associates and joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, together with any long-term interests that, in substance, form part of the entity's net investment in the associates or joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates and joint ventures are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit (loss) of associates and joint ventures in profit or loss.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

## 2 Accounting policies (Cont'd)

### 2.4 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Thai Baht, which is the Company's functional and the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the profit or loss.

Translation differences on non-monetary items such as investments in equity securities held for trading are reported as part of the fair value gain or loss. Translation differences on available-for-sale investments in equity securities are included in the revaluation reserve in equity.

The statement of comprehensive income and cash flows of foreign entities are translated into Group's reporting currency at the weighted average exchange rates for the year and statement of financial position are translated at the exchange rates ruling on the end of reporting period. Currency translation differences arising from the retranslation of the net investment in foreign entities are taken to shareholders' equity. On disposal of a foreign entity, accumulated exchange differences are recognised in the statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### 2.5 Segment reporting

Segment information is presented by operating segments and geographical areas of the Group's operations.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's CEO and Board of Directors that makes strategic decisions.

## 2 Accounting policies (Cont'd)

### 2.6 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

### 2.7 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in the profit or loss within administrative expenses.

Trade receivables long-term contracts are receivables from sales of hotel time-sharing points, which will be paid in installments which covers over one year. The amount is carried at the original invoice amount and deducted by installment payment. The amount is subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivables and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in the profit or loss within administrative expenses.

### 2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the moving average method for food and beverage, by weighted average method for raw materials and finished goods for manufacturing and spa products and by first-in, first-out method for fashion and cosmetic products. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.



## 2 Accounting policies (Cont'd)

### 2.9 Land and real estates project for sales

Land and real estates project are stated at the lower of cost or net realisable value. Cost is determined by the weighted average method. The project cost consists of cost of land, development cost, construction cost, miscellaneous expenses of the project and interest expenses. Capitalisation of interest will be discontinued when the construction completes.

### 2.10 Other investments

Investments other than investments in subsidiaries, associates and interests in joint ventures are classified into the following four categories: trading investment, available-for-sale investments, held-to-maturity investments and general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

1. Trading investments are investments acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
2. Available-for-sale investments are investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale.
3. Held-to-maturity investments are investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity.
4. General investments are investments in non-marketable equity securities are classified as general investments.

All categories of investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

## 2 Accounting policies (Cont'd)

### 2.10 Other investments (Cont'd)

Trading investments and available for sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that such investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, an impairment loss is charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by weighted average carrying amount of the total holding of the investment.

## 2 Accounting policies (Cont'd)

### 2.11 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated on the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Land improvement	lease period
Buildings and building improvement	lease period and 20 years

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

### 2.12 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items, including an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, when the entity has the obligation to do so.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.



## 2 Accounting policies (Cont'd)

### 2.12 Property, plant and equipment (Cont'd)

Land is not depreciated. Depreciation on other assets is calculated on the straight-line method of depreciation to allocate their cost to their residual values over their estimated useful lives as follows:

Leasehold improvement	lease period, 5 years, 20 years and 30 years
Building and fitting equipment	lease period, 5 years, 10 years, 20 years, 30 years, 40 years and 60 years
Building improvement	lease period and 10 years
Machinery and equipment	5 - 15 years
Furniture, fixtures and other equipment	4 years, 5 years, 10 years and 15 years
Motor vehicles	4 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Hotel operating equipment is stated at cost less accumulated depreciation. Additions are recorded as hotel operating equipment and expensed on issue or use.

Operating equipment and kitchen supplies for restaurant operations are recorded at cost upon purchases and are depreciated on first issue or use. The depreciation is calculated on the straight-line method with the estimated useful life of 5 years. When new items are issued to replace the operating equipment, the replacement cost of operating equipment and kitchen supplies are recognised as expense when issued.

When existing outlets are re-modernised, the related expenditures will be capitalised as buildings improvements or leasehold improvements and will be depreciated using the straight-line method over the shorter of the remaining lease term or the estimated useful life of 3 - 7 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are recognised in the income statement.

## 2 Accounting policies (Cont'd)

### 2.13 Intangible assets

#### Management letting rights

Management letting rights ("MLRs") are recognised at cost less any accumulated amortisation and any accumulated impairment losses. The cost of the MLRs is amortised on a straight line basis over the useful life of the buildings, which has been assessed to be not in excess of 40 years.

MLRs are not revalued in the accounts as they are not traded in an active market. The amortisation period and amortisation method are reviewed at each statement of financial position date.

#### Intellectual property

Intellectual property is measured at purchased cost and represents ownership rights of the systems used by the Group to efficiently manage and operate its MLRs portfolio and in-house developed recipes and equipments that give the Group a relative advantage over its competitors. Intellectual properties are amortised over 20 years and 40 years.

#### Franchise development cost

Costs incurred on development of franchises relating to the design of restaurants and the testing of new products are recognised as intangible assets to the extent that such expenditure is expected to generate future economic benefits. Other development expenditure is recognised as an expense as incurred. Development costs previously recognised as expenses are not recognised as assets in a subsequent period. Development costs that have been capitalised are amortised from the commencement of the commercial launch of the franchise on a straight-line method over the period of its expected benefit, generally over 3 - 20 years. Capitalised development cost is not revalued. Its carrying amount is reviewed annually for impairment where it is considered necessary.

## 2 Accounting policies (Cont'd)

### 2.13 Intangible assets (Cont'd)

#### Initial franchise fees

Expenditure on acquired patents, trademarks and licences relating to restaurant franchises is capitalised as an intangible asset and amortised using the straight-line method over the related agreement periods, generally over 10 - 20 years. The intangible assets are not revalued. The carrying amount of intangible asset is reviewed annually and adjusted for impairment where it is considered necessary.

#### Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary, associates and joint ventures undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is reported in the consolidated statement of financial position. Goodwill on acquisitions of associates and joint ventures is included in investments in associates and joint ventures and is tested for impairment as part of the overall balance.

Goodwill is tested annually for impairment and carried at cost less impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

#### Brand

Trademarks, trade names, service marks, collective marks and brand name that have achieved consumer awareness and recognition through continuous use in commerce are not subject to amortisation; however, its carrying amount is annually tested for impairment where it is considered necessary.



## 2 Accounting policies (Cont'd)

### 2.13 Intangible assets (Cont'd)

#### Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives during 3 - 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Computer software development costs are recognised as assets and are amortised over their useful lives, which does not exceed 3 - 10 years.

## 2 Accounting policies (Cont'd)

### 2.14 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.15 Leases

#### Leases - where the Group Company is the lessee

Leases in which a significant portion of the risks and rewards of ownership are 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 profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the present value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit and loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

## 2 Accounting policies (Cont'd)

### 2.15 Leases (Cont'd)

#### Leases - where the Group Company is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in investment properties in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

### 2.16 Borrowings

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective yield method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

### 2.17 Provisions

Provisions, which exclude the provisions relating to employee benefits, are recognised when the Group has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.



## 2 Accounting policies (Cont'd)

### 2.18 Employee benefits

The Group companies operate various retirement benefits schemes. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a legal severance pay that is not a defined contribution plan. Typically defined benefit plans define an amount of employee benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of legal severance pay is the present value of the defined benefit obligation at the end of the reporting period, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

## 2 Accounting policies (Cont'd)

### 2.19 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the subsidiaries and associates of the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, associates and joint arrangements, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## 2 Accounting policies (Cont'd)

### 2.20 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid including directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transact costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

### 2.21 Warrants

#### Warrants to subscribe for ordinary shares issued to existing shareholders

Warrants are issued to existing shareholders to subscribe for ordinary shares. Proceeds from issuing warrants are shown net of related expenses under the caption of "Warrants" in shareholders' equity when the warrants are issued.



## 2 Accounting policies (Cont'd)

### 2.22 Revenue recognition

Revenue from hotel operations consists of room sales, food and beverage sales and revenue from auxiliary activities which is recognised when the service is rendered.

Revenue from accommodation rentals is recognised when the rental period is commenced at which time it is brought to account over the rental period on a straight line basis. The fixed portion of management letting rights revenue is recognised on a pro rata basis over the course of the management letting rights agreement. The variable portion of income arising from management letting rights is recognised as it is earned through either the sale of goods as they are supplied or through the provision of services as they are performed.

Revenue from sales of foods and beverages is recognised upon delivery and service rendered, and presented net of sales taxes and discounts.

Rental income from shopping plaza and property is recognized at the rate specified in rental contract. Rental received in advance is recognised as revenue evenly over the period of the lease.

Revenue from entertainment operations is recognised as revenue when the show is presented.

Revenue from sales of real estate and sales of furniture and fixtures are recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from sales of time sharing resort is recognised when the Group completely transfers significant risks and rewards of ownership of such right to the buyers and the construction of the resort is completed and ready for use. The Group will not recognise revenue from sales if the resort is not ready for use.

Revenue from distribution and manufacturing is recognised as revenue when the goods are delivered to customers. Sales of goods to department stores are recognised as revenue only when the goods are sold to end customers. All revenues are shown net of sales taxes and discounts.

## 2 Accounting policies (Cont'd)

### 2.22 Revenue recognition (Cont'd)

Revenue from management service is recognised as revenue when the service is rendered.

Other revenues earned by the Group are recognised on the following bases:

- Royalty and franchise fee
- Interest and commission income
- Dividend income
- On an accrual basis in accordance with the substance of the relevant agreements.
- As it accrues unless collectibility is in doubt.
- When the shareholder's right to receive payment is established.

### 2.23 Dividend distribution

Annual dividends are recorded in the consolidated and separate financial statements in the period in which they are approved by the shareholders meetings of the Company and subsidiaries.

Interim dividends are recorded in consolidated and separate financial statements in the period in which they are approved by the board of directors meetings of the separate and subsidiaries.

## 3 Financial risk management

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks including currency risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments such as cross currency swap contracts, forward foreign exchange contracts and interest rate swap contracts to hedge certain exposures.

Risk management is carried out by a central group treasury department. The central group treasury department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Group follows written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments. The Group does not have policy to use financial instruments for speculative or trading purposes.

### 3 Financial risk management (Cont'd)

#### 3.1 Financial risk factors (Cont'd)

##### 3.1.1 Cross currency swap contracts

Cross currency swap contracts are recognised at the inception date.

In cross currency swap contracts, the Group agrees with a counterparty to exchange their respective currency and interest rate positions between an agreed pair of currencies. An exchange of principal in the different currencies occurs at the inception of the cross currency swap contracts at a predetermined exchange rate, with an equal but opposite exchange of principal during interim periods and at the maturity of the contracts. The cross currency receivable/payable under these contracts is translated at the period-end exchange rate and the unrealised gains or losses are recognised in the statement of income. Each party also pays and receives interest on a predetermined amount of principal in different currencies over the contract periods. Any differential to be paid or received on the cross currency swap contracts is recognised as a component of interest income or expenses over the period of the contracts.

##### 3.1.2 Forward foreign exchange contracts

Foreign exchange forward contracts are recognised at the inception date.

Forward foreign exchange contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the foreign exchange forward contract. The gains and losses on the derivative instruments are offset for financial reporting purposes. The Group does not oblige to pay any fee upon entering forward foreign exchange contract.



### 3 Financial risk management (Cont'd)

#### 3.1 Financial risk factors (Cont'd)

##### 3.1.3 Interest rate swap contracts

Interest rate swap contracts protect the Group from movements in interest rates. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest expense over the period of the agreement.

##### 3.1.4 Credit risk

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

#### 3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

#### 4 Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The result of accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

##### 4.1 Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.14. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 18).

##### 4.2 Fair value estimation on business combination

The Group estimates fair value of net assets acquired under business combination by engaging professional valuer, applying appropriate valuation method based on financial assumptions to derive fair value of net assets acquired. These calculations require the use of management judgment.

## 5 Fair value measurements

Assets measured at fair value are classified by level of the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (that is unobservable inputs).

The following tables present the Group's and Company's assets that are measured at fair value at 31 December 2017.

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
	Baht Million	Baht Million	Baht Million	Baht Million
<b>At 31 December 2017</b>				
Trading investment	1,695	-	-	1,695
Available-for-sale investments	30	-	-	30
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
	Baht Million	Baht Million	Baht Million	Baht Million
<b>At 31 December 2017</b>				
Available-for-sale investments	29	-	-	29

### Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available. Instruments included in Level 1 comprise primarily equity securities classified as trading and available-for-sale.



## 6 Segment information

The Group discloses four operating segments which include Hotel & Spa, Mixed use, Restaurant and Retail. The four segments are determined pursuant to business activities and operating results that are regularly reviewed by the Chief Operating Decision Makers (“CODM”) which is CEO and Board of Directors and aggregation criteria as disclosed in Note 2.5. Set out below is the information which CODM use for evaluating the segment’s performance.

### 6.1 Financial information by operating segments

For the year ended 31 December (Baht Million)												
	Hotel & Spa		Mixed use		Restaurant		Retail		Elimination		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>Revenues</b>												
Total revenues	24,935	25,559	5,709	4,574	23,090	22,710	4,080	3,495	(245)	(135)	57,569	56,203
<b>Costs</b>												
Total costs	(10,710)	(9,695)	(1,377)	(1,271)	(6,349)	(6,498)	(2,340)	(2,048)	-	65	(20,776)	(19,447)
<b>Gross profit</b>	14,225	15,864	4,332	3,303	16,741	16,212	1,740	1,447	(245)	(70)	36,793	36,756
Selling and administrative expenses	(8,962)	(7,648)	(2,492)	(2,777)	(12,948)	(12,583)	(1,436)	(1,180)	245	70	(25,593)	(24,118)
<b>EBITDA</b>	5,263	8,216	1,840	526	3,793	3,629	304	267	-	-	11,200	12,638
Depreciation and amortisation	(2,387)	(2,195)	(244)	(195)	(1,322)	(1,247)	(157)	(146)	-	-	(4,110)	(3,783)
Financial costs	(1,157)	(1,089)	(178)	(190)	(403)	(320)	(19)	(6)	-	-	(1,757)	(1,605)
Sharing profit from associates and joint ventures	257	231	325	11	492	350	-	-	-	-	1,074	592
<b>Result before tax</b>	1,976	5,163	1,743	152	2,560	2,412	128	115	-	-	6,407	7,842
Tax	(182)	(488)	(162)	(119)	(442)	(390)	(1)	(36)	-	-	(787)	(1,033)
<b>Net profit</b>	1,794	4,675	1,581	33	2,118	2,022	127	79	-	-	5,620	6,809
<b>Total assets</b>											118,444	108,453
<b>Total liabilities</b>											68,422	67,656

6 Segment information (Cont'd)

6.2 Financial information by geographical segments

For the year ended 31 December (Baht Million)												
	Hotel & Spa		Mixed use		Restaurant		Retail		Elimination		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>Revenues</b>												
Thailand	9,106	8,253	2,236	1,915	13,815	13,279	4,080	3,495	(245)	(135)	28,992	26,807
Singapore	-	-	-	-	1,965	2,344	-	-	-	-	1,965	2,344
Australia and New Zealand	6,209	6,109	-	-	3,195	3,530	-	-	-	-	9,404	9,639
The People's Republic of China	34	122	-	8	3,265	3,178	-	-	-	-	3,299	3,308
Maldives and UAE	1,837	1,777	-	-	364	331	-	-	-	-	2,201	2,108
Portugal	3,609	5,427	-	-	-	-	-	-	-	-	3,609	5,427
Others	4,140	3,871	3,473	2,651	486	48	-	-	-	-	8,099	6,570
<b>Total</b>	<b>24,935</b>	<b>25,559</b>	<b>5,709</b>	<b>4,574</b>	<b>23,090</b>	<b>22,710</b>	<b>4,080</b>	<b>3,495</b>	<b>(245)</b>	<b>(135)</b>	<b>57,569</b>	<b>56,203</b>
<b>Net profit</b>												
Thailand	96	187	1,240	461	1,323	1,532	127	79	-	-	2,786	2,259
Singapore	5	(2)	6	(7)	199	100	-	-	-	-	210	91
Australia and New Zealand	332	210	-	-	379	363	-	-	-	-	711	573
The People's Republic of China	(27)	84	40	(20)	273	76	-	-	-	-	286	140
Maldives and UAE	869	636	-	-	16	17	-	-	-	-	885	653
Portugal	417	2,588	-	-	-	-	-	-	-	-	417	2,588
Others	102	972	295	(401)	(72)	(66)	-	-	-	-	325	505
<b>Total</b>	<b>1,794</b>	<b>4,675</b>	<b>1,581</b>	<b>33</b>	<b>2,118</b>	<b>2,022</b>	<b>127</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>5,620</b>	<b>6,809</b>
<b>Total assets</b>											<b>118,444</b>	<b>108,453</b>
<b>Total liabilities</b>											<b>68,422</b>	<b>67,656</b>

## 6 Segment information (Cont'd)

### 6.2 Financial information by geographical segments (Cont'd)

The Group's business segments are managed on a worldwide basis and, they operate in the following geographical areas:

Thailand is the home country of the parent company and also its main operations. The areas of operation include hotels, entertainment venues, food and beverage outlets, real estates for sales, distribution, manufacturing, property rental business, spa services and management operations.

Australia and New Zealand - The Group's operations include hotels and food and beverage outlets.

Singapore - The Group operates food and beverage outlets.

Republic of Maldives and the United Arab Emirates - The Group operates hotels, spa and food and beverage outlets.

People's Republic of China - The predominant activity is food and beverage operations, spa services and real estates for sales.

The Portuguese Republic - The Group operates in hotel business.

Others - The main activities are hotel operations, spa, and food and beverage outlets. Other countries in which the Group operates are Sri Lanka, Vietnam, Indonesia, the Federative Republic of Brazil, the United Kingdom and countries in South Africa, etc.

## 7 Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Cash on hand	320,532,902	221,360,956	2,346,024	1,372,023
Cash at banks	5,004,383,604	4,166,413,627	1,076,788,187	100,140,105
Time deposits				
(maturity less than 3 months)	11,242,392	10,986,843	-	-
Total cash and cash equivalents	5,336,158,898	4,398,761,426	1,079,134,211	101,512,128

As at 31 December 2017, the average effective interest rate of time deposits was 0.05% per annum and had a maturity less than three months (2016: 0.05% per annum).



8 Trade and other receivables and trade receivables long-term contracts

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Current</b>				
Trade receivables - third parties, gross	2,938,379,967	2,537,420,037	31,428,154	31,645,355
<u>Less</u> Provision for impairment of trade receivables	(160,934,340)	(158,973,785)	(294,498)	(251,653)
Trade receivables - third parties, net	2,777,445,627	2,378,446,252	31,133,656	31,393,702
Current portion of trade receivables long-term contracts, net	2,310,666,198	1,015,298,698	-	-
Prepayments	820,434,365	565,225,393	11,232,972	5,955,585
Receivables from others	1,625,662,204	1,525,613,251	22,914,793	16,887,219
Receivables from related parties (Note 14)	727,360,733	589,533,998	1,055,854,170	855,232,566
Total trade and other receivables	8,261,569,127	6,074,117,592	1,121,135,591	909,469,072

Outstanding trade accounts receivable - third parties as at 31 December can be analysed as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Not yet due	1,978,484,639	1,580,723,845	29,107,095	27,892,891
Overdue				
Under 90 days	545,494,491	506,929,245	272,681	1,677,660
91 days to 180 days	83,488,805	230,992,548	163,334	1,269,507
181 days to 365 days	295,289,508	184,307,008	1,885,044	805,297
Over 365 days	35,622,524	34,467,391	-	-
Trade receivables - third parties	2,938,379,967	2,537,420,037	31,428,154	31,645,355
<u>Less</u> Provision for impairment of trade receivables	(160,934,340)	(158,973,785)	(294,498)	(251,653)
Trade receivables - third parties, net	2,777,445,627	2,378,446,252	31,133,656	31,393,702

8 Trade and other receivables and trade receivables long-term contracts (Cont'd)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Non-current</b>				
Trade receivables long-term contracts	3,954,721,703	4,673,548,524	-	-
<u>Less</u> Unearned interest income	(522,720,199)	(671,988,319)	-	-
<u>Less</u> Provision for impairment of trade receivables	(194,063,240)	(307,976,367)	-	-
Trade receivables long-term contracts, net	<u>3,237,938,264</u>	<u>3,693,583,838</u>	<u>-</u>	<u>-</u>

9 Inventories

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Food and beverage	257,414,489	191,288,465	2,703,373	2,618,722
Finished goods (net with allowance)	1,182,882,779	856,309,978	150,745	-
Raw materials (net with allowance)	942,600,327	948,439,198	-	-
Work in process	105,060,423	67,053,871	-	-
Goods in transit	130,586,384	274,776,155	-	-
Supplies and others	498,102,158	424,765,918	3,956,230	3,181,288
Total inventories	<u>3,116,646,560</u>	<u>2,762,633,585</u>	<u>6,810,348</u>	<u>5,800,010</u>

The cost of inventories recognised as expense and included in cost of sales amounted to Baht 13,277 million (2016: Baht 12,683 million).

During 2017, reversal of Baht 0.27 million was recorded to the income statement for allowance for obsolete and damaged inventories (2016: Allowance of Baht 22 million).

10 Land and real estates project for sales

	Consolidated	
	financial statements	
	2017	2016
	Baht	Baht
Residential units	1,750,671,904	2,294,068,446
Time sharing resort	135,891,873	254,575,439
Total land and real estates project for sales	1,886,563,777	2,548,643,885

The cost of land and real estates project sold and recognised during the year amounting to Baht 1,091 million (2016: Baht 960 million).

11 Other current assets

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Prepaid income tax	146,082,764	210,254,880	8,744,517	22,847,182
Other tax receivable	421,286,898	667,168,575	72,732,867	79,599,222
Deposits	37,784,868	69,982,628	-	-
Advance payments	141,202,662	177,163,343	-	13,424,992
Current portion of loans to other companies	182,556,328	6,746,306	-	-
Others	304,727,835	115,819,164	2,927,194	299,657
Total other current assets	1,233,641,355	1,247,134,896	84,404,578	116,171,053



12 General investments

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Short-term investment</b>				
Trading investment	1,695,238,408	-	-	-
Total short-term investment	1,695,238,408	-	-	-
<b>Long-term investments</b>				
Available-for-sale investments	29,940,218	24,765,904	28,554,770	23,040,895
Held-to-maturity investment	-	100,000,000	-	100,000,000
General investments, net	67,325	44,306	-	-
Total long-term investments	30,007,543	124,810,210	28,554,770	123,040,895

12.1 Short-term investment

a) Trading investment

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Opening net book amount	-	-	-	-
Change status from available- for-sale investments	1,695,238,408	-	-	-
Closing net book amount	1,695,238,408	-	-	-

12 General investments (Cont'd)

12.2 Long-term investments

a) Available-for-sale investments

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Opening net book amount	24,765,904	1,113,284,999	23,040,895	20,245,238
Additions	2,044,983,332	43,349,777	827	-
Disposals	(513,550,388)	(86,100)	-	(86,100)
Change status to trading investment	(1,531,453,630)	-	-	-
Change status to investment in associate	-	(887,498,067)	-	-
Revaluation gain previously recognised in other comprehensive income	(163,784,778)	(135,607,728)	-	-
Changes in fair value of investments	169,977,907	(88,748,708)	5,513,048	2,881,757
Translation adjustment	(998,129)	(19,928,269)	-	-
Closing net book amount	29,940,218	24,765,904	28,554,770	23,040,895

Available-for-sale investments as at 31 December comprise:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Available-for-sale investments	20,725,712	20,713,801	20,019,829	20,019,002
Changes in fair value of investments	9,214,506	4,052,103	8,534,941	3,021,893
Available-for-sale investments	29,940,218	24,765,904	28,554,770	23,040,895

12 General investments (Cont'd)

12.2 Long-term investments (Cont'd)

b) Held-to-maturity investments

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Opening net book amount	100,000,000	100,000,000	100,000,000	100,000,000
Disposal	(100,000,000)	-	(100,000,000)	-
Closing net book amount	-	100,000,000	-	100,000,000

Held-to-maturity investments as at 31 December 2016 represented investment in subordinated debenture with fixed interest rate of 4.38% per annum and was due for maturity within 2022.

On 7 December 2017, the debenture issuer redeemed its subordinated debenture in full prior to its maturity date.

The fair values of held-to-maturity investment of the Group and the Company as at 31 December are as follows:

	Consolidated and Separate	
	financial statements	
	2017	2016
	Baht	Baht
Fair value	-	101,051,027

The fair values are based on the discounted cash flows using discount rates based upon market yield rates which are quoted by the Thai Bond Market Association at the date of statement of financial position. The fair value are within Level 2 of the fair value hierarchy.

12 General investments (Cont'd)

12.2 Long-term investments (Cont'd)

c) General investments

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Opening net book amount	44,306	27,695	-	-
Acquisition from investment in subsidiaries	-	7,445,960	-	-
Addition	23,019	16,611	-	-
Disposal	-	(7,445,960)	-	-
Closing net book amount	67,325	44,306	-	-

General investments as at 31 December comprise:

	Consolidated	
	financial statements	
	2017	2016
	Baht	Baht
General investments, cost	2,707,876	2,684,857
<u>Less</u> Provision for impairment	(2,640,551)	(2,640,551)
General investments, net	67,325	44,306



13 Investments in subsidiaries, associates and interests in joint ventures

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Subsidiaries	-	-	6,073,492,298	6,073,492,298
Associates	7,087,166,244	6,692,163,068	2,767,066,898	2,767,066,898
Interests in joint ventures	3,542,424,779	2,693,888,953	5,484,460	5,484,460
Total investments in subsidiaries, associates and interests in joint ventures	10,629,591,023	9,386,052,021	8,846,043,656	8,846,043,656

a) Investments in subsidiaries

	Separate financial statements	
	2017	2016
	Baht	Baht
At 1 January	6,073,492,298	5,733,492,298
Additions	-	343,569,800
Impairment charge	-	(3,569,800)
At 31 December	6,073,492,298	6,073,492,298

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

All investments in significant subsidiaries included in the consolidated financial statements are investments in ordinary shares of subsidiaries as follows:

Company	Separate financial statements			
	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	81.24	81.24
Hua Hin Resort Limited	Sales of property	Thailand	100	100
Maerim Terrace Resort Limited	Hotel operation	Thailand	45.30 <sup>(1)</sup>	45.30 <sup>(1)</sup>
Samui Resort and Spa Limited	Hotel operation	Thailand	100	100
Rajadamri Hotel Public Company Limited	Hotel operation	Thailand	99.22	99.22
MI Squared Limited	Hotel operation	Thailand	100	100
Hua Hin Village Limited	Hotel operation	Thailand	100	100
Baan Boran Chiangrai Limited	Hotel operation	Thailand	100	100
Samui Village Limited	Hotel operation	Thailand	100	100
Coco Palm Hotel & Resort Limited	Hotel operation	Thailand	100	100
Coco Recreation Limited	Hotel operation	Thailand	100	100
Samui Beach Club Owner Limited	Hotel operation & rent of property	Thailand	100	100
The Minor Food Group Public Company Limited ("MFG")	Sales of food and beverage	Thailand	99.73	99.73
Royal Garden Plaza Limited	Shopping mall	Thailand	100	100
M Spa International Limited ("MST")	Spa services	Thailand	51 <sup>(2)</sup>	51 <sup>(2)</sup>
Samui Beach Residence Limited	Sales of property	Thailand	100	100
Coco Residence Limited	Sales of property	Thailand	100	100
Minor Hotel Group Limited ("MHG")	Hotel management	Thailand	27.80 <sup>(3)</sup>	27.80 <sup>(3)</sup>
Minor Supply Chain Solutions Limited	Supply chain management	Thailand	100	100
Minor Global Solutions Limited	Under liquidation process	Thailand	100	100

### 13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

#### a) Investments in subsidiaries (Cont'd)

All investments in significant subsidiaries included in the consolidated financial statements are investments in ordinary shares of subsidiaries as follows: (Cont'd)

Company	Separate financial statements			
	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
Chao Phaya Resort and Residence Limited	Hotel operation & sales of property	Thailand	100	100
Minor Corporation Public Company Limited ("MINOR")	Distribution	Thailand	91.35 <sup>(4)</sup>	91.35 <sup>(4)</sup>
RGR International Limited	Management	British Virgin Islands	100	100
R.G.E. (HKG) Limited	Management	Hong Kong	100	100
M&H Management Limited	Management	Republic of Mauritius	100	100
Lodging Investment (Labuan) Limited	Holding investment	Malaysia	100	100
Minor International (Labuan) Limited	Hotel operation	Malaysia	100	100
AVC Club Developer Limited	Vacation club point sales	Republic of Mauritius	100	100
AVC Vacation Club Limited	Vacation club point sales	Republic of Mauritius	100	100
Phuket Beach Club Owner Limited	Management	Thailand	100	100
MHG Phuket Limited	Hotel operation	Thailand	100	100
Minor Sky Rider Limited	Entertainment operation	Thailand	100	100
Minor Continental Holding (Mauritius)	Holding investment	Republic of Mauritius	100	100

(1) Investment portion of 45.30% represents direct holding in Maerim Terrace Resort Limited. Another 25.84% indirect holding is invested through a subsidiary.

(2) Investment portion of 51% represents direct holding in MST. Another 49% indirect holding is invested through a subsidiary.

(3) Investment portion of 27.80% represent direct holding in MHG. Another 72.20% indirect holding is invested through a subsidiary.

(4) Investment portion of 91.35% represents direct holding in MINOR. Another 8.57% indirect holding is invested through a subsidiary.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<b><u>MFG's subsidiaries</u></b>				
Swensen's (Thai) Limited	Sales of food and beverage	Thailand	100	100
Minor Cheese Limited	Manufacturing and sales of cheese	Thailand	100	100
Minor Dairy Limited	Manufacturing and sales of ice-cream	Thailand	100	100
Minor DQ Limited	Sales of food and beverage	Thailand	100	100
Catering Associates Limited	Catering service	Thailand	51	51
Burger (Thailand) Limited	Sales of food and beverage	Thailand	97	97
International Franchise Holding (Labuan) Limited	Franchise owner	Malaysia	100	100
SLRT Limited	Sales of food and beverage	Thailand	100	100
Primacy Investment Limited	Holding investment	Republic of Mauritius	100	100
The Coffee Club (Thailand) Limited	Sales of food and beverage	Thailand	100	100
The Pizza Company Ltd.	Franchise owner	Republic of Mauritius	100	100
<b><u>International Franchise Holding (Labuan) Limited's subsidiary</u></b>				
Franchise Investment Corporation of Asia Ltd.	Franchise owner	British Virgin Islands	100	100



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<b>Franchise Investment Corporation of Asia Ltd.'s subsidiary</b>				
The Minor (Beijing) Restaurant Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	100
<b>Primacy Investment Limited's subsidiaries</b>				
Delicious Food Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
Minor Food Group (Singapore) Pte. Ltd.	Sale of food and beverage	Singapore	100	100
MFG International Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
<b>MFG International Holding (Singapore) Pte. Ltd.'s subsidiaries</b>				
Over Success Enterprise Pte. Ltd.	Holding investment	Singapore	85.9	69.2
The Minor Food Group (India) Private Limited	Sale of food and beverage	Republic of India	70	70
The Minor Food Group (Myanmar) Limited	Sale of food and beverage	Republic of the Union of Myanmar	100	100
Grab Food Ltd.	Sale of food and beverage	The United Kingdom	70	-
<b>Delicious Food Holding (Singapore) Pte. Ltd.'s subsidiaries</b>				
Delicious Food Holding (Australia) Pty. Ltd.	Holding investment	Australia	100	100
Delicious Food Australia Finance Pty. Ltd.	Management	Australia	100	100
MHG Hotel Holding Australia Pty. Ltd.	Holding investment	Australia	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Delicious Food Holding (Australia) Pty. Ltd.'s subsidiary</u>				
Minor DKL Food Group Pty. Ltd.	Holding investment	Australia	70	70
<u>Minor DKL Food Group Pty. Ltd.'s subsidiaries</u>				
Espresso Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club Investment Pty. Ltd.	Franchise owner	Australia	70	70
The Coffee Club Franchising Company Pty. Ltd.	Franchise business	Australia	70	70
The Coffee Club (NSW) Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club (Vic) Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club (Properties) Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club Properties (NSW) Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club Pty. Ltd. (as trustee for The Coffee Club Unit Trust)	Franchise owner	Australia	70	70
The Coffee Club (International) Pty. Ltd.	Franchise owner	Australia	70	70
The Coffee Club (Korea) Pty. Ltd.	Franchise owner	Australia	70	70
The Coffee Club (Mena) Pty. Ltd.	Franchise owner	Australia	70	70
The Coffee Club (NZ) Pty. Ltd.	Franchise owner	Australia	70	70
First Avenue Company Pty. Ltd.	Sale of food and beverage	Australia	70	70

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<b>Minor DKL Food Group Pty. Ltd.'s subsidiaries (Cont'd)</b>				
Ribs and Rumps Holding Pty. Ltd.	Holding investment	Australia	70	70
Minor DKL Construction Pty. Ltd.	Management services	Australia	70	70
Minor DKL Management Pty. Ltd.	Management services	Australia	70	70
Minor DKL Stores Pty. Ltd.	Sale of food and beverage	Australia	70	70
TCC Operations Pty. Ltd.	Sale of food and beverage	Australia	70	70
TGT Operations Pty. Ltd.	Sale of food and beverage	Australia	70	70
VGC Food Group Pty. Ltd.	Holding investment	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
<b>Ribs and Rumps Holding Pty. Ltd.'s subsidiaries</b>				
Ribs and Rumps Operating Company Pty. Ltd.	Sales of food and beverage	Australia	70	70
Ribs and Rumps Properties Pty. Ltd.	Sales of food and beverage	Australia	70	70
Ribs and Rumps International Pty. Ltd.	Sales of food and beverage	Australia	70	70
Ribs and Rumps System Pty. Ltd.	Franchise owner	Australia	70	70

<sup>(1)</sup> Investment portion of VGC Food Group Pty. Ltd.'s subsidiaries are 70% interest held through a subsidiary of the Group.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:

(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>VGC Food Group Pty. Ltd.'s subsidiaries</u>				
Veneziano Coffee Roasters Holdings Pty. Ltd.	Holding investment	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Groove Train Holdings Pty. Ltd.	Holding investment	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Coffee Hit Holdings Pty. Ltd.	Holding investment	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
VGC Management Pty. Ltd.	Management service	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Veneziano Coffee Roasters Pty. Ltd.	Sales of food and beverage	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Groove Train System Pty. Ltd.	Franchise owner	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Veneziano Coffee Assets Pty. Ltd.	Assets investment	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Groove Train Properties Pty. Ltd.	Property investment	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Coffee Hit System Pty. Ltd.	Franchise owner	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Coffee Hit Properties Pty. Ltd.	Property investment	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Black Bag Roasters Pty. Ltd.	Sales of food and beverage	Australia	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Veneziano (SA) Pty. Ltd.	Sales of food and beverage	Australia	28.2 <sup>(2)</sup>	-
<u>MHG Hotel Holding Australia Pty. Ltd.'s subsidiary</u>				
Oaks Hotels & Resorts Limited ("OAKS")	Providing services for accommodation	Australia	100	100



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<b><u>Minor Hotel Group Limited's subsidiaries</u></b>				
Hospitality Investment International Limited	Holding investment	British Virgin Islands	100	100
MHG International Holding (Singapore) Pte. Ltd.	Management	Singapore	100	100
MHG International Holding (Mauritius) Limited	Holding investment	Republic of Mauritius	100	100
MHG Holding Limited	Holding investment	Thailand	100	100
<b><u>MHG International Holding (Singapore) Pte. Ltd.'s subsidiaries</u></b>				
Vietnam Hotel Projekt B.V.	Holding investment	The Kingdom of the Netherlands	100	100
MHG Management (India) Private Limited	Hotel operation	Republic of India	100	100
MHG Australia Holding Pte. Ltd.	Management	Singapore	100	100
MHG IP Holding (Singapore) Pte. Ltd.	Management	Singapore	100	100
<b><u>Vietnam Hotel Projekt B.V.'s subsidiaries</u></b>				
Bai Dai Tourism Company Limited	Hotel operation	Vietnam	100	100
Hoi An Riverpark Hotel Company Limited	Hotel operation	Vietnam	91	91
<b><u>MHG Australia Holding Pte. Ltd.</u></b>				
MHG Australia Investments Pty. Ltd.	Asset management	Australia	100	100

<sup>(1)</sup> Investment portion of VGC Food Group Pty, Ltd.'s subsidiaries are 70% interest held through a subsidiary of the Group.

<sup>(2)</sup> Investment portion of Veneziano (SA) Pty. Ltd. is 57.5% interest held through a subsidiary of the Group.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<b><u>MHG International Holding (Mauritius) Limited's subsidiaries</u></b>				
Sands Hotels (Proprietary) Limited	Hotel operation	Namibia	100	80
Minor Hotel Group Gaborone (Proprietary) Limited	Hotel operation	Botswana	80	64
Minor Hotel Group MEA DMCC	Hotel management	The United Arab Emirates	100	100
MHG Desaru Hotel Sdn. Bhd.	Hotel operation	Malaysia	60	60
MHG Desaru Villas Sdn. Bhd.	Sale of property	Malaysia	60	60
Minor Hotels Zambia Limited	Hotel operation	Zambia	100	100
<b><u>Minor Hotel Group Gaborone (Proprietary) Limited's subsidiary</u></b>				
Letsatsi Casino (Pty) Ltd.	Hotel operation	Botswana	64	51
<b><u>Hospitality Investment International Limited's subsidiaries</u></b>				
Lodging Management (Labuan) Limited	Hotel management	Malaysia	100	100
Lodging Management (Mauritius) Limited	Hotel management	Republic of Mauritius	100	100
PT Lodging Management (Indonesia) Limited	Hotel management	Republic of Indonesia	93.3	93.3
Jada Resort and Spa (Private) Limited	Hotel operation	Sri Lanka	87	84.6

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Lodging Management (Mauritius) Limited's subsidiaries</u>				
Sothea Pte. Ltd.	Hotel operation	The Kingdom of Cambodia	80	80
Minor Hotel Group South Africa (PTY) Limited	Management	Republic of South Africa	100	100
<u>MI Squared Limited's subsidiaries</u>				
Rajadamri Residence Limited	Sales of property	Thailand	100	100
Rajadamri Lodging Limited	Hotel operation	Thailand	100	100
Star Traveller Limited	Tour operation	Thailand	49 <sup>(1)</sup>	49 <sup>(1)</sup>
Corbin and King Limited (Note 35)	Holding investment	The United Kingdom	74	-
<u>AVC Vacation Club Limited's subsidiaries</u>				
Anantara Vacation Club (HK) Limited	Marketing services	Hong Kong	100	100
AVC Vacation Club (Singapore) Pte. Ltd.	Sales & marketing services	Singapore	100	100
<u>AVC Club Developer Limited's subsidiaries</u>				
PT MHG Indonesia Limited	Sales & marketing services	Republic of Indonesia	-(2)	-(2)
PT MHG Bali Limited	Hotel and property development	Republic of Indonesia	-(2)	-(2)

<sup>(1)</sup> Investment portion in Star Traveller Limited is 49% but the Group has voting right at 66.67%.

<sup>(2)</sup> The Group provided loans to 2 directors of PT MHG Indonesia Limited and PT MHG Bali Limited. These 2 directors have used the companies' ordinary shares as collateral and granted the share purchase option to the Group. In substance, the Group has control over these companies; therefore, these companies are identified as the subsidiaries of the Group.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Jada Resort and Spa (Private) Limited's subsidiaries</u>				
Paradise Island Resorts (Private) Limited	Hotel operation	Sri Lanka	87	84.6
Kalutara Luxury Hotel & Resort (Private) Limited	Hotel operation	Sri Lanka	87	84.6
<u>Paradise Island Resorts (Private) Limited's subsidiary</u>				
Avani Ambalangoda (Private) Limited	Hotel operation	Sri Lanka	87	84.6
<u>Anantara Vacation Club (HK) Limited's subsidiary</u>				
Sanya Anantara Consulting Limited	Consulting services	People's Republic of China	100	100
<u>Minor Continental Holding (Mauritius)'s subsidiary</u>				
Minor Continental Holding (Luxembourg) S.A.R.L	Holding investment	Luxembourg	100	100
<u>Minor Continental Holding (Luxembourg) S.A.R.L's subsidiaries</u>				
Minor Continental Portugal, S.A	Holding investment	Portuguese Republic	100	100
Pojuca S.A.	Hotel operation	Federative Republic of Brazil	100	100



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Minor Continental Portugal, S.A.'s subsidiaries</u>				
Marinoteis S.A.	Hotel operation	Portuguese Republic	100	100
Coimbra Jardim Hotel S.A.	Hotel operation	Portuguese Republic	100	100
Tivoli Gave do Oriente S.A.	Hotel operation	Portuguese Republic	100	100
<u>Marinoteis S.A.'s subsidiaries</u>				
Sotal S.A.	Hotel operation	Portuguese Republic	100	100
Hotelagos S.A.	Hotel operation	Portuguese Republic	100	100
<u>Corbin and King Limited's subsidiaries</u>				
Corbin and King Holding Limited	Holding investment	The United Kingdom	74	-
Corbin and King Hotel Group Limited	Holding investment	The United Kingdom	74	-

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Corbin and King Holding Limited's subsidiaries</u>				
Corbin and King Restaurant Group Limited	Holding investment	The United Kingdom	74	-
The Delaunay Restaurant Limited	Sales of food and beverage	The United Kingdom	74	-
The Wolseley Restaurant Limited	Sales of food and beverage	The United Kingdom	74	-
Brasserie Zedel Limited	Sales of food and beverage	The United Kingdom	74	-
The Collbert Restaurant Limited	Sales of food and beverage	The United Kingdom	74	-
Fischer's Restaurant Limited	Sales of food and beverage	The United Kingdom	74	-
The Bellanger Restaurant Limited	Sales of food and beverage	The United Kingdom	74	-
The Wolseley Restaurant Property Limited	Sales of food and beverage	The United Kingdom	74	-
The Delaunay Property Limited	Property rental	The United Kingdom	74	-
Brasserie Zedel Property Limited	Property rental	The United Kingdom	74	-
Rex Restaurant Property Limited	Property rental	The United Kingdom	74	-
Corbin and King Restaurants Limited	Sales of food and beverage	The United Kingdom	74	-

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Minor Food Group (Singapore) Pte. Ltd.'s subsidiaries</u>				
BBZ Design International Pte. Ltd.	Sales of food and beverage	Singapore	100	100
YTF Pte. Ltd.	Sales of food and beverage	Singapore	100	100
PS07 Pte. Ltd.	Sales of food and beverage	Singapore	100	100
TES07 Pte. Ltd.	Sales of food and beverage	Singapore	100	100
XWS Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Shokudo Concepts Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Shokudo Heeren Pte. Ltd.	Sales of food and beverage	Singapore	100	100
TEC Malaysia Sdn Bhd.	Sales of food and beverage	Malaysia	100	100
Riverside & Courtyard (International) Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Element Spice Cafe Pte. Ltd.	Sales of food and beverage	Singapore	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:

(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>MINOR's subsidiaries</u>				
Armin Systems Limited	Distribution - kitchen utensils, garment and shoes	Thailand	100	100
NMT Limited	Manufacturing services - consumer products	Thailand	100	100
Minor Development Limited	Property development	Thailand	100	100
Minor Consultants & Services Limited	Distribution - luggage	Thailand	100	100
Minor Lifestyle Limited (formerly "Red Earth Thai Limited)	Distribution - Kitchen utensils	Thailand	100	100
Esmido Fashions Limited	Distribution - garments	Thailand	90.8	90.8
Marvelous Wealth Limited	Under liquidation	British Virgin Islands	100	100



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>OAKS's subsidiaries</u>				
Boathouse Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Calypso Plaza Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Concierge Apartments Australia Pty. Ltd.	Providing services for accommodation	Australia	100	100
Goldsbrough Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
MINT RESIDENTIAL PTY LTD	Providing services for accommodation	Australia	100	100
MH Management (Qld) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (NSW) No. 1 Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Management (NSW) Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Management (SA) Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Management (VIC) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Queensland Accommodation Corporation Pty. Ltd.	Providing services for accommodation	Australia	100	100
Seaforth Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
The Oaks Resorts & Hotels Management Pty. Ltd.	Providing services for accommodation	Australia	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>OAKS's subsidiaries (Cont'd)</u>				
Furniture Services Australia Pty. Ltd.	Providing services for accommodation	Australia	100	100
Brisbane Apartment Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Housekeepers Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts NZ Ltd.	Providing services for accommodation	New Zealand	100	100
Oaks Hotels & Resorts DMCC	Providing services for accommodation	The United Arab Emirates	100	100
Oaks Hotels & Resorts Investments Pty. Ltd.	Holding investment	Australia	100	100
Oaks Hotels and Resorts No.4 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Management) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Leasing (Collins) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels and Resorts (NT) Pty. Ltd.	Asset management	Australia	100	100
Oaks Hotels & Resorts Asset Holding Pty. Ltd.	Providing services for accommodation	Australia	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:

(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<b>MH Management (Qld) Pty. Ltd.'s subsidiaries</b>				
Queen Street Property Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Mon Komo Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oasis Caloundra Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Regis Towers) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Emerald Holdings Investments Pty. Ltd.	Providing services for accommodation	Australia	100	100
ACN 153 970 944 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Mon Komo) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Carlyle Mackay) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Milton) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Carlyle Lessee) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Radius) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Rivermarque) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks (M on Palmer) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Prince Place) Pty. Ltd.	Providing services for accommodation	Australia	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>MH Management (Qld) Pty. Ltd.'s subsidiaries</u> (Cont'd)				
Oaks Hotels & Resorts (Moranbah) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Mews) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Queensland Holdings Pty. Ltd.	Providing services for accommodation	Australia	100	100
ACN 153 490 227 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (M on Palmer Apartments) Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Queensland Holdings Pty. Ltd.'s subsidiaries</u>				
Queensland Nominee Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Wrap No. 1 Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Emerald Holdings Investments Pty. Ltd.'s subsidiary</u>				
Emerald Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Carlyle Mackay) Pty. Ltd.'s subsidiary</u>				
Mackay (Carlyle) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Milton) Pty. Ltd.'s subsidiary</u>				
Brisbane (Milton) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Brisbane (Milton) Management Pty. Ltd.'s subsidiary</u>				
The Milton Residences Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Carlyle Lessee) Pty. Ltd.'s subsidiary</u>				
Mackay (Carlyle) Lessee Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Radius) Pty. Ltd.'s subsidiary</u>				
Brisbane (Radius) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Rivermarque) Pty. Ltd.'s subsidiary</u>				
Mackay (Rivermarque) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Prince Place) Pty. Ltd.'s subsidiary</u>				
Middlemount (Prince Place) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:

(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Oaks Hotels &amp; Resorts (Moranbah) Pty. Ltd.'s subsidiary</u>				
Moranbah Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Mews) Pty. Ltd.'s subsidiary</u>				
Mews Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>MH Management (NSW) Pty. Ltd.'s subsidiaries</u>				
Oaks Hotels & Resorts (NSW) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Pacific Blue Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Regis Towers Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Hunter Valley) Pty. Ltd.	Providing services for accommodation	Australia	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Oaks Hotels &amp; Resorts (NSW) Pty. Ltd.'s subsidiaries</u>				
183 on Kent Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
187 Kent Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Cable Beach) Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Cable Beach) Pty. Ltd.'s subsidiary</u>				
361 Kent Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (Hunter Valley) Pty. Ltd.'s subsidiaries</u>				
Hunter Valley (CL) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Hunter Valley (CL) Leases Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Hunter Valley (CL) Management Pty. Ltd.'s subsidiary</u>				
Hunter Valley (CL) Memberships Pty. Ltd.	Providing services for accommodation	Australia	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<b><u>MH Management (VIC) Pty. Ltd.'s subsidiaries</u></b>				
Pacific Hotel Market Street Pty. Ltd.	Providing services for accommodation	Australia	100	100
Cable Beach Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Residential (leasing) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Pinnacle) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Operator (VIC) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (VIC) Letting Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Leasing (VIC) Pty. Ltd.	Providing services for accommodation	Australia	100	100
<b><u>Oaks Hotels &amp; Resorts (Pinnacle) Pty. Ltd.'s subsidiary</u></b>				
Exclusive Pinnacle Management Pty. Ltd.	Providing services for accommodation	Australia	100	100



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Oaks Hotels &amp; Resorts NZ Ltd.'s subsidiaries</u>				
187 Cashel Management Limited	Providing services for accommodation	New Zealand	100	100
187 Cashel Apartments Ltd.	Providing services for accommodation	New Zealand	100	100
Oaks Cashel Management Ltd.	Providing services for accommodation	New Zealand	100	100
Housekeepers (NZ) Ltd.	Providing services for accommodation	New Zealand	100	100
<u>Oaks Hotels &amp; Resorts Investments Pty. Ltd.'s subsidiary</u>				
Tidal Swell Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts No. 4 Pty. Ltd.'s subsidiary</u>				
Grand (Gladstone) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resort Leasing (VIC) Pty. Ltd.'s subsidiary</u>				
Accom (VIC) Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Accom (VIC) Pty. Ltd.'s subsidiary</u>				
Accom Melbourne Pty. Ltd.	Providing services for accommodation	Australia	100	100

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Wrap No.1 Pty. Ltd.'s subsidiary</u>				
Wrap Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels &amp; Resorts (VIC) Letting Pty. Ltd.'s subsidiary</u>				
Wrap No. 2 Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Wrap No. 2 Pty. Ltd.'s subsidiary</u>				
Wrap Letting Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Over Success Enterprise's subsidiaries</u>				
Beijing Qian Bai Ye Investment Consultation Ltd.	Holding investment	People's Republic of China	85.9	69.2
Beijing Riverside & Courtyard Investment Management Ltd.	Holding investment	People's Republic of China	85.9	69.2
Beijing Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Over Success Enterprise's subsidiaries</u> (Cont'd)				
Beijing Longkai Catering Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing Three Two One Fastfood Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing JiangShang Catering Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing Yunyu Catering Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing Jianshan Rundai Catering Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing Xiejia Catering Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing Dejianhua Catering Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing Bashu Chun Qiu Restaurant	Sales of food and beverage	People's Republic of China	85.9	69.2
Feng Sheng Ge Restaurant	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing Tiankong Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Over Success Enterprise's subsidiaries</u> (Cont'd)				
Shanghai Riverside & Courtyard Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Shanghai Riverside & Courtyard & Gongning Catering Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Shanghai Yi Ye Qing Zhou Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Shanghai Riverside & Courtyard Zhenbai Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Beijing Yanggaang Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Jinan Riverside & Courtyard Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Tianjin Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Suzhon Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Companies under significant subsidiaries included in the preparation of the consolidated financial statements are:  
(Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
<u>Over Success Enterprise's subsidiaries</u> (Cont'd)				
Nanjing Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Shenyang Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Wuhan Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Nantong Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Yangzhou Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Red Matches Catering Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Hangzhou Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Dalian Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2
Zhenjiang Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	85.9	69.2

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Significant changes in investments in subsidiaries for the year ended 31 December 2017 comprise:

**Sands Hotels (Proprietary) Limited**

During the first quarter of 2017, a subsidiary of the Group acquired investment from non-controlling interest in Sands Hotels (Proprietary) Limited in an amount of ZAR 28 million or equivalent to Baht 78 million. The investment portion has changed from 80% to 100%.

**Jada Resort and Spa (Private) Limited**

During the quarters of 2017, a subsidiary of the Group additionally invested in Jada Resort and Spa (Private) Limited of 66 million shares with a par value of LKR 10, totalling LKR 659 million or equivalent to Baht 153 million. The investment portion has changed from 84.6% to 87%.

**Minor Food (Seychelles) Limited**

During the first quarter of 2017, a subsidiary of the Group invested in Minor Food (Seychelles) Limited, a new established company, of 1.5 million ordinary shares with a par value of USD 1, totalling USD 1.5 million or equivalent to Baht 52 million, representing 100% interest.

**Grab Food Limited ("Grab")**

During the first quarter of 2017, a subsidiary of the Group invested in Grab. Details of the acquisition are described in Note 35.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Significant changes in investments in subsidiaries for the year ended 31 December 2017 comprise: (Cont'd)

**Minor Hotel Group Gaborone (Proprietary) Limited**

During the second quarter of 2017, a subsidiary of the Group acquired investment from non-controlling interest in Minor Hotel Group Gaborone (Proprietary) Limited in an amount of ZAR 68 million or equivalent to Baht 177 million. The investment portion has changed from 64% to 80%.

**Over Success Enterprise Pte. Ltd.**

During the second quarter of 2017, a subsidiary of the Group additionally invested in Over Success Enterprise Pte. Ltd. in an amount of RMB 187 million or equivalent to Baht 928 million. The investment portion has changed from 69.2% to 85.9%.

**MHG Desaru Hotel Sdn. Bhd.**

During the quarters of 2017, a subsidiary of the Group additionally invested in MHG Desaru Hotel Sdn. Bhd. of 19.1 million shares with a par value of MYR 1, totalling MYR 19.1 million or equivalent to Baht 148 million, the investment portion has still been 60% interest.

**MHG Desaru Villa Sdn. Bhd.**

During the quarters of 2017, a subsidiary of the Group additionally invested in MHG Desaru Villa Sdn. Bhd. of 11.4 million shares with par value of MYR 1, totalling MYR 11.4 million or equivalent to Baht 88 million, the investment portion has still been 60% interest.

**Corbin and King Group**

During the fourth quarter of 2017, a subsidiary of the Group invested in Corbin and King Group. Details of the acquisition are described in Note 35.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Summarised financial information for subsidiaries

Set out below is summarised financial information for each subsidiary that has non-controlling interests (“NCI”) that are materiality to the Group. The amounts disclosed for each subsidiary are before intercompany eliminations.

Summarised statement of financial position

	As at 31 December 2017			
	Minor Hotel Group Gaborone (Proprietary) Limited Baht' 000	Over Success Enterprise Pte. Ltd. Baht' 000	Minor DKL Food Group Pty. Ltd. Baht' 000	Total Baht' 000
<b>Current</b>				
Assets	247,804	1,009,398	541,075	1,798,277
Liabilities	(48,512)	(589,314)	(463,284)	(1,101,110)
<b>Total current net assets</b>	<b>199,292</b>	<b>420,084</b>	<b>77,791</b>	<b>697,167</b>
<b>Non-current</b>				
Assets	1,845,347	1,476,093	5,111,549	8,432,989
Liabilities	(72,660)	(19,523)	(1,472,507)	(1,564,690)
<b>Total non-current net assets</b>	<b>1,772,687</b>	<b>1,456,570</b>	<b>3,639,042</b>	<b>6,868,299</b>
<b>Net assets</b>	<b>1,971,979</b>	<b>1,876,654</b>	<b>3,716,833</b>	<b>7,565,466</b>
Accumulated NCI	388,648	280,265	1,123,065	1,791,978



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

Summarised statement of comprehensive income

	For the year ended 31 December 2017			
	Minor Hotel Group Gaborone (Proprietary) Limited Baht' 000	Over Success Enterprise Pte. Ltd. Baht' 000	Minor DKL Food Group Pty. Ltd. Baht' 000	Total Baht' 000
Revenue	455,692	2,555,320	3,197,733	6,208,745
Post-tax profit from continuing operations	18,211	346,976	375,277	740,464
Total comprehensive income	18,211	346,976	375,277	740,464
Total comprehensive income allocated to non- controlling interests	3,642	48,976	112,583	165,201

Summarised statement of cash flows

	For the year ended 31 December 2017			
	Minor Hotel Group Gaborone (Proprietary) Limited Baht '000	Over Success Enterprise Pte. Ltd. Baht '000	Minor DKL Food Group Pty. Ltd. Baht '000	Total Baht '000
Net cash generated from operating activities	18,644	649,020	481,822	1,149,486
Net cash used in investing activities	(146,552)	(62,196)	(126,656)	(335,404)
Net cash used in financing activities	-	(236,330)	(435,061)	(671,391)
Net increase (decrease) in cash and cash equivalents	(127,908)	350,494	(79,895)	142,691

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
At 1 January	6,692,163,068	5,417,529,960	2,767,066,898	2,736,116,097
Additions	72,439,811	40,670,200	-	30,950,801
Disposals	(2,593,620)	-	-	-
Change status from available-for-sale investments	-	1,023,105,795	-	-
Reclassification	-	(30,462,810)	-	-
Share of profit of investments in associates	620,537,337	472,229,292	-	-
Dividends received	(295,305,291)	(230,909,369)	-	-
Translation adjustment	(75,061)	-	-	-
At 31 December	7,087,166,244	6,692,163,068	2,767,066,898	2,767,066,898

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates (Cont'd)

Investments in associates are as follows:

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2017	31 December 2016
Arabian Spa (Dubai) (LLC)	Spa services	United Arab Emirates	49	49
Eutopia Private Holding Limited	Hotel operation	Republic of Maldives	50	50
Tanzania Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	50	50
Zanzibar Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	50	50
Sizzler China Pte. Ltd.	Franchise owner	Singapore	50	50
Select Service Partner Limited	Sales of food and beverage	Thailand	51 <sup>(1)</sup>	51 <sup>(1)</sup>
Harbour View Corporation Limited	Hotel operation	Vietnam	30.4	30.4
Zuma Bangkok Limited	Sales of food and beverage	Thailand	51 <sup>(2)</sup>	51 <sup>(2)</sup>

(1) The Group does not have control over Select Service Partner Limited although the Group holds equity interest of 51%. This investment is classified as investment in associate and applies equity method of accounting in the consolidated financial statements.

(2) Investment portion in Zuma Bangkok Limited is 51% but the Group has voting right only at 35%.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates (Cont'd)

Investments in associates are as follows: (Cont'd)

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2017	31 December 2016
S&P Syndicate Public Company Limited	Sales of food and beverage	Thailand	35.7	35.7
Rani Minor Holding Limited	Hotel operation	United Arab Emirates	25	25
Serendib Hotels PLC	Hotel operation	Sri Lanka	25	22.7
MHG Lesotho (Proprietary) Limited	Hotel operation	Lesotho	46.9	37.5
Veneziano Coffee (NSW) Pty. Ltd.	Sales of food and beverage	Australia	-	21.6
Veneziano (SA) Pty. Ltd.	Sales of food and beverage	Australia	-	12.3 <sup>(3)</sup>
NYE and RGP Development Co., Ltd.	Sale of property	Thailand	40	40
Breadtalk Group Limited	Sales of food and beverage	Singapore	14.1 <sup>(4)</sup>	14.1 <sup>(4)</sup>

<sup>(3)</sup> Investment portion in Veneziano (SA) Pty. Ltd. is 25% interest held through a subsidiary of the Group

<sup>(4)</sup> Investment portion in Breadtalk Group Limited is 14.1% but the Group has significant influence over this associate.



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates (Cont'd)

Investments in associates are as follows: (Cont'd)

Company	Nature of business	Country of incorporation	Separate financial statements	
			Investment portion (%)	
			31 December 2017	31 December 2016
S&P Syndicate Public Company Limited	Sales of food and beverage	Thailand	35.7	35.7

Significant changes in investments in associates for the year ended 31 December 2017 comprise:

**MHG Lesotho (Proprietary) Limited**

During the first quarter of 2017, a subsidiary of the Group additionally invested in MHG Lesotho (Proprietary) Limited in an amount of ZAR 19 million or equivalent to Baht 51 million. The investment portion has changed from 37.5% to 46.9%.

**Breadtalk Group Limited (in Singapore)**

During the second quarter of 2016, investment in Breadtalk Group Limited which was previously classified as available for sale investment has changed classification to investment in associate following the change in the board of directors, which enables the Group to have significant influence over the associate.

The fair value at 13.98 % interest of identified assets acquired and liabilities assumed from this acquisition was a result of the fair value of assets amounting to Baht 2,588 million, netted off with the fair value of liabilities amounting to Baht 1,399 million. Such fair value of net assets under interest acquired is therefore estimated at approximately Baht 1,189 million, which, when compared with the investment consideration of Baht 1,023 million, resulted in the excess of Baht 166 million of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment. At 31 December 2017, the Group completed the measurement of fair value of identifiable assets acquired and liabilities assumed from the acquisition already. In consideration of fair value of assets, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates (Cont'd)

**Summarised financial information for associates**

Set out below is the summarised financial information of the associates that are material to the Group. They have been amended to reflect adjustments made by the Group when using equity method, including modifications for differences in accounting policies.

S&P Syndicate Public Company Limited is the listed company in the Stock Exchange of Thailand ("SET"). S&P Syndicate Public Company Limited will announce its financial information for the year ended 31 December 2017 later than the Group. Therefore, its 2017 financial information is not currently disclosed. For the purpose of this disclosure only, the Group use the most recent publicly available financial information of S&P Syndicate Public Company Limited which is the information for the period ended 30 September 2017.

Breadtalk Group Limited (in Singapore) is the listed company in Singapore Exchange ("SGX"). Breadtalk Group Limited (in Singapore) will announce its financial information for the year ended 31 December 2017 later than the Group; therefore, its 2017 financial information is not currently disclosed. For the purpose of this disclosure only, the Group use the most recent publically available financial information of Breadtalk Group Limited (in Singapore) which is the information for the period ended 30 September 2017.

For the consolidated financial statements for the year ended 31 December 2017, the Group uses S&P Syndicate Public Company Limited and Breadtalk Group Limited (in Singapore) financial information for the year then ended to apply equity method.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates (Cont'd)

Summarised statement of financial position

	As at 30 September 2017		As at 31 December 2017	
	S&P Syndicate Public Company Limited	Breadtalk Group Limited	Eutopia Private Holding Limited	Total
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Current assets</b>				
Cash and cash equivalents	622,310	3,050,517	78,107	3,750,934
Other current assets	729,098	2,017,981	159,254	2,906,333
<b>Total current assets</b>	<b>1,351,408</b>	<b>5,068,498</b>	<b>237,361</b>	<b>6,657,267</b>
<b>Non-current assets</b>	<b>2,268,497</b>	<b>7,551,549</b>	<b>1,656,464</b>	<b>11,476,510</b>
<b>Total assets</b>	<b>3,619,905</b>	<b>12,620,047</b>	<b>1,893,825</b>	<b>18,133,777</b>
<b>Current liabilities</b>				
Financial liabilities (excluding trade payables)	21,586	1,106,058	156,868	1,284,512
Other current liabilities (including trade payables)	1,001,533	4,503,599	303,115	5,808,247
<b>Total current liabilities</b>	<b>1,023,119</b>	<b>5,609,657</b>	<b>459,983</b>	<b>7,092,759</b>
<b>Non-current liabilities</b>				
Financial liabilities	22,101	953,048	-	975,149
Other non-current liabilities	234,923	2,155,856	-	2,390,779
<b>Total non-current liabilities</b>	<b>257,024</b>	<b>3,108,904</b>	<b>-</b>	<b>3,365,928</b>
<b>Total liabilities</b>	<b>1,280,143</b>	<b>8,718,561</b>	<b>459,983</b>	<b>10,458,687</b>
<b>Net assets</b>	<b>2,339,762</b>	<b>3,901,486</b>	<b>1,433,842</b>	<b>7,675,090</b>

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates (Cont'd)

Summarised statement of financial position (Cont'd)

As at 31 December 2017, the fair value of S&P Syndicate Public Company Limited shares held by the Group which is computed by using closing price announced by SET is Baht 3,834 million (2016: Baht 4,459 million) and the carrying amount of the Group's interest was Baht 3,020 million (2016: Baht 3,025 million).

As at 31 December 2017, the fair value of Breadtalk Group Limited (in Singapore) shares held by the Group which is computed by using closing price announced by SGX is Baht 1,640 million (2016: Baht 1,143 million) and the carrying amount of the Group's interest was Baht 1,283 million (2016: Baht 1,085 million).

Other companies are private companies and there are no quoted market prices available for their shares.

	For the nine-month period ended 30 September 2017		For the year ended 31 December 2017	
	S&P Syndicate Public Company Limited Baht '000	Breadtalk Group Limited Baht '000	Eutopia Private Holding Limited Baht '000	Total Baht '000
Revenue	5,706,485	11,046,187	1,595,899	18,348,571
Post-tax profit from continuing operations	288,272	555,491	187,507	1,031,270
Other comprehensive income	8,493	(34,138)	-	(25,645)
Total comprehensive income	296,765	521,353	187,507	1,005,625
Dividends received from associates	134,817	37,795	87,546	260,158



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates (Cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates:

	For the nine-month period ended 30 September 2017		For the year ended 31 December 2017	
	S&P Syndicate Public Company Limited Baht '000	Breadtalk Group Limited Baht '000	Eutopia Private Holding Limited Baht '000	Total Baht '000
<b>Summarised financial information</b>				
Opening net assets				
1 January	2,420,611	3,715,101	1,573,427	7,709,139
Profit for the year	288,272	555,491	187,507	1,031,270
Other component of equity	8,493	(34,138)	-	(25,645)
Foreign exchange differences	-	(66,918)	(152,001)	(218,919)
Dividend paid	(377,614)	(268,050)	(175,091)	(820,755)
Closing net assets	2,339,762	3,901,486	1,433,842	7,675,090
Interest portion as a Group	35.7%	14.1%	50.0%	
Interest in associates	835,295	550,110	716,921	2,102,326
Goodwill	2,156,886	614,219	30,694	2,801,799
Carrying amount	2,992,181	1,164,329	747,615	4,904,125

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

b) Investments in associates (Cont'd)

Individually immaterial associates

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates that are accounted for using the equity method.

	2017 Baht '000
Aggregate carrying amount of individually immaterial associates	2,183,041
Aggregate amounts of the reporting entity's share of:	
Post-tax profit from continuing operations	347,328
Other comprehensive income	-
Total comprehensive income	347,328

c) Interests in joint ventures

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Opening net book amount	2,693,888,953	3,531,420,395	5,484,460	24,284,460
Additions	647,885,097	234,519,735	-	-
Disposal	(76,711,420)	-	-	-
Share of profit of interests in joint ventures	453,706,871	119,625,870	-	-
Dividends received	(20,881,970)	(19,141,400)	-	-
Change status to investment in subsidiaries (Note 35)	(56,831,444)	(1,169,488,352)	-	-
Share of other comprehensive loss of interest in joint venture	(109,757,940)	-	-	-
Impairment on investment in joint ventures	-	(3,047,295)	-	(18,800,000)
Reclassification	11,551,167	-	-	-
Translation adjustment	(424,535)	-	-	-
At 31 December	3,542,424,779	2,693,888,953	5,484,460	5,484,460

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

c) Interests in joint ventures (Cont'd)

The jointly controlled entities are:

Consolidated financial statements				
Company	Nature of business	Country of incorporation	Interests portion as a Group (%)	
			31 December 2017	31 December 2016
Maikhao Vacation Villas Limited	Under liquidation process	Thailand	50	50
Mysale.co.th Limited	Distribution	Thailand	50.1	50.1
Harbour Residences Oaks Ltd.	Providing services for accommodation	New Zealand	50	50
Per Aquum Management JLT	Hotel management	The United Arab Emirates	-	50
Per Aquum Maldives Private Limited	Hotel management	The Republic of the Maldives	-	50
PH Resorts (Private) Ltd.	Hotel operation	Sri Lanka	49.9	49.9
MHG Deep Blue Financing	Management	Republic of Mauritius	50	50
O Plus E Holdings Private Limited	Holding company	The Republic of the Maldives	50	50
Pecan Deluxe (Thailand) Co. Ltd.	Manufacturing food ingredients	Thailand	49.9	49.9
The Food Theory Group Pte. Ltd.	Sales of food and beverage	Singapore	50	50
Liwa Minor Food & Beverage LLC	Sales of food and beverage	The United Arab Emirates	49	49
Rani Minor Holding II Limited	Holding company	The United Arab Emirates	49	49
MSC Thai Cuisine Co., Ltd.	Food academy	Thailand	43.8	40
BTM (Thailand) Ltd.	Sales of food and beverage	Thailand	50	50
MHG Npark Development Company Limited	Sales of property	Thailand	50	50
MHG Signity Assets Holding (Mauritius) Limited	Holding company	Republic of Mauritius	50	50

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

c) Interests in joint ventures (Cont'd)

The jointly controlled entities are:

Consolidated financial statements				
Company	Nature of business	Country of incorporation	Interests portion as a Group (%)	
			31 December 2017	31 December 2016
Patara Fine Thai Cuisine Limited	Sales of food and beverage	The United Kingdom	50	50
PT Wika Realty Minor Development	Hotel operation	Republic of Indonesia	50	50
MHG GP Pte. Ltd.	Holding company	Singapore	50	50
2015 CM Investors Corporation	Holding company	Cayman Islands	50	50
Avadina Hills Limited	Sales of property	Thailand	50	-
Layan Hill Residence Limited	Sales of property	Thailand	50	-
Layan Bang Tao Development Limited	Sales of property	Thailand	50	-
Plexus Maldives Private Limited	Hotel operation	The Republic of Maldives	50	-
Cardamom Tented Camp Co.,Ltd.	Hotel operation	The Kingdom of Cambodia	35	-
H&A Park Limited	Hotel operation	Thailand	50	-

Separate financial statements				
Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2017	31 December 2016
Maikhao Vacation Villas Limited	Under liquidation process	Thailand	50	50



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

c) Interests in joint ventures (Cont'd)

Significant changes in interests in joint ventures for the year ended 31 December 2017 comprise:

**MSC Thai Cuisine Co., Ltd.**

During the first quarter of 2017, a subsidiary of the Group additionally invested in MSC Thai Cuisine Co., Ltd. of 0.15 million shares with a par value of Baht 100, totalling Baht 15 million. The investment portion has changed from 40.0% to 43.8%.

**Per Aquum Management DMCC and Per Aquum Maldives Private Limited**

In the first quarter of 2017, a subsidiary of the Group has disposed its investments in Per Aquum Management DMCC and Per Aquum Maldives Private Limited at carrying value of Baht 77 million. There was no gain or loss from this transaction.

**BTM (Thailand) Ltd.**

During the second quarter of 2017, a subsidiary of the Group additionally invested in BTM (Thailand) Ltd. of 0.25 million shares with a par value of Baht 100, totalling Baht 25 million. The investment portion has still been 50% interest.

## 13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

### c) Interests in joint ventures (Cont'd)

Significant changes in interests in joint ventures for the year ended 31 December 2017 comprise: (Cont'd)

#### **Avadina Hills Limited**

During the second quarter of 2017, the subsidiary of the Group invested in Avadina Hills Limited of 25,000 shares with a par value of Baht 1,000, totalling Baht 25 million, representing 50% interest.

The fair value at 50 % interest of identified assets acquired and liabilities assumed from this acquisition was a result of the fair value of assets amounting to Baht 762 million, netted off with the fair value of liabilities amounting to Baht 434 million. Such fair value of net assets under interest acquired is therefore estimated at approximately Baht 329 million, which, when compared with the investment consideration, resulted in the excess of Baht 304 million of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment. At 31 December 2017, the Group completed the measurement of fair value of identifiable assets acquired and liabilities assumed from the acquisition already. In consideration of fair value of assets, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.

#### **Patara Fine Thai Cuisine Limited**

During the quarters of 2017, a subsidiary of the Group additionally invested in Patara Fine Thai Cuisine Limited of 3.9 million shares with a par value of GBP 1, totalling GBP 3.9 million or equivalent to Baht 169 million. The investment portion has still been 50% interest.

#### **Layan Hill Residence Limited**

During the third quarter of 2017, the subsidiaries of the Group invested in Layan Hill Residence Limited, a newly established company, of 0.25 million shares with a par value of Baht 100, totalling Baht 25 million, representing 50% interest.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

c) Interests in joint ventures (Cont'd)

Significant changes in interests in joint ventures for the year ended 31 December 2017 comprise: (Cont'd)

**Layan Bang Tao Development Limited**

During the third quarter of 2017, the subsidiaries of the Group invested in Layan Bang Tao Development Limited, a newly established company, of 0.25 million shares with a par value of Baht 100, totalling Baht 25 million, representing 50% interest.

**Plexus Maldives Private Limited**

During the third quarter of 2017, a subsidiary of the Group invested in Plexus Maldives Private Limited, of 0.24 million shares with a par value of MVR 100, totalling MVR 23.6 million or equivalent to Baht 51 million, representing 50% interest.

**H&A Park Co., Ltd.**

During the fourth quarter of 2017, a subsidiary of the Group invested in H&A Park Co., Ltd. of 2 million shares, totalling Baht 292 million, representing 50% interest.

Details of the investment were as follows:

	Baht'000
Purchase price considerations	291,956
Book value of net assets under interest acquired	253,464
Excess of acquisition cost over net assets acquired	38,492

The Group is in process of appraising the fair value of net assets acquired and liabilities assumed of the following company on the date of acquisition. The difference between acquisition costs and net fair value will be presented as goodwill or bargain gain on acquisition upon the completion of the appraisal.

**Commitments and contingent liabilities in respect of joint ventures**

The Group has no commitments and contingent liabilities relating to its joint ventures.

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

c) Interests in joint ventures (Cont'd)

Summarised financial information for joint ventures

Set out below are the summarised financial information of joint ventures as at 31 December 2017, which in the opinion of the management, are material to the Group. They have amended the reflect adjustments made by the Group when using equity method, including modifications for difference in accounting policy.

All joint ventures are private companies and there is no quoted market price available for their shares.

Summarised statement of financial position

	As at 31 December 2017			
	2015 CM			
	Investors	PH Resorts	Avadina Hills	Total
	Corporation	(Private) Ltd.	Co., Ltd	
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Current assets</b>				
Cash and cash equivalents	-	9,929	20	9,949
Other current				
assets (excluding cash)	1,711,695	56,929	162,618	1,931,242
<b>Total current assets</b>	<b>1,711,695</b>	<b>66,858</b>	<b>162,638</b>	<b>1,941,191</b>
<b>Non-current assets</b>	<b>-</b>	<b>1,371,864</b>	<b>1,574,393</b>	<b>2,946,257</b>
<b>Total assets</b>	<b>1,711,695</b>	<b>1,438,722</b>	<b>1,737,031</b>	<b>4,887,448</b>
<b>Current liabilities</b>				
Other current				
liabilities (including trade				
payables)	31,014	132,791	43,934	207,739
<b>Total current liabilities</b>	<b>31,014</b>	<b>132,791</b>	<b>43,934</b>	<b>207,739</b>
<b>Non-current liabilities</b>				
Financial liabilities				
(excluding trade payables)	-	731,867	759,000	1,490,867
Other liabilities	-	6,334	210,969	217,302
<b>Total non-current</b>				
<b>liabilities</b>	<b>-</b>	<b>738,201</b>	<b>969,969</b>	<b>1,708,169</b>
<b>Total liabilities</b>	<b>31,014</b>	<b>870,992</b>	<b>1,013,903</b>	<b>1,915,908</b>
<b>Net assets</b>	<b>1,680,681</b>	<b>567,730</b>	<b>723,128</b>	<b>2,971,540</b>

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

c) Interests in joint ventures (Cont'd)

Summarised statement of comprehensive income

	For the year ended 31 December 2017			
	2015 CM			
	Investors	PH Resorts	Avadina Hills	Total
	Corporation	(Private) Ltd.	Co., Ltd	
	Baht '000	Baht '000	Baht '000	Baht '000
Revenue	73,409	330,145	494	404,048
Depreciation and amortisation	-	67,693	-	67,693
Interest expense	-	30,291	1,957	32,248
Profit or loss from continuing operations	73,409	(40,337)	163,067	196,139
Income tax expense	-	25,310	4,075	29,385
Post-tax profit or loss from continuing operations	73,409	(65,647)	158,992	166,754
Other comprehensive income	(219,516)	-	-	(219,516)
Total comprehensive income	(146,107)	(65,647)	158,992	(52,762)
Dividends received from joint ventures	-	-	-	-
Sale transactions to related party	-	-	(94,421)	(94,421)
	(146,107)	(65,647)	64,571	(147,183)

The information above reflects the amounts presented in the financial statements of the joint venture adjusted for differences in accounting policies between the Group and the joint ventures.



13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

c) Interests in joint ventures (Cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interests in joint ventures

	For the year ended 31 December 2017			
	2015 CM			
	Investors	PH Resorts	Avadina Hills	Total
	Corporation	(Private) Ltd.	Co., Ltd	
	Baht '000	Baht '000	Baht '000	Baht '000
Opening net assets				
1 January	2,013,426	709,367	-	2,722,793
Acquisition of joint ventures	-	-	658,557	658,557
Profit (loss) for the year	73,409	(65,647)	64,571	72,333
Other component				
of equity	(219,516)	-	-	(219,516)
Foreign exchange				
difference	(186,638)	(75,990)	-	(262,628)
Closing net assets	1,680,681	567,730	723,128	2,971,539
Interests in joint venture	50%	50%	50%	
Carrying amount	840,341	283,865	361,564	1,485,770
Goodwill	93,801	69,901	-	163,702
Carrying amount, net	934,142	353,766	361,564	1,649,472

13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

c) Interests in joint ventures (Cont'd)

Individually immaterial joint ventures

In addition to the interests in joint ventures disclosed above, the Group also has interests in a number of individually immaterial joint ventures that are accounted for using the equity method.

	2017 Baht '000
Aggregate carrying amount of individually immaterial associates	1,892,953
Aggregate amounts of the reporting entity's share of:	
Post-tax profit from continuing operations	417,540
Other comprehensive income	-
Total comprehensive income	<u>417,540</u>

## 14 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

The Company is the ultimate parent company.

The Minor Food Group Public Company Limited ("MFG") and Minor Corporation Public Company Limited ("MINOR") are subsidiaries. Therefore, the companies under MFG and MINOR are considered as related parties of the Group.

The following transactions were carried out with related parties:

### 14.1 Sales of goods and services

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Sales of food and beverage</b>				
Associates	207,392,440	188,824,192	-	-
Joint ventures	13,918,109	12,205,154	-	-
Total sales of food and beverage	221,310,549	201,029,346	-	-
<b>Sales of residence</b>				
Related parties	-	205,471,602	-	-
Total sales of residence	-	205,471,602	-	-
<b>Rental income</b>				
Subsidiaries	-	-	38,809,366	38,861,796
Associates	6,123,715	2,936,673	-	-
Joint ventures	7,571,728	5,692,975	-	-
Related parties	-	77,510	-	-
Total rental income	13,695,443	8,707,158	38,809,366	38,861,796

14 Related party transactions (Cont'd)

14.1 Sales of goods and services (Cont'd)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Management fee income</b>				
Subsidiaries	-	-	41,185,519	257,291,757
Associates	282,275,102	263,921,821	-	2,826,686
Joint ventures	107,120,480	106,547,890	7,000,000	1,880,460
Related parties	2,168,314	4,383,111	-	-
Total management fee income	391,563,896	374,852,822	48,185,519	261,998,903
<b>Dividends income</b>				
Subsidiaries	-	-	1,429,390,358	1,599,889,778
Associates	-	-	134,816,697	174,641,060
Total dividends income	-	-	1,564,207,055	1,774,530,838
<b>Interest income</b>				
Subsidiaries	-	-	1,881,809,541	1,425,200,058
Associates	48,269,183	38,376,150	-	-
Joint ventures	81,340,705	62,417,096	2,714,425	-
Total interest income	129,609,888	100,793,246	1,884,523,966	1,425,200,058
<b>Other income</b>				
Subsidiaries	-	-	7,085,160	5,843,160
Associates	6,867,902	77,355	-	-
Joint ventures	70,479	7,684,659	-	-
Related parties	-	650	-	-
Total other income	6,938,381	7,762,664	7,085,160	5,843,160

14 Related party transactions (Cont'd)

14.2 Purchase of goods and services

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Purchases</b>				
Associates	111,117,278	77,095,951	-	-
Joint ventures	86,330,293	73,924,975	-	-
Related parties	212,811,500	356,286,094	-	-
Total purchases	410,259,071	507,307,020	-	-
<b>Rental expenses</b>				
Subsidiaries	-	-	45,740,614	60,461,655
Related parties	27,198,166	24,831,579	-	-
Total rental expenses	27,198,166	24,831,579	45,740,614	60,461,655
<b>Management fee expenses</b>				
Subsidiaries	-	-	71,293,934	70,278,953
Total management fee expenses	-	-	71,293,934	70,278,953
<b>Royalty fee expenses</b>				
Subsidiaries	-	-	4,509,843	1,488,045
Total royalty fee expenses	-	-	4,509,843	1,488,045
<b>Interest expenses</b>				
Subsidiaries	-	-	36,061,030	31,112,845
Total interest expenses	-	-	36,061,030	31,112,845
<b>Other expenses</b>				
Subsidiaries	-	-	9,339,347	2,540,321
Joint ventures	-	643,988	-	-
Related parties	16,602,067	22,266,779	10,082,412	13,253,396
Total other expenses	16,602,067	22,910,767	19,421,759	15,793,717



## 14 Related party transactions (Cont'd)

### 14.2 Purchase of goods and services (Cont'd)

#### Management remuneration

Management benefit expenses of the Group and the Company for the year ended 31 December 2017 Baht 235 million and Baht 105 million, respectively (2016: Baht 210 million and Baht 94 million, respectively). Management remuneration comprised short-term benefits such as salaries, bonus and other allowances.

### 14.3 Outstanding balances arising from sales/purchases of goods/services

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Receivables from:</b>				
Subsidiaries	-	-	1,047,531,595	842,839,031
Associates	365,836,066	328,669,159	3,947,298	4,754,996
Joint ventures	351,224,247	257,805,330	4,353,855	7,632,231
Related parties	10,300,420	3,059,509	21,422	6,308
Total receivables from related parties (Note 8)	727,360,733	589,533,998	1,055,854,170	855,232,566
<b>Payables to:</b>				
Subsidiaries	-	-	35,350,889	40,848,843
Associates	16,070,707	12,814,841	3,162	3,162
Joint ventures	9,886,874	14,099,483	-	-
Related parties	142,253,979	109,216,429	669,766	1,803,646
Total payables to related parties (Note 22)	168,211,560	136,130,753	36,023,817	42,655,651

14 Related party transactions (Cont'd)

14.4 Long-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Long-term loans to related parties:				
Subsidiaries	-	-	55,516,550,059	39,243,653,377
Associates	1,163,188,910	1,239,465,885	-	-
Joint ventures	5,011,194,406	4,499,167,813	414,932,988	-
Total long-term loans to related parties	6,174,383,316	5,738,633,698	55,931,483,047	39,243,653,377

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Subsidiaries				
At 1 January	-	-	39,243,653,377	34,221,547,173
Additions	-	-	16,990,842,257	5,034,712,049
Unrealised loss on exchange rate	-	-	(717,945,575)	(12,605,845)
At 31 December	-	-	55,516,550,059	39,243,653,377

14 Related party transactions (Cont'd)

14.4 Long-term loans to related parties (Cont'd)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Associates</b>				
At 1 January	1,239,465,885	1,067,877,483	-	-
Additions	105,215,309	226,216,067	-	-
Reclassification	-	32,732,120	-	-
Settlement	(86,693,021)	(76,106,979)	-	-
Translation adjustment	(94,799,263)	(11,252,806)	-	-
At 31 December	1,163,188,910	1,239,465,885	-	-
<b>Joint ventures</b>				
At 1 January	4,499,167,813	4,085,082,938	-	-
Additions	1,114,113,703	685,567,551	417,626,868	-
Settlement	(235,090,357)	(244,197,148)	-	-
Unrealised loss on exchange rate	-	-	(2,693,880)	-
Translation adjustment	(366,996,753)	(27,285,528)	-	-
At 31 December	5,011,194,406	4,499,167,813	414,932,988	-

Long-term loans to related parties are unsecured and denominated in Thai Baht and foreign currency. The loans carry interest rate at the market interest with reference to the interest rate quoted by commercial banks. The loans are due for repayment at call but the Group will not call the loans for settlement within the next 12 months.

Treasury Center

The Company, as a Treasury Center in accordance with the Notification of the Ministry of Finance, provides an array of financial management services to the Group, including the provision of loan facilities to promote the Group liquidity, and acting as a financial facilitator on behalf of the Group, in Thailand and overseas. In 2017, the provision of loan facilities of the Treasury Center to the overseas entities in the Group is Baht 202 million or equivalent to USD 6.2 million. The accumulated loan facilities from 2016 to 2017 is Baht 1,078 million or equivalent to USD 30.6 million.

The Company has no use of any financial derivative or financial instruments on such loans.

14 Related party transactions (Cont'd)

14.5 Borrowings from related parties

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Short-term borrowings from related parties</b>				
Subsidiaries	-	-	1,707,306,993	2,317,923,667
Total short-term borrowing from related parties (Note 21)	-	-	1,707,306,993	2,317,923,667

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Subsidiaries</b>				
At 1 January	-	-	2,317,923,667	1,542,893,032
Additions	-	-	-	757,099,801
Settlements	-	-	(548,078,729)	-
Unrealised (gain) loss on exchange rate	-	-	(62,537,945)	17,930,834
At 31 December	-	-	1,707,306,993	2,317,923,667

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Associates</b>				
At 1 January	-	18,795,000	-	-
Settlements	-	(18,795,000)	-	-
At 31 December	-	-	-	-

Short-term borrowings from subsidiaries are unsecured and denominated in Thai Baht. They are due at call and carry interest rate at the market interest with reference to the interest rate quoted by commercial banks.

15 Land and projects under development

	Consolidated financial statements	
	2017 Baht	2016 Baht
Opening net book amount	-	-
Additions:		
Construction and other related costs	104,444,220	-
Borrowing costs	-	-
Total land and projects under development	104,444,220	-

	Consolidated financial statements Baht Million
Commitments in respect of construction contracts and purchases of assets as at 31 December 2017	214
Commitments in respect of construction contracts and purchases of assets as at 31 December 2016	-



16 Investment properties

	Consolidated financial statements		
	Land and land	Buildings	Total
	improvement	and building improvement	
Baht	Baht	Baht	
<b>At 1 January 2016</b>			
Cost	57,227,186	1,656,447,558	1,713,674,744
<u>Less</u> Accumulated depreciation	(1,038,536)	(1,083,454,778)	(1,084,493,314)
Net book amount	56,188,650	572,992,780	629,181,430
Fair value			746,137,271
<b>For the year ended 31 December 2016</b>			
Opening net book amount	56,188,650	572,992,780	629,181,430
Additions	-	8,668,361	8,668,361
Disposals, net	-	(77,078)	(77,078)
Transfer to other account	-	(793,038)	(793,038)
Transfer from property, plant and equipment (Note 17)	-	350,826,230	350,826,230
Depreciation charge	(116,798)	(64,653,487)	(64,770,285)
Closing net book amount	56,071,852	866,963,768	923,035,620
<b>As at 31 December 2016</b>			
Cost	57,227,186	2,014,049,949	2,071,277,135
<u>Less</u> Accumulated depreciation	(1,155,334)	(1,147,086,181)	(1,148,241,515)
Net book amount	56,071,852	866,963,768	923,035,620
Fair value			1,426,901,000

16 Investment properties (Cont'd)

	Consolidated financial statements		
	Land and land	Buildings	Total
	improvement	and building	
Baht	improvement	and building	Baht
	Baht	Baht	Baht
<b>For the year ended 31 December 2017</b>			
Opening net book amount	56,071,852	866,963,768	923,035,620
Additions	-	33,982,935	33,982,935
Disposals, net	-	(60,760)	(60,760)
Transfer from property, plant and equipment (Note 17)	-	339,116,249	339,116,249
Depreciation charge	(96,518)	(106,264,498)	(106,361,016)
Closing net book amount	55,975,334	1,133,737,694	1,189,713,028
<b>As at 31 December 2017</b>			
Cost	57,227,186	2,392,365,978	2,449,593,164
<u>Less</u> Accumulated depreciation	(1,251,852)	(1,258,628,284)	(1,259,880,136)
Net book amount	55,975,334	1,133,737,694	1,189,713,028
Fair value			1,453,063,409

## 16 Investment properties (Cont'd)

The fair values are measured by independent professionally qualified valuers who hold a recognised relevant professional qualification and has recent experience in the locations and categories of the investment properties valued.

The Group applies the Income Approach and the Market Approach in calculating fair values of investment properties. The fair value is within Level 3 of the fair value hierarchy.

### Fair value measurements using significant unobservable inputs (Level 3)

The Group disclosed the balance of investment property which is reclassified as Level 3. The Group engaged external valuer for revaluation periodically according to the Group's policy.

There were no other changes in valuation techniques during the year.

### Group's valuation processes

Finance and accounting department engages an independent valuer to perform the valuations of assets required for financial reporting purposes, including Level 3 fair values. This team reports directly to Chief Financial Officer. Discussions of valuation processes and results are held between the finance department and the CFO at least once every year, in line with the Group's annually reporting dates.

The main Level 3 input used by the Group pertains to the discount rate for investment property. It is estimated based on discounted cash flow projections which reflects rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects any cash outflows that could be expected in respect of the property. The discount rate is estimated based on a yield rate, considering capital structure and cost of fund of the company that are, in the opinion of the management, considered appropriate, including the appropriate risk premium and reflects current market assessments of the time value of money and risk adjusted which mainly are at the rates of 12% per annum.

Amount recognised in the income statement which relates to investment property is as follows:

	2017 Baht	2016 Baht
Rental income	345,183,360	363,716,284
Direct operating expense arised from investment property that generated rental income	106,361,016	64,770,285

17 Property, plant and equipment

Consolidated financial statements - Baht								
	Land and land improvement	Buildings and fitting equipment	Building and leasehold improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
<b>At 1 January 2016</b>								
Cost	5,582,007,336	22,144,699,419	8,856,130,706	13,110,265,944	345,490,441	1,700,280,094	4,076,497,346	55,815,371,286
<u>Less</u> Accumulated depreciation	(267,285,180)	(7,071,179,918)	(3,900,354,368)	(8,438,643,310)	(233,813,580)	(803,206,341)	-	(20,714,482,697)
<u>Less</u> Provision for impairment	-	-	(62,504,198)	(21,206,195)	-	(3,340,997)	-	(87,051,390)
Net book amount	5,314,722,156	15,073,519,501	4,893,272,140	4,650,416,439	111,676,861	893,732,756	4,076,497,346	35,013,837,199
<b>For the year ended 31 December 2016</b>								
Opening net book amount	5,314,722,156	15,073,519,501	4,893,272,140	4,650,416,439	111,676,861	893,732,756	4,076,497,346	35,013,837,199
Additions	148,503,437	382,302,570	400,437,460	946,999,424	53,044,304	343,121,810	2,574,648,612	4,849,057,617
Acquisition from investment in subsidiaries, net	4,200,766,060	4,433,831,143	57,542,454	227,751,975	9,410,654	107,294,755	7,717,293	9,044,314,334
Disposals, net	(5,950,330)	(101,817,658)	(25,273,619)	(79,067,510)	(5,120,776)	(26,856,748)	(63,737,825)	(307,824,466)
Write-offs, net	(208,087)	(2,997,166)	(82,907,077)	(20,750,068)	(5,205,198)	(2,981,787)	(310,845)	(115,360,228)
Reclassification	27,526,539	1,490,663,235	1,160,126,737	1,368,050,793	4,585,397	108,381,382	(4,159,334,083)	-
Transfer to investment properties (Note 16)	-	-	-	-	-	-	(350,826,230)	(350,826,230)
Transfer to assets held for sales	(18,698,685)	(67,243,482)	-	-	-	-	-	(85,942,167)
Transfer from (to) other accounts	1,104,452,022	3,319,626,206	62,355,226	31,880,852	-	(361,920)	(46,483,702)	4,471,468,684
Depreciation charge	(20,174,660)	(1,020,994,914)	(896,158,411)	(1,211,456,671)	(35,759,160)	(155,177,102)	-	(3,339,720,918)
Impairment (charge) reversal	-	(75,580,317)	29,820,173	10,477,503	-	1,844,142	-	(33,438,499)
Translation adjustment	(215,082,738)	(194,176,954)	(51,789,561)	25,997,587	(21,307)	(5,904,954)	(5,694,800)	(446,672,727)
Closing net book amount	10,535,855,714	23,237,132,164	5,547,425,522	5,950,300,324	132,610,775	1,263,092,334	2,032,475,766	48,698,892,599
<b>At 31 December 2016</b>								
Cost	10,852,923,869	33,540,411,509	10,025,356,051	15,470,878,258	378,474,223	3,688,137,883	2,032,475,766	75,988,657,559
<u>Less</u> Accumulated depreciation	(317,068,155)	(10,227,699,028)	(4,446,139,394)	(9,509,886,858)	(245,863,448)	(2,423,592,853)	-	(27,170,249,736)
<u>Less</u> Provision for impairment	-	(75,580,317)	(31,791,135)	(10,691,076)	-	(1,452,696)	-	(119,515,224)
Net book amount	10,535,855,714	23,237,132,164	5,547,425,522	5,950,300,324	132,610,775	1,263,092,334	2,032,475,766	48,698,892,599

17 Property, plant and equipment (Cont'd)

Consolidated financial statements - Baht								
	Land and land improvement	Buildings and fitting equipment	Building and leasehold improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
<b>For the year ended 31 December 2017</b>								
Opening net book amount	10,535,855,714	23,237,132,164	5,547,425,522	5,950,300,324	132,610,775	1,263,092,334	2,032,475,766	48,698,892,599
Additions	472,883,994	881,763,911	383,454,844	803,810,317	25,756,677	948,159,499	3,017,674,432	6,533,503,674
Acquisition from investment in subsidiaries, net (Note 35)	-	740,974,866	-	150,721,246	-	7,385,777	-	899,081,889
Adjustment of fair value of assets from investment in subsidiary	-	26,438,700	-	-	-	-	-	26,438,700
Disposals, net	(8,108,850)	(1,266)	(19,563,765)	(12,310,723)	(738,092)	(38,554,622)	(24,702,068)	(103,979,386)
Write-offs, net	(2,763,649)	(65,745,248)	(87,976,208)	(20,531,255)	(2,005,850)	(10,100,868)	(6,992,797)	(196,115,875)
Reclassification	56,350,400	173,305,186	844,862,188	792,451,371	7,707,420	74,690,232	(1,949,366,797)	-
Transfer to investment properties (Note 16)	-	-	-	(337,763,374)	-	-	(1,352,875)	(339,116,249)
Transfer from (to) other accounts	-	-	(1,789,306)	33,795,027	-	(311,661)	(93,516,358)	(61,822,298)
Depreciation charge	(22,388,565)	(1,093,120,984)	(965,550,704)	(1,249,732,953)	(39,596,072)	(263,268,588)	-	(3,633,657,866)
Impairment reversal	-	-	19,340,693	5,243,246	-	1,452,696	-	26,036,635
Translation adjustment	(29,853,800)	(246,637,756)	(73,531,653)	(36,186,100)	(1,834,067)	(3,977,113)	(185,377,145)	(577,397,634)
Closing net book amount	11,001,975,244	23,654,109,573	5,646,671,611	6,079,797,126	121,900,791	1,978,567,686	2,788,842,158	51,271,864,189
<b>At 31 December 2017</b>								
Cost	11,359,826,278	34,907,071,203	10,539,017,005	16,488,821,841	395,343,726	4,722,161,896	2,788,842,158	81,201,084,107
<u>Less</u> Accumulated depreciation	(357,851,034)	(11,178,718,878)	(4,872,250,205)	(10,403,830,169)	(273,442,935)	(2,743,594,210)	-	(29,829,687,431)
<u>Less</u> Provision for impairment	-	(74,242,752)	(20,095,189)	(5,194,546)	-	-	-	(99,532,487)
Net book amount	11,001,975,244	23,654,109,573	5,646,671,611	6,079,797,126	121,900,791	1,978,567,686	2,788,842,158	51,271,864,189

Depreciation expense of Baht 2,236 million (2016: Baht 2,134 million) has been charged in cost of sales and services, Baht 1,211 million (2016: Baht 1,147 million) in selling expenses and Baht 186 million (2016: Baht 58 million) in administrative expenses.



17 Property, plant and equipment (Cont'd)

	Separate financial statements - Baht							Total
	Land and land improvement	Buildings	Building improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	
<b>At 1 January 2016</b>								
Cost	10,011,983	606,798,444	126,537,592	551,273,075	32,441,513	16,680,870	4,134,528	1,347,878,005
<u>Less</u> Accumulated depreciation	(415,235)	(525,996,245)	(85,829,871)	(444,732,524)	(31,184,571)	(12,707,342)	-	(1,100,865,788)
Net book amount	9,596,748	80,802,199	40,707,721	106,540,551	1,256,942	3,973,528	4,134,528	247,012,217
<b>For the year ended 31 December 2016</b>								
Opening net book amount	9,596,748	80,802,199	40,707,721	106,540,551	1,256,942	3,973,528	4,134,528	247,012,217
Additions	-	-	13,126,571	51,670,468	14,619,037	4,483,617	40,267,724	124,167,417
Disposals, net	-	-	-	(57,163)	(422,338)	-	(15,852,024)	(16,331,525)
Write-offs, net	-	-	-	(45)	(26,321)	-	-	(26,366)
Reclassification	-	-	3,119,061	1,595,962	-	25,915	(4,740,938)	-
Depreciation charge	(34,108)	(28,748,935)	(14,966,887)	(38,289,930)	(3,103,851)	(191,403)	-	(85,335,114)
Closing net book amount	9,562,640	52,053,264	41,986,466	121,459,843	12,323,469	8,291,657	23,809,290	269,486,629
<b>At 31 December 2016</b>								
Cost	10,011,983	606,798,444	142,783,224	596,576,490	20,579,369	21,190,403	23,809,290	1,421,749,203
<u>Less</u> Accumulated depreciation	(449,343)	(554,745,180)	(100,796,758)	(475,116,647)	(8,255,900)	(12,898,746)	-	(1,152,262,574)
Net book amount	9,562,640	52,053,264	41,986,466	121,459,843	12,323,469	8,291,657	23,809,290	269,486,629

17 Property, plant and equipment (Cont'd)

	Separate financial statements - Baht							Total
	Land and land improvement	Buildings	Building improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	
<b>For the year ended 31 December 2017</b>								
Opening net book amount	9,562,640	52,053,264	41,986,466	121,459,843	12,323,469	8,291,657	23,809,290	269,486,629
Additions	-	-	8,917,383	43,237,115	-	5,736,035	10,120,966	68,011,499
Disposals, net	-	(1,260)	-	(167,663)	-	(3,128)	(921,893)	(1,093,944)
Write-offs, net	-	(22)	-	(28,509)	-	-	-	(28,531)
Reclassification	-	-	10,183,411	9,603,753	-	3,132,652	(22,919,816)	-
Transfer to other account	-	-	-	-	-	-	(1,075,178)	(1,075,178)
Depreciation charge	(34,037)	(28,327,695)	(25,587,531)	(43,130,609)	(3,156,465)	(2,050,976)	-	(102,287,313)
Closing net book amount	9,528,603	23,724,287	35,499,729	130,973,930	9,167,004	15,106,240	9,013,369	233,013,162
<b>At 31 December 2017</b>								
Cost	10,011,983	593,789,452	161,884,018	623,619,687	20,579,369	28,261,935	9,013,369	1,447,159,813
Less: Accumulated depreciation	(483,380)	(570,065,165)	(126,384,289)	(492,645,757)	(11,412,365)	(13,155,695)	-	(1,214,146,651)
Net book amount	9,528,603	23,724,287	35,499,729	130,973,930	9,167,004	15,106,240	9,013,369	233,013,162

## 17 Property, plant and equipment (Cont'd)

Borrowing cost amounting to Baht 14 million is from loan for construction of building and has been recorded as part of cost of the asset and included in addition of assets. The Group applied capitalised interest rate of 4% per annum in calculation of borrowing cost to be included in cost of the assets.

Leased assets included above, where the Group and the Company is a lessee under a finance lease, comprise other equipment:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cost - capitalised finance leases	40,205,010	31,865,702	-	-
<u>Less</u> Accumulated depreciation	(14,301,098)	(7,102,567)	-	-
Net book amount	25,903,912	24,763,135	-	-

A subsidiary of the Group has mortgaged building amounting to AUD 100 million or equivalent to Baht 2,545 million (2016: AUD 101 million or equivalent to Baht 2,611 million) to secure loans with foreign banks (Note 21).

### Capital commitments

	Consolidated financial statements	
	Baht Million	AUD Million
Commitments in respect of building renovation contracts and purchases of equipment as at 31 December 2017	153	11
Commitments in respect of building renovation contracts and purchases of equipment as at 31 December 2016	157	15

18 Intangible assets

Consolidated financial statements (Baht)									
	Management letting rights	Intellectual property right	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Computer software under installation	Total
<b>At 1 January 2016</b>									
Cost	4,038,243,491	629,850,888	166,037,722	174,910,793	8,004,337,681	5,712,826,569	1,155,994,968	234,632,049	20,116,834,161
<u>Less</u> Accumulated amortisation	(601,294,633)	(72,662,426)	(162,697,663)	(125,870,080)	(391,808,040)	-	(738,136,214)	-	(2,092,469,056)
<u>Less</u> Provision for impairment	-	-	(12,445)	(1,855,372)	(128,983,077)	-	(21,111)	-	(130,872,005)
Net book amount	<u>3,436,948,858</u>	<u>557,188,462</u>	<u>3,327,614</u>	<u>47,185,341</u>	<u>7,483,546,564</u>	<u>5,712,826,569</u>	<u>417,837,643</u>	<u>234,632,049</u>	<u>17,893,493,100</u>
<b>For the year ended 31 December 2016</b>									
Opening net book amount	3,436,948,858	557,188,462	3,327,614	47,185,341	7,483,546,564	5,712,826,569	417,837,643	234,632,049	17,893,493,100
Additions	70,433,117	-	-	24,889,461	-	-	101,156,506	128,651,168	325,130,252
Acquisition from investment in subsidiaries	514,246,913	-	-	-	56,420,427	4,958,013	-	-	575,625,353
Disposals, net	-	-	-	-	-	-	(5,183,599)	(218,200)	(5,401,799)
Write-offs, net	-	-	-	-	-	-	(1,362,338)	-	(1,362,338)
Reclassification	-	-	-	-	-	-	56,412,280	(56,412,280)	-
Transfer from (to) other account	-	-	-	2,940,085	-	-	6,506,388	(5,590,753)	3,855,720
Amortisation charge	(104,866,343)	(23,499,764)	(215,861)	(9,710,798)	-	-	(137,891,445)	-	(276,184,211)
Impairment charge	(3,371,706)	-	-	-	(24,792,777)	(801)	(35,712)	-	(28,200,996)
Translation adjustment	(45,408,034)	(44,682,450)	(13,701)	790,554	134,275,532	(47,332,941)	(935,002)	(151,707)	(3,457,749)
Closing net book amount	<u>3,867,982,805</u>	<u>489,006,248</u>	<u>3,098,052</u>	<u>66,094,643</u>	<u>7,649,449,746</u>	<u>5,670,450,840</u>	<u>436,504,721</u>	<u>300,910,277</u>	<u>18,483,497,332</u>
<b>At 31 December 2016</b>									
Cost	4,569,301,642	585,168,438	166,037,722	199,800,254	8,195,033,639	5,670,451,641	1,281,041,800	300,910,277	20,967,745,413
<u>Less</u> Accumulated amortisation	(697,947,131)	(96,162,190)	(162,927,225)	(131,850,239)	(391,808,039)	-	(844,480,256)	-	(2,325,175,080)
<u>Less</u> Provision for impairment	(3,371,706)	-	(12,445)	(1,855,372)	(153,775,854)	(801)	(56,823)	-	(159,073,001)
Net book amount	<u>3,867,982,805</u>	<u>489,006,248</u>	<u>3,098,052</u>	<u>66,094,643</u>	<u>7,649,449,746</u>	<u>5,670,450,840</u>	<u>436,504,721</u>	<u>300,910,277</u>	<u>18,483,497,332</u>

18 Intangible assets (Cont'd)

Consolidated financial statements (Baht)									
	Management letting rights	Intellectual property right	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Computer software under installation	Total
<b>For the year ended 31 December 2017</b>									
Opening net book amount	3,867,982,805	489,006,248	3,098,052	66,094,643	7,649,449,746	5,670,450,840	436,504,721	300,910,277	18,483,497,332
Additions	172,738,030	5,885,368	-	23,204,447	-	-	177,754,521	82,241,295	461,823,661
Acquisition from investment in subsidiaries (Note 35)	51,878,125	2,713,347	-	-	1,395,817,468	-	2,091,756	-	1,452,500,696
Adjustment of fair value of assets									
from investment in subsidiary (Note 35)	-	-	-	-	(13,089,000)	-	-	-	(13,089,000)
Write-offs, net	-	(168,888)	-	(720,100)	-	(76,890,852)	(6,018,759)	-	(83,798,599)
Reclassification	-	18,332,909	-	-	-	(18,332,909)	154,473,912	(154,473,912)	-
Transfer from (to) other account	-	-	-	(2,800,301)	-	-	1,439,371	1,043,208	(317,722)
Amortisation charge	(106,809,626)	(1,383,394)	(98,621)	(8,931,993)	-	-	(162,425,865)	-	(279,649,499)
Impairment charge (reversal)	-	(1,086,727)	-	-	-	-	13,146	-	(1,073,581)
Translation adjustment	(78,107,251)	(10,879,310)	(106,240)	(614,090)	(255,332,139)	6,679,393	(16,599,570)	(111,924)	(355,071,131)
Closing net book amount	3,907,682,083	502,419,553	2,893,191	76,232,606	8,776,846,075	5,581,906,472	587,233,233	229,608,944	19,664,822,157
<b>At 31 December 2017</b>									
Cost	4,700,183,655	601,051,866	166,931,768	222,284,601	9,168,654,114	5,581,907,273	1,668,201,627	229,608,944	22,338,823,848
<u>Less</u> Accumulated amortisation	(789,189,537)	(97,545,586)	(164,038,577)	(144,196,623)	(391,808,039)	-	(1,080,924,718)	-	(2,667,703,080)
<u>Less</u> Provision for impairment	(3,312,035)	(1,086,727)	-	(1,855,372)	-	(801)	(43,676)	-	(6,298,611)
Net book amount	3,907,682,083	502,419,553	2,893,191	76,232,606	8,776,846,075	5,581,906,472	587,233,233	229,608,944	19,664,822,157

Amortisation of Baht 155 million (2016: Baht 134 million) has been charged in the cost of sales and services, Baht 41 million (2016: Baht 33 million) in selling expenses and Baht 83 million (2016: Baht 109 million) in administrative expenses.



18 Intangible assets (Cont'd)

	Separate financial statements (Baht)		
	Computer	Computer	Total
	software	software under installation	
<b>At 1 January 2016</b>			
Cost	46,083,044	20,902,523	66,985,567
<u>Less</u> Accumulated amortisation	(38,141,910)	-	(38,141,910)
Net book amount	7,941,134	20,902,523	28,843,657
<b>For the year ended 31 December 2016</b>			
Opening net book amount	7,941,134	20,902,523	28,843,657
Additions	2,597,802	15,709,408	18,307,210
Disposals, net	(4,642,693)	-	(4,642,693)
Reclassification	22,000	(22,000)	-
Amortisation charge	(2,314,121)	-	(2,314,121)
Closing net book amount	3,604,122	36,589,931	40,194,053
<b>At 31 December 2016</b>			
Cost	43,105,539	36,589,931	79,695,470
<u>Less</u> Accumulated amortisation	(39,501,417)	-	(39,501,417)
Net book amount	3,604,122	36,589,931	40,194,053
<b>For the year ended 31 December 2017</b>			
Opening net book amount	3,604,122	36,589,931	40,194,053
Additions	107,500	184,275	291,775
Disposals, net	(65,375)	(36,589,931)	(36,655,306)
Transfer from other account	430,000	599,838	1,029,838
Amortisation charge	(1,021,826)	-	(1,021,826)
Closing net book amount	3,054,421	784,113	3,838,534
<b>At 31 December 2017</b>			
Cost	43,404,029	784,113	44,188,142
<u>Less</u> Accumulated amortisation	(40,349,608)	-	(40,349,608)
Net book amount	3,054,421	784,113	3,838,534

A subsidiary of the Group has mortgaged management letting rights amounting to AUD 142 million or equivalent to Baht 3,614 million (2016: AUD 143 million or equivalent to Baht 3,711 million) to secure loans with foreign banks (Note 21).

18 Intangible assets (Cont'd)

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

A segment-level summary of the goodwill and brand allocation are presented below:

	Consolidated financial statements					
	31 December 2017			31 December 2016		
	Hotel & Spa Baht Million	Restaurant Baht Million	Total Baht Million	Hotel & Spa Baht Million	Restaurant Baht Million	Total Baht Million
Goodwill and excess of acquisition cost over net book value	3,875	4,902	8,777	2,667	4,838	7,505
Brand	264	5,318	5,582	274	5,339	5,613

18 Intangible assets (Cont'd)

The key assumptions used for value-in-use calculations are as follows:

	Hotel and Spa	Restaurant
Gross margin <sup>1</sup>	11% - 72%	26% - 77%
Growth rate <sup>2</sup>	3% - 34%	5% - 20%
Discount rate <sup>3</sup>	7% - 12%	8% - 9%

<sup>1</sup> Budgeted gross margin.

<sup>2</sup> Weighted average growth rate used to extrapolate cash flows beyond the budget period.

<sup>3</sup> Pre-tax discount rate applied to the cash flow projections.

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

If the estimated cost of capital used in determining the pre-tax discount rate applied to the discounted cash flows had been 1% higher than management's estimates, the Group would have recognised a further impairment against goodwill by Baht 142 million.

19 Prepaid rents

	Consolidated financial statements Baht	Separate financial statements Baht
<b>At 1 January 2016</b>		
Cost	4,148,524,641	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,184,089,775)</u>	<u>(16,821,647)</u>
Net book amount	<u>1,964,434,866</u>	<u>1,868,884</u>
<b>For the year ended 31 December 2016</b>		
Opening net book amount	1,964,434,866	1,868,884
Additions	117,766,905	-
Acquisition from investment in subsidiary	141,027,845	-
Write-offs, net	(4,386)	-
Transfer to other account	(61,668,586)	-
Amortisation charge	(169,054,035)	(623,017)
Translation adjustment	(7,802,284)	-
Closing net book amount	<u>1,984,700,325</u>	<u>1,245,867</u>
<b>At 31 December 2016</b>		
Cost	4,377,044,982	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,392,344,657)</u>	<u>(17,444,664)</u>
Net book amount	<u>1,984,700,325</u>	<u>1,245,867</u>
<b>For the year ended 31 December 2017</b>		
Opening net book amount	1,984,700,325	1,245,867
Additions	133,070,609	-
Write-offs, net	(989,676)	-
Transfer to other account	(1,733,573)	-
Amortisation charge	(110,477,173)	(623,018)
Translation adjustment	8,095,157	-
Closing net book amount	<u>2,012,665,669</u>	<u>622,849</u>
<b>At 31 December 2017</b>		
Cost	4,405,895,298	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,393,229,629)</u>	<u>(18,067,682)</u>
Net book amount	<u>2,012,665,669</u>	<u>622,849</u>

Amortisation of Baht 52 million (2016: Baht 55 million) has been charged in the cost of sales and services, Baht 49 million (2016: Baht 99 million) in selling expenses and Baht 9 million (2016: Baht 15 million) in administrative expenses.

20 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Loans to other companies	386,636,848	297,248	-	-
Deposits	1,164,204,279	1,074,646,272	11,120,351	10,811,854
Deferred charges	177,287,672	164,999,354	32,894,465	31,598,794
Others	64,771,211	143,278,527	-	-
<b>Total other non-current assets</b>	<b>1,792,900,010</b>	<b>1,383,221,401</b>	<b>44,014,816</b>	<b>42,410,648</b>

21 Borrowings

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Current</b>				
Bank overdrafts	44,599,342	93,585,822	-	-
Short-term borrowings from banks	1,509,933,903	1,029,951,700	1,000,962,153	430,000,000
Sub-total	1,554,533,245	1,123,537,522	1,000,962,153	430,000,000
Borrowing from related parties (Note 14)	-	-	1,707,306,993	2,317,923,667
Current portion of long-term borrowings				
Finance lease liabilities	7,474,588	8,442,935	-	-
Borrowing from financial institutions	1,757,932,380	2,389,121,022	653,618,000	-
Sub-total	1,765,406,968	2,397,563,957	653,618,000	-
Current portion of debentures	2,000,000,000	4,300,000,000	2,000,000,000	4,300,000,000
<b>Total current borrowings</b>	<b>5,319,940,213</b>	<b>7,821,101,479</b>	<b>5,361,887,146</b>	<b>7,047,923,667</b>
<b>Non-current</b>				
Finance lease liabilities	10,264,789	11,575,476	-	-
Borrowing from financial institutions	21,698,332,404	20,498,861,507	13,546,109,566	3,818,902,500
Debentures	23,134,045,000	21,500,000,000	23,134,045,000	21,500,000,000
<b>Total non-current borrowings</b>	<b>44,842,642,193</b>	<b>42,010,436,983</b>	<b>36,680,154,566</b>	<b>25,318,902,500</b>
<b>Total borrowings</b>	<b>50,162,582,406</b>	<b>49,831,538,462</b>	<b>42,042,041,712</b>	<b>32,366,826,167</b>



## 21 Borrowings (Cont'd)

The movement in long-term borrowings from financial institutions can be analysed as below:

	Consolidated financial statements Baht	Separate financial statements Baht
<b>For the year ended 31 December 2017</b>		
Opening amount	22,887,982,529	3,818,902,500
Additions	11,974,838,170	11,063,764,370
Repayments	(10,608,030,668)	(148,356,180)
Amortisation of underwriting fees	7,486,760	-
Unrealised gain on exchange rate	(574,807,277)	(534,583,124)
Translation adjustment	(231,204,730)	-
Closing amount	<u>23,456,264,784</u>	<u>14,199,727,566</u>

### Borrowings from financial institutions

As at 31 December 2017, significant long-term borrowings from financial institutions by the Group and the Company totalling Baht 23,456 million and Baht 14,199 million, respectively comprise:

- a) The Company has an unsecured loan from a bank of Baht 2,000 million. The loan carries fixed interest rate and is due for repayment in April 2020. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- b) The Company has an unsecured loan from a bank of AUD 36.8 million. The loan carries a variable interest rate of 6-month BBSY plus a margin and is due for repayment between 2018 and 2020.
- c) The Company has an unsecured loan from a bank of USD 20 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment in November 2018. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.

21 Borrowings (Cont'd)

**Borrowings from financial institutions (Cont'd)**

- d) The Company has an unsecured loan from a bank of USD 238 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment between 2019 and 2020. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- e) The Company has an unsecured loan from a bank of USD 50 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment in 2019.
- f) The Company has an unsecured loan from a bank of GBP 20 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment in 2019.
- g) The Company has an unsecured loan from a bank of SGD 12.95 million. The loan carries a variable interest rate of SOR plus a margin and is due for repayment in 2020.
- h) A subsidiary has a secured loan from a bank of AUD 104.5 million. The loan carries a variable interest rate of Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in August 2020. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- i) A subsidiary has secured loans from two banks of AUD 154 million. The loans carry interest rates of Australian Bank Bill Swap Reference Rate plus a margin and are due for repayment as follows:

Principal amounts (AUD Million)	Terms of repayment
117	In a limit of AUD 2 million per quarter for 5 years
37	In a limit of AUD 2 million per quarter for 3 years
154	

The loans are subject to certain conditions which the subsidiary has to comply with throughout the loan periods and use the subsidiary's building and management letting rights as collateral (Note 17 and Note 18).

## 21 Borrowings (Cont'd)

### Borrowings from financial institutions (Cont'd)

- j) A subsidiary has a secured loan from a bank of AUD 35 million. The loan carries a variable interest rate of 3-month Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment during 2018 to 2022. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- k) A subsidiary has a secured loan from a bank of AUD 20 million. The loan carries a variable interest rate of 30-day Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment during 2016 to 2018.
- l) A subsidiary has a secured loan from a bank of USD 25.6 million. The loan carries a variable interest rate of 3-month LIBOR plus a margin and is due for repayment during 2017 to 2020. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- m) A subsidiary has a secured loan from a bank of AUD 6.5 million. The loan carries a variable interest rate of 30-day Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in June 2020.
- n) A subsidiary has a secured loan from a bank of AUD 3.6 million. The loan carries a variable interest rate of 30-day Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in October 2018.
- o) A subsidiary has a secured loan from a bank of EUR 5.5 million. The loan carries a variable interest rate of 3-month Euribor plus a margin and is due for repayment during 2018 to 2022. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.

The carrying amounts of long-term bank borrowings as of 31 December 2017 approximate to their fair values.

## 21 Borrowings (Cont'd)

### Debentures

Debentures comprise:

Consolidated and Separate financial statements						
Issued date	Due date	Period (Years)	31 December	31 December	Interest rate	Condition
			2017 Baht Million	2016 Baht Million		
Dec 2010	Dec 2017	7	-	1,000	Fixed	Unsecured, senior and with a debenture holders' representative
Mar 2011	Mar 2018	7	1,500	1,500	Fixed	Unsecured, senior and with a debenture holders' representative
Oct 2011	Oct 2021	10	300	300	Fixed	Unsecured, senior and without a debenture holders' representative
Oct 2011	Oct 2018	7	500	500	Fixed	Unsecured, senior and without a debenture holders' representative
Aug 2012	Aug 2017	5	-	1,800	Fixed	Unsecured, senior and without a debenture holders' representative
Aug 2012	Aug 2022	10	2,700	2,700	Fixed	Unsecured, senior and without a debenture holders' representative
Dec 2012	Dec 2017	5	-	1,500	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2014	Mar 2019	5	4,500	4,500	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2020	5	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2025	10	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2021	5	2,800	2,800	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2031	15	1,200	1,200	Fixed	Unsecured, senior and without a debenture holders' representative
Jul 2017	Jul 2027	10	1,634	-	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2017	Sep 2024	7	1,000	-	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2017	Sep 2032	15	1,000	-	Fixed	Unsecured, senior and without a debenture holders' representative
Total debenture			25,134	25,800		

The movements in debentures can be analysed as below:

	Consolidated and Separate financial statements Baht
For the year ended 31 December 2017	
Opening amount	25,800,000,000
Additions	3,689,830,000
Repayments	(4,300,000,000)
Unrealised gain on exchange rate	(55,785,000)
Closing amount	25,134,045,000

## 21 Borrowings (Cont'd)

### Debentures (Cont'd)

All of the above debentures have certain terms and conditions of the debentures holders' rights and contain certain covenants, including the maintenance of a certain debt to equity ratio, and limits on the payment of cash dividends and the disposal and transfer of certain operating assets of the Company which are used in its main operations, etc.

At the Annual General Meeting of the shareholders of the Company held on 4 April 2017, the shareholders passed a resolution to approve the total outstanding principal amount of debentures (at par value) issued by the Company at any time of not exceeding Baht 45,000 million (Revolving Principal Basis).

As at 31 December 2017, a total amount of Baht 19,866 million debentures remains available for issuance under this shareholders' resolutions.

The carrying amounts and fair values of debentures of the Group as at 31 December are as follows:

	Carrying amounts		Fair value	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Debentures	25,134,045,000	25,800,000,000	26,033,836,967	26,491,691,292

The fair values are based on the discounted cash flows using discount rates based upon market yield rates which are quoted by the Thai Bond Market Association at date of statement of financial position. The fair values are within Level 2 of the fair value hierarchy.



## 21 Borrowings (Cont'd)

The interest rate exposure on the borrowings of the Group and the Company is as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht Million	Baht Million	Baht Million	Baht Million
Borrowings:				
- at fixed rates	27,685	21,000	27,205	23,318
- at floating rates	22,478	28,832	14,837	9,049
Total borrowings	50,163	49,832	42,042	32,367

The effective interest rates at the statement of financial position date were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	%	%	%	%
Bank borrowings	3.56	3.28	3.31	3.31
Debentures	3.33	3.34	3.33	3.34

The fair values are based on the discounted cash flows using a discount rate based upon the borrowing rate which the management expects would be available to the Group and the Company at the statement of financial position date. The fair values are within Level 2 of the fair value hierarchy. The carrying amounts of short-term borrowings and lease obligations approximate their fair values.

## 21 Borrowings (Cont'd)

Maturity of long-term borrowings can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Next year	1,757,932,380	2,389,121,022	653,618,000	-
Between 2 and 5 years	21,698,332,404	20,498,861,507	13,546,109,566	3,818,902,500
Total long-term borrowings	23,456,264,784	22,887,982,529	14,199,727,566	3,818,902,500

### Borrowing facilities

The Group and the Company have the following undrawn committed borrowing facilities:

	31 December 2017						
	Consolidated financial statements					Separate financial statements	
	USD	EUR	CNY	BRL	Baht	USD	Baht
	Million	Million	Million	Million	Million	Million	Million
Floating interest rate							
Short-term	328	15	74	5	6,445	328	6,445
Long-term	11	9	-	-	-	-	-
	339	24	74	5	6,445	328	6,445

	31 December 2016						
	Consolidated financial statements					Separate financial statements	
	USD	EUR	CNY	AUD	Baht	USD	Baht
	Million	Million	Million	Million	Million	Million	Million
Floating interest rate							
Short-term	352	15	59	41	6,310	332	6,310
Long-term	5	-	-	29	-	-	-
	357	15	59	70	6,310	332	6,310

22 Trade and other payables

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Trade payables - third parties	2,825,297,803	2,502,049,495	21,590,889	16,894,453
Trade payables - related parties (Note 14)	19,134,824	26,008,458	32,349,220	32,603,342
Amounts due to related parties (Note 14)	149,076,736	110,122,295	3,674,597	10,052,309
Accrued expenses	4,089,965,591	3,657,455,946	390,950,617	372,040,510
Account payable - contractors	47,817,236	116,364,787	384,280	-
Other payables	1,821,416,451	1,163,456,071	19,174,296	18,914,824
<b>Total trade and other payables</b>	<b>8,952,708,641</b>	<b>7,575,457,052</b>	<b>468,123,899</b>	<b>450,505,438</b>

23 Other current liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Booking deposits	617,924,209	551,298,784	15,552,910	11,898,764
Other tax payable	447,759,012	565,808,243	1,166,368	2,189,253
Others	813,273,440	856,628,254	37,369,359	54,581,216
<b>Total other current liabilities</b>	<b>1,878,956,661</b>	<b>1,973,735,281</b>	<b>54,088,637</b>	<b>68,669,233</b>

## 24 Employee benefits obligations

The amounts recognised in the statements of financial position are determined as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Retirement benefits	222,234,045	222,770,643	16,823,424	16,387,683

The plans are final salary retirement plans, which provide benefits to members in the form of a guaranteed level of pension payable. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The amounts recognised in the statements of financial position are determined as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Present value of unfunded obligation	222,234,045	222,770,643	16,823,424	16,387,683

The movement in the defined obligations during the year is as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
At 1 January	222,770,643	258,023,797	16,387,683	15,531,774
Acquisition from investment in subsidiaries	-	3,835,069	-	-
Current service cost	27,470,178	18,814,412	1,307,211	1,482,840
Interest expense	6,602,920	6,687,197	551,530	531,169
Payment from plans:				
benefit payment	(33,322,197)	(64,787,806)	(1,423,000)	(1,158,100)
Translation adjustment	(1,287,499)	197,974	-	-
At 31 December	222,234,045	222,770,643	16,823,424	16,387,683

## 24 Employee benefits obligations (Cont'd)

The amount recognised in the income statements is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current service cost	27,470,178	18,814,412	1,307,211	1,482,840
Interest cost	6,602,920	6,687,197	551,530	531,169
Total (included in staff costs)	34,073,098	25,501,609	1,858,741	2,014,009

Of the total charge, Baht 33 million (2016: Baht 25 million) were included in administrative expenses.

The defined benefit obligation are composed by country as follows:

	Consolidated financial statements									
	2017					2016				
	Thailand Baht	South Africa Baht	Australia Baht	Sri Lanka Baht	Total Baht	Thailand Baht	South Africa Baht	Australia Baht	Sri Lanka Baht	Total Baht
Present value of obligation										
Total	195,641,755	16,497,089	6,809,779	3,285,422	222,234,045	177,346,665	15,271,861	26,597,594	3,554,523	222,770,643

The principal actuarial assumptions used were as follows:

	Consolidated and Separate financial statements	
	2017	2016
Discount rate	3.5% - 3.75%	3.5% - 3.75%
Inflation rate	2%	2%
Salary growth rate	5% - 7%	5% - 7%



24 Employee benefits obligations (Cont'd)

Sensitivity analysis

	Consolidated and Separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2017	2016	2017	2016	2017	2016
Discount rate	1%	1%	Decrease by 8.3%	Decrease by 8.3%	Increase by 9.5%	Increase by 9.5%
Salary growth rate	1%	1%	Increase by 9.3%	Increase by 9.3%	Decrease by 8.3%	Decrease by 8.3%
Withdrawn rate	5%	5%	Decrease by 33.5%	Decrease by 33.5%	Increase by 41.5%	Increase by 41.5%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

	Hotel & Spa	Restaurant	Retail
The weighted average duration of the defined benefit obligation	7.5 years	11.4 years	8.2 years

24 Employee benefits obligations (Cont'd)

Sensitivity analysis (Cont'd)

Expected maturity analysis of undiscounted retirement plans:

	Consolidated financial statements				
	Less than a year Baht '000	Between 1-2 years Baht '000	Between 2-5 years Baht '000	Over 5 years Baht '000	Total Baht '000
At 31 December 2017					
Defined obligation	11,379	15,675	39,915	346,718	413,687
Total	11,379	15,675	39,915	346,718	413,687
At 31 December 2016					
Defined obligation	3,326	18,641	48,328	346,718	417,013
Total	3,326	18,641	48,328	346,718	417,013
	Separate financial statements				
	Less than a year Baht '000	Between 1-2 years Baht '000	Between 2-5 years Baht '000	Over 5 years Baht '000	Total Baht '000
At 31 December 2017					
Defined obligation	226	2,250	2,248	26,836	31,560
Total	226	2,250	2,248	26,836	31,560
At 31 December 2016					
Defined obligation	1,436	593	2,097	28,870	32,996
Total	1,436	593	2,097	28,870	32,996

25 Other non-current liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Deferred income	161,149,890	134,672,691	609,555	8,466
Rental deposits	113,879,621	139,427,633	640,500	610,500
Accrued land rental	71,617,488	46,584,117	-	-
Accrued decommissioning	165,867,839	132,450,419	-	-
Others	722,947,106	909,997,698	161,338,035	186,760,898
Total other non-current liabilities	1,235,461,944	1,363,132,558	162,588,090	187,379,864

26 Share capital and premium on share capital

	Consolidated financial statements			
	Number of ordinary shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2016	4,402,311,611	4,402,311,611	7,354,672,555	11,756,984,166
Issuance of shares	8,056,825	8,056,825	284,921,548	292,978,373
At 31 December 2016	4,410,368,436	4,410,368,436	7,639,594,103	12,049,962,539
Issuance of shares	208,545,855	208,545,855	7,375,015,614	7,583,561,469
At 31 December 2017	4,618,914,291	4,618,914,291	15,014,609,717	19,633,524,008

	Separate financial statements			
	Number of ordinary shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2016	4,402,311,611	4,402,311,611	7,329,020,179	11,731,331,790
Issuance of shares	8,056,825	8,056,825	284,921,548	292,978,373
At 31 December 2016	4,410,368,436	4,410,368,436	7,613,941,727	12,024,310,163
Issuance of shares (Note 27)	208,545,855	208,545,855	7,375,015,614	7,583,561,469
At 31 December 2017	4,618,914,291	4,618,914,291	14,988,957,341	19,607,871,632

As at 31 December 2017, the registered shares comprise 4,621,828,347 ordinary shares (2016: 4,621,828,347 ordinary shares) at a par value of Baht 1 each. The issued and fully paid-up shares comprise 4,618,914,291 ordinary shares (2016: 4,410,368,436 ordinary shares).

## 27 Warrants

The Group had issued warrants to subscribe for ordinary shares to existing shareholders of the Company, which have been approved by shareholders' meeting. The Group does not recognize the warrants in the financial statements.

Issued by	Allotted to	Approval date	Determined exercising date		As at 31	Decrease during the year							As at 31
					December								December
					2016								2017
			First exercise	Last exercise	Outstanding	Exercise	Exercise	Issue of	Exercise	Amount	Expired	Outstanding	
					warrant	Unit	ratio	ordinary	price	Baht'000	Unit	warrant	
					Unit	Unit	for	during	Baht			Unit	
							ordinary	the period					
							shares per	Share					
							1 warrant						
The Company	Former-shareholder (MINT-W5)	20 November 2014	25 February 2015	3 November 2017	192,187,384	(189,587,525)	1.1	(208,545,855)	36.36	7,583,561	(2,599,859)	-	
	Total issuance by the Company				192,187,384	(189,587,525)		(208,545,855)		7,583,561	(2,599,859)	-	

MINT-W5 warrants have already expired due to last exercise date was on 3 November 2017.

28 Legal reserve

	Consolidated and Separate financial statements	
	2017 Baht	2016 Baht
At 1 January	464,178,907	464,178,907
Appropriation during the year	-	-
At 31 December	464,178,907	464,178,907

Under the Public Limited Company Act, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital of the Company. The reserve is non-distributable.



29 Other components of equity

	Consolidated financial statements				
	Discount on business combination under common control Baht	Discount on additional in investment in subsidiary Baht	Remeasuring available-for-sale investment Baht	Translation adjustment Baht	Total Baht
At 1 January 2016	(755,412,590)	(273,806,053)	228,306,113	(863,292,393)	(1,664,204,923)
Additional investment in subsidiary	-	-	(135,607,727)	-	(135,607,727)
Business combination	-	(126,436,106)	-	-	(126,436,106)
Revaluation	-	-	(89,337,453)	-	(89,337,453)
Currency translation difference	-	-	-	(392,300,814)	(392,300,814)
<b>At 31 December 2016</b>	<b>(755,412,590)</b>	<b>(400,242,159)</b>	<b>3,360,933</b>	<b>(1,255,593,207)</b>	<b>(2,407,887,023)</b>
At 1 January 2017	(755,412,590)	(400,242,159)	3,360,933	(1,255,593,207)	(2,407,887,023)
Additional investment in subsidiary	-	(490,016,526)	-	-	(490,016,526)
Revaluation	-	-	(105,615,051)	-	(105,615,051)
Currency translation difference	-	-	-	(932,872,689)	(932,872,689)
<b>At 31 December 2017</b>	<b>(755,412,590)</b>	<b>(890,258,685)</b>	<b>(102,254,118)</b>	<b>(2,188,465,896)</b>	<b>(3,936,391,289)</b>

29 Other components of equity (Cont'd)

	Separate financial statements		
	Discount on business combination under common control Baht	Remeasuring of available-for-sale investment Baht	Total Baht
At 1 January 2016	(587,397,515)	124,494	(587,273,021)
Revaluation	-	2,293,013	2,293,013
At 31 December 2016	(587,397,515)	2,417,507	(584,980,008)
At 1 January 2017	(587,397,515)	2,417,507	(584,980,008)
Revaluation	-	4,410,438	4,410,438
At 31 December 2017	(587,397,515)	6,827,945	(580,569,570)

30 Other income

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Rental income	165,615,784	153,082,314	36,809,366	37,468,247
Premium sales income	138,612,284	133,802,809	-	-
Freight charges	165,931,163	142,765,582	-	-
Subsidy income	203,047,417	257,562,449	-	-
Advisory income	165,811,811	282,757,713	-	-
Sales of raw material to franchisees	48,903,618	40,553,136	-	-
Maintenance fee income	51,744,111	54,094,010	-	-
Property tax	16,181,369	14,450,027	-	-
Trademark fee income	204,121,771	221,204,677	-	-
Compensation for insurance claim	-	46,812,744	-	-
Gain from fair value adjustment on change in status of trading Investments (Note 12)	163,784,778	-	-	-
Gain from sales of available-for sales investment	34,131,286	-	-	-
Gain from bargain purchases, net	-	2,511,841,219	-	-
Gain from fair value adjustment on change in status of investment in subsidiary	-	40,901,207	-	-
Gain from fair value adjustment on change in status of investment in associate	-	135,607,728	-	-
Others	670,015,055	705,602,384	9,295,086	25,545,307
Total other income	2,027,900,447	4,741,037,999	46,104,452	63,013,554

### 31 Expenses by nature

The following expenditure items, classified by nature, have been charged in arriving at operating profit:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Depreciation on investment properties (Note 16)	106,361,016	64,770,285	-	-
Disposals of investment properties	30,760	47,078	-	-
Depreciation on property, plant and equipment (Note 17)	3,633,657,866	3,339,720,918	102,287,313	85,335,114
Impairment (Reversal) of property, plant and equipment (Note 17)	(26,036,635)	33,438,499	-	-
Write-off of property, plant and equipment (Note 17)	196,115,875	115,360,228	28,531	26,366
Amortisation of intangible assets (Note 18)	279,649,499	276,184,211	1,021,826	2,314,121
Impairment of intangible assets (Note 18)	1,073,581	28,200,996	-	-
Amortisation of prepaid rents (Note 19)	110,477,173	169,054,035	623,018	623,017
Doubtful account (Reversal)	(104,519,657)	282,227,708	294,498	251,653
Staff costs	15,341,651,823	13,673,767,389	382,689,325	728,356,067

32 Deferred income taxes and income taxes

Deferred income taxes

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Deferred income tax assets	1,054,801,711	1,005,428,063	-	-
Deferred income tax liabilities	(5,768,994,577)	(6,050,821,453)	(153,454,388)	(154,480,840)
Deferred income taxes, net	(4,714,192,866)	(5,045,393,390)	(153,454,388)	(154,480,840)

Deferred income tax assets and liabilities are offset when the income taxes related to the same fiscal authority. Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each entity.



32 Deferred income taxes and income taxes (Cont'd)

The gross movements in deferred tax assets and liabilities during the years are as follows:

	Consolidated financial statements					
	1 January 2016 Baht	Charged/ (credited) to profit or loss Baht	Charged/ (credited) to other comprehensive Income Baht	Business acquisitions Baht	Adjustments Baht	31 December 2016 Baht
<b>Deferred tax assets</b>						
Consignment sales	38,976,429	12,284,799	-	-	-	51,261,228
Provision for						
impairment of assets	18,759,526	119,733,060	-	-	-	138,492,586
Employee benefit obligations	192,005,708	60,639,259	-	-	-	252,644,967
Depreciation	53,817,309	35,364,199	-	-	-	89,181,508
Unearned income	17,809,285	(786,247)	-	-	-	17,023,038
Tax loss carried forward	282,983,464	10,896,862	-	-	-	293,880,326
Translation adjustment	155,882,570	-	-	-	7,129,440	163,012,010
Others	7,387,056	(7,454,656)	-	-	-	(67,600)
	<u>767,621,347</u>	<u>230,677,276</u>	<u>-</u>	<u>-</u>	<u>7,129,440</u>	<u>1,005,428,063</u>
<b>Deferred tax liabilities</b>						
Accounts receivable	5,747,414	(16,618,450)	-	-	-	(10,871,036)
Management letting right	(962,866,380)	(173,274,512)	-	-	-	(1,136,140,892)
Financial lease revenue	(593,466,576)	23,094,838	-	-	-	(570,371,738)
Unrealised gain on						
available-for-sale securities	(228,264,776)	-	(629,277)	-	-	(228,894,053)
Unrealised gain on sale of						
assets in the group	(37,540,002)	39,843,931	-	-	-	2,303,929
Fair value adjustment of net						
assets at acquisition date	(2,721,117,439)	43,512,140	-	(1,283,722,000)	-	(3,961,327,299)
Translation adjustment	(2,579,708)	-	-	-	(2,192,200)	(4,771,908)
Others	(149,999,087)	9,250,631	-	-	-	(140,748,456)
	<u>(4,690,086,554)</u>	<u>(74,191,422)</u>	<u>(629,277)</u>	<u>(1,283,722,000)</u>	<u>(2,192,200)</u>	<u>(6,050,821,453)</u>
Deferred tax liabilities, net	<u>(3,922,465,207)</u>	<u>156,485,854</u>	<u>(629,277)</u>	<u>(1,283,722,000)</u>	<u>4,937,240</u>	<u>(5,045,393,390)</u>

32 Deferred income taxes and income taxes (Cont'd)

The gross movements in deferred tax assets and liabilities during the years are as follows: (Cont'd)

	Consolidated financial statements					31 December 2017 Baht
	1 January 2017 Baht	Charged/ (credited) to profit or loss Baht	Charged (credited) to other comprehensive Income Baht	Business acquisitions Baht	Adjustments Baht	
<b>Deferred tax assets</b>						
Consignment sales	51,261,228	17,659,765	-	-	-	68,920,993
Provision for impairment of assets (reversal)	138,492,586	(124,623,214)	-	-	-	13,869,372
Employee benefit obligations	252,644,967	(66,034,672)	-	-	-	186,610,295
Depreciation	89,181,508	7,005,370	-	-	-	96,186,878
Unearned income	17,023,038	(237,241)	-	-	-	16,785,797
Tax loss carried forward	293,880,326	142,108,199	-	-	-	435,988,525
Translation adjustment	163,012,010	-	-	-	73,495,441	236,507,451
Others	(67,600)	-	-	-	-	(67,600)
	<u>1,005,428,063</u>	<u>(24,121,793)</u>	<u>-</u>	<u>-</u>	<u>73,495,441</u>	<u>1,054,801,711</u>
<b>Deferred tax liabilities</b>						
Accounts receivable	(10,871,036)	6,042,358	-	-	-	(4,828,678)
Management letting right	(1,136,140,892)	(2,457,216)	-	-	-	(1,138,598,108)
Financial lease revenue	(570,371,738)	(64,320,191)	-	-	-	(634,691,929)
Unrealised gain on available-for-sale securities	(228,894,053)	-	(1,102,610)	-	-	(229,996,663)
Unrealised gain on sale of assets in the group	2,303,929	(36,965,986)	-	-	-	(34,662,057)
Fair value adjustment of net assets at acquisition date	(3,961,327,299)	189,634,480	-	(11,655,433)	-	(3,783,348,252)
Translation adjustment	(4,771,908)	-	-	-	232,647,417	227,875,509
Others	(140,748,456)	(29,995,943)	-	-	-	(170,744,399)
	<u>(6,050,821,453)</u>	<u>61,937,502</u>	<u>(1,102,610)</u>	<u>(11,655,433)</u>	<u>232,647,417</u>	<u>(5,768,994,577)</u>
Deferred tax liabilities, net	<u>(5,045,393,390)</u>	<u>37,815,709</u>	<u>(1,102,610)</u>	<u>(11,655,433)</u>	<u>306,142,858</u>	<u>(4,714,192,866)</u>

32 Deferred income taxes and income taxes (Cont'd)

The gross movements in deferred tax assets and liabilities during the years are as follows: (Cont'd)

	Separate financial statements			
	1 January 2016 Baht	Charged/ (credited) to profit or loss Baht	Charged/(credited) to other comprehensive Income Baht	31 December 2016 Baht
<b>Deferred income tax assets</b>				
Provision for impairment of assets	686,000	4,473,960	-	5,159,960
Employee benefit obligations	3,106,355	250,090	-	3,356,445
Tax loss carried forward	-	44,757,626	-	44,757,626
Effective interest rate	4,085,999	(424,393)	-	3,661,606
	<u>7,878,354</u>	<u>49,057,283</u>	<u>-</u>	<u>56,935,637</u>
<b>Deferred income tax liabilities</b>				
Unrealised gain on available-for-sales securities	(210,787,200)	-	(629,277)	(211,416,477)
	<u>(202,908,846)</u>	<u>49,057,283</u>	<u>(629,277)</u>	<u>(154,480,840)</u>
<b>Deferred income tax assets</b>				
Provision for impairment of assets	5,159,960	-	-	5,159,960
Employee benefit obligation	3,356,445	136,259	-	3,492,704
Tax loss carried forward	44,757,626	2,236,474	-	46,994,100
Effective interest rate	3,661,606	(243,671)	-	3,417,935
	<u>56,935,637</u>	<u>2,129,062</u>	<u>-</u>	<u>59,064,699</u>
<b>Deferred income tax liabilities</b>				
Unrealised gain on available-for-sales securities	(211,416,477)	-	(1,102,610)	(212,519,087)
	<u>(154,480,840)</u>	<u>2,129,062</u>	<u>(1,102,610)</u>	<u>(153,454,388)</u>

32 Deferred income taxes and income taxes (Cont'd)

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of Baht 509 million (2016: Baht 305 million), to carry forward against future taxable income; which no deferred taxes have been recognised as follows:

	Consolidated financial statements	
	2017 Baht	2016 Baht
2017	-	19,142,318
2018	33,148,805	45,701,889
2019	52,129,811	72,031,046
2020	107,193,838	45,333,367
2021	186,834,126	123,092,664
2022	129,474,979	-
	<u>508,781,559</u>	<u>305,301,284</u>

Income taxes

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current tax:				
Current tax on profits for the year	876,842,651	1,190,065,576	3,982,946	7,706,233
Adjustments in respect of prior year	(51,954,481)	(1,529,974)	1,586,518	104,099
<b>Total current tax</b>	<u>824,888,170</u>	<u>1,188,535,602</u>	<u>5,569,464</u>	<u>7,810,332</u>
Deferred tax:				
Origination and reversal of temporary differences	(19,815,909)	(186,198,530)	147,954	(4,299,727)
Change in unrecognised deductible temporary differences	(16,312,463)	55,374,528	(3,616,472)	40,533
Recognised of previously unrecognised tax losses	(1,687,337)	(25,661,852)	1,339,456	(44,798,089)
<b>Total deferred tax</b>	<u>(37,815,709)</u>	<u>(156,485,854)</u>	<u>(2,129,062)</u>	<u>(49,057,283)</u>
<b>Total income tax</b>	<u>787,072,461</u>	<u>1,032,049,748</u>	<u>3,440,402</u>	<u>(41,246,951)</u>

32 Deferred income taxes and income taxes (Cont'd)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the company as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Profit before tax	6,407,014,214	7,841,256,871	1,976,658,020	1,811,225,458
Tax calculated at a tax rate of 20%	1,281,402,843	1,568,251,374	395,331,604	362,245,092
Tax effect of:				
Associates' results reported net of tax	(212,138,374)	(112,372,970)	-	-
Effect of different tax rate	(187,082,672)	(164,489,952)	(76,422,016)	(7,593,065)
Expenses not deductible for tax purpose	160,509,782	384,003,192	1,693,034	3,707,750
Income not subject to tax	(272,896,026)	(611,828,056)	(312,842,141)	(354,627,044)
Adjustments in respect of prior year	(73,793,003)	47,532,868	(2,029,954)	104,099
Tax incentive expenses	(20,696,632)	-	(1,665,843)	-
Change in unrecognised deductible temporary differences	(7,651,297)	(77,864,447)	(624,282)	(45,083,783)
Utilisation of previously unrecognised tax losses	(3,067,335)	(4,031,647)	-	-
Tax losses for which no deferred income tax asset was recognised	122,485,175	2,849,386	-	-
Tax charge	787,072,461	1,032,049,748	3,440,402	(41,246,951)



32 Deferred income taxes and income taxes (Cont'd)

The tax charge relating to component of other comprehensive income is as follows:

	Consolidated financial statements					
	2017			2016		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Unrealised gain on available-for-sale securities	(104,512,441)	(1,102,610)	(105,615,051)	(88,708,176)	(629,277)	(89,337,453)
Translation adjustment	(464,382,960)	-	(464,382,960)	(333,087,568)	-	(333,087,568)
<b>Other comprehensive income (loss)</b>	<b>(568,895,401)</b>	<b>(1,102,610)</b>	<b>(569,998,011)</b>	<b>(421,795,744)</b>	<b>(629,277)</b>	<b>(422,425,021)</b>

	Separate financial statements					
	2017			2016		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Unrealised gain on available-for-sale securities	5,513,048	(1,102,610)	4,410,438	2,922,290	(629,277)	2,293,013
<b>Other comprehensive Income</b>	<b>5,513,048</b>	<b>(1,102,610)</b>	<b>4,410,438</b>	<b>2,922,290</b>	<b>(629,277)</b>	<b>2,293,013</b>

### 33 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company has warrants in issue (Note 27).

A calculation is performed to determine the potential number of shares that could have been acquired at market price (determined as the average share price of the Company's shares during the year) based on the outstanding warrants to determine the number of potential ordinary shares would have been additionally issued. The potential shares are added to the ordinary shares outstanding but no adjustment is made to net profit.

	Consolidated and Separate financial statements	
	For the years ended 31 December	
	2017	2016
	Shares	Shares
Weighted average number of ordinary shares in issue, net	4,441,818,312	4,406,519,451
<b>Effect of dilutive potential ordinary shares</b>		
Warrants	-	5,950,752
Dilutive potential ordinary shares	-	5,950,752
Weighted average number of ordinary shares for diluted earnings per share	4,441,818,312	4,412,470,203

	Consolidated financial statements	
	For the years ended 31 December	
	2017	2016
	Baht	Baht
Profit attributable to ordinary shareholders	5,415,397,011	6,589,995,865
Basic earnings per share	1.2192	1.4955
Diluted earnings per share	1.2192	1.4935

	Separate financial statements	
	For the years ended 31 December	
	2017	2016
	Baht	Baht
Profit attributable to ordinary shareholders	1,973,217,618	1,852,472,409
Basic earnings per share	0.4442	0.4204
Diluted earnings per share	0.4442	0.4198

### 34 Dividend

At the Annual General Meeting of Shareholders of the Company held on 4 April 2017, the shareholders passed a resolution to approve the cash dividend in the amount of Baht 0.35 per share for existing shareholders and shareholders who convert the convertible securities (MINT-W5) of no more than 4,622 million ordinary shares, total dividends to be paid were in the amount of not exceeding Baht 1,618 million. Cash dividends totalling Baht 1,544 million were paid to shareholders in April 2017.

At the Annual General Meeting of the Shareholders of the Company held on 1 April 2016, the shareholders passed a resolution to approve dividends in the amount of Baht 0.35 per share for existing shareholders and shareholders who convert the convertible securities (MINT-W5) of no more than 4,622 common shares, total dividends to be paid were in the amount of not exceeding Baht 1,618 million. Cash dividend totalling Baht 1,540 million were paid to shareholders in April 2016.

### 35 Acquisitions of subsidiaries

#### 35.1 New acquisition

##### Grab Food Limited

In March 2017, the Group had converted loan to Bangkok Living Ltd. ("BLL"), who held 100% interest in Grab Food Limited, to 1.1 million ordinary shares in Grab Food Limited in the total amount of GBP 1.1 million or equivalent to Baht 57 million, representing 70% interest.

Such company has become a subsidiary of the Group and has been consolidated to the Group since the controlling date.

Details of the acquisition were as follows:

	Baht'000
Purchase price considerations	56,831
Net book value of net assets under interest acquired	20,836
Excess of acquisition cost over net book value (presented in intangible assets)	35,995

35 Acquisitions of subsidiaries (Cont'd)

35.1 New acquisition (Cont'd)

Grab Food Limited (Cont'd)

The book value at 70% interest of identified assets acquired from this acquisition was as follows:

	Baht'000
Cash and cash equivalents	13,231
Trade and other receivables	109
Inventories	939
Property, plant and equipment	24,532
Intangible assets	3,315
Other assets	6,240
Liabilities	(18,600)
Net book value of net assets	29,766
Non-controlling interests	(8,930)
Book value of net assets under interest acquired	20,836

Net assets from the above acquisitions are stated at the net book value on the date of acquisition. As at 31 December 2017, the Group is in the process of appraising the net assets acquired. The adjustments to fair value and price considerations will be made upon the completion of the processes. The difference between acquisition cost and net fair value will be adjusted with goodwill or gain from bargain purchases.

Metropolis Auckland

In May 2017, a subsidiary of the Group acquired the operating assets located in New Zealand in the amount of NZD 11.2 million or equivalent Baht 278 million which is considered as business combination.

Details of the acquisition were as follows:

	Baht'000
Purchase price considerations	278,213
Fair value of net assets under interest acquired	285,763
Excess of net fair value over acquisition cost	(7,550)

35 Acquisitions of subsidiaries (Cont'd)

35.1 New acquisition (Cont'd)

Metropolis Auckland (Cont'd)

The fair value of identified assets acquired from this acquisition was as follow:

	Baht'000
Operating assets	306,917
Liabilities	(21,154)
Fair value of net assets	<u>285,763</u>

As at 31 December 2017, the Group is in the process of completing appraising the net assets acquired. The adjustments to fair value and price considerations will be made upon the completion of the process.

Corbin and King Group

In December 2017, a subsidiary of the Group acquired 74% of the issued shares in Corbin and King Group for a consideration of GBP 17.3 million or equivalent to Baht 751 million.

Details of the acquisition were as follows:

	Baht'000
Purchase price considerations	751,022
Net book value of net assets (liabilities) under interest acquired	(608,800)
Excess of acquisition cost over net book value (presented in intangible assets)	<u>1,359,822</u>

## 35 Acquisitions of subsidiaries (Cont'd)

### 35.1 New acquisition (Cont'd)

#### Corbin and King Group (Cont'd)

The book value at 74% interest of identified assets acquired and liabilities assumed from this acquisition was as follows:

	Baht'000
Cash and cash equivalents	159,139
Receivables and prepayments	181,133
Inventories	46,005
Property, plant and equipment	874,550
Intangible assets	1,490
Liabilities	(2,084,032)
Net book value of assets (liabilities)	(821,715)
Non-controlling interests	212,915
Net book value of net assets (liabilities) under interest acquired	(608,800)

Net assets from the above acquisitions are stated at the net book value on the date of acquisition. As at 31 December 2017, the Group is in the process of appraising the net assets acquired. The adjustments to fair value and price considerations will be made upon the completion of the processes. The difference between acquisition cost and net fair value will be adjusted with goodwill or gain from bargain purchases.

### 35.2 Prior year acquisition

#### M on Palmer business

During the third quarter of 2016, a subsidiary of the Group additionally acquired the remaining 50% interest of M on Palmer business in the total amount of AUD 2.6 million or equivalent to Baht 68 million, which made the holding interest increase from 50% to 100%. As a result, the Group has control over M on Palmer business.

Such company has become a subsidiary of the Group and been consolidated to the Group since the controlling date.

The Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of M on Palmer business during the third quarter of 2017. In consideration of fair value of assets, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.



35 Acquisitions of subsidiaries (Cont'd)

35.2 Prior year acquisition (Cont'd)

M on Palmer business (Cont'd)

Details of the acquisition were as follows:

	Baht'000
Fair value of previously held investment	67,657
Book value of previously held investment as at acquisition date	(108,029)
Loss from change status of investment recognised through the income statement	(40,372)
Consideration paid for additional investment	68,000
Fair value of previously held investment	67,657
Fair value of net assets under interest acquired	(135,287)
Goodwill	370
Goodwill - as previously reported	13,589
Adjustment of fair value of assets from investment in subsidiary (Note 18)	(13,219)

The fair value at 100% interest of identified assets acquired and liabilities assumed from this acquisition was as follows:

	Baht'000
Cash and cash equivalents	10,575
Trade and other receivables	13,827
Inventories	872
Other current assets	4,363
Property, plant and equipment	387,592
Intangible assets	74,557
Deferred tax liabilities	(22,367)
Liabilities	(334,132)
Fair value of net assets under interest acquired	135,287

## 35 Acquisitions of subsidiaries (Cont'd)

### 35.3 Group's valuation processes

The Group has applied the income approach in calculating fair value of property, plant and equipment and intangible assets which is considered as Level 3 of fair value measurement.

Finance and accounting department engages an independent valuer to perform the valuations of assets acquired from business combination, including Level 3 fair values. This team reports directly to Chief Financial Officer ("CFO"). Discussions of valuation processes and results are held between the finance department and the CFO at least once every quarter, in line with the Group's quarterly reporting dates.

The main Level 3 input used by the Group pertains to the discount rate for business valuation. It is estimated based on discounted cash flow projections of revenue in the future in the light of current market conditions. The fair value also reflects any cash outflows that could be expected in respect of the operation. The discount rate is estimated based on capital structure and financial factors in overall economy that are, in the opinion of the management, appropriate including the risk premium and reflects current market assessments of the time value of money and risk adjusted which are in the range of 9% - 11% per annum.

There were no other changes in valuation techniques during the year.

## 36 Financial instruments

### Financial risk management policies

The financial risk management policies are standard sets of guidelines that the Group use in managing, but not limited to, liquidity risks, interest rate risks, foreign exchange risks and credit risks with the key objectives of managing and mitigating such risks without any means of speculation.

### Liquidity risk

The Group manages its liquidity risks by, for example, maintaining sufficient cash and cash equivalent to support its working capital requirements, securing long term funding in advance and diversifying funding sources.

## 36 Financial instruments (Cont'd)

### Interest rate risk

The interest rate risks arise from the volatility of market interest rates, which may have a negative impact on the Company cash flow. The Group and the Company manage such risks in accordance with its policy to reduce the Company's exposure to adverse changes in interest rates and the prevailing financial market condition. As a result, the Company keeps balancing interest rate position to align with the financial market situation. Interest rate swap is one of the key financial derivatives that the Group uses to manage interest rates volatility and exposure to mitigate negative impact to its cash flow.

As at 31 December 2017, the Group has entered into the interest rate swap contracts as follows:

- a) Interest rate swap contract for loan from financial institution in USD currency with principal amount of USD 158 million, which swap floating interest rate to fixed interest rate. The contracts will expire in 2020.
- b) Interest rate swap contract for debenture from financial institution in THB currency with principal amount of THB 4,000 million, which swap fixed rate to floating interest rate. The contract will expire in 2025.

### Foreign currency risk

The Groups' exposure to foreign currency risk relates primarily to the purchase or sales of goods and service, borrowing and lending in foreign currency and investments in foreign subsidiaries, associates and joint venture. In order to manage the risk arising from fluctuations in currency exchange rates, the Group uses the derivative, cross currency swap contracts and forward foreign exchange contracts, to manage the risk as follows:

#### Cross currency swap contracts

As at 31 December 2017, the Group has a cross currency swap contract for debenture of Baht 4,000 million with fixed interest rate converting to an equivalent fixed amount of EUR 106.1 million and a cross currency swap contract for debenture of Baht 2,800 million with fixed interest rate converting to an equivalent fixed amount of EUR 72.7 million.

As at 31 December 2017, the Group has a cross currency swap contract which is loan of USD 61.73 million with floating interest rate converting to an equivalent fixed amount of THB 2,000 million.

36 Financial instruments (Cont'd)

Foreign exchange forward contracts

Foreign exchange forward contracts are used for managing exposure to fluctuations in foreign currency exchange rates for the purchase of goods. As at 31 December 2017 and 2016, the Group has outstanding foreign exchange forward contracts, with maturity less than 6 months as follows:

	Consolidated financial statements	
	2017 Baht	2016 Baht
USD 5,926,764 (Baht 32.62/1 USD) (2016: USD 3,950,102 (Baht 35.77/1 USD))	193,304,855	141,278,457
JYP - Nil (2016: JPY 2,310,070 (Baht 0.37/ 1 JPY))	-	716,352

**Credit risk**

The Group is exposed to normal credit risk primarily with respect to trade accounts receivable. However, due to the large number of entities comprising the Group's customer base, the Group does not anticipate material losses from its debt collection.

**Fair value**

The fair value of the open cross currency swap contracts and interest rate swap contracts for loan as at 31 December 2017 is unfavourable amounting to Baht 247 million (2016: unfavourable amounting to Baht 368 million).

The fair value of the open foreign exchange forward contracts for the purchase of goods as at 31 December 2017 is favourable amounting to Baht 0.3 million (2016: unfavourable amounting to Baht 0.3 million).

## 36 Financial instruments (Cont'd)

### Financial instrument in Level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

All of the fair value of cross currency swap contracts and foreign exchange forward contracts of the Group are in Level 2 hierarchy.

## 37 Commitments

As at 31 December 2017, the Group has commitments as follows:

### The Company

- The Company has entered into an agreement to lease the land on which its hotel building is built for a period of 30 years, ending in 2018. The Company is committed to pay rental fees at a certain percentage of gross revenue, which is to be increased annually until it reaches a specified rate or at minimum rental fees stipulated in the agreement, whichever is higher. As at 31 December 2017, the Company's future commitments according to the minimal rental fees stipulated in the agreement is approximately Baht 5 million.
- The Company has entered into a trademark agreement and a hotel management agreement with a subsidiary. The Company has an obligation to pay trademark fees and hotel management fees at certain percentages of revenue generated as indicated in the agreement. The agreement is valid for 10 years and will be terminated in 2026.

## 37 Commitments (Cont'd)

### The Company (Cont'd)

- The Company has entered into two agreements for technical assistance and the use of trademarks and trade names with an overseas company under the terms of the agreements, fees calculated at a percentage of gross sales as specified in the agreements. One of them was effective in February 1994 which will be continued until one of the parties terminates the contract, and the other will also be continued until one of the parties terminates the contract. According to the two agreements, a subsidiary must pay franchise fees based on a percentage of sales and must comply with certain terms and conditions.

### Subsidiaries

#### **Management and services agreements**

- A subsidiary has entered into a license and royalty agreement with an overseas company. The subsidiary is committed to pay royalty fees and management hotel fees at the rate, terms and basis as specified in the agreement for a period of 20 years through 2021 and can be renewed at its expiry date for 10 years.
- A subsidiary has entered into service agreements with three companies with regards to hotel operations, whereby the subsidiary has been provided certain services and granted a license. The subsidiary is required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and bases as specified in the agreements. All agreements are effective for the period from September 2006 to June 2024 with option for the subsidiary to extend the period up to the end of the land lease agreement or for another 20 years.
- A subsidiary has entered into service agreements with three companies with regards to hotel operations, whereby the subsidiary has been provided services and granted a license. The subsidiary is required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and bases as specified in the agreements. All agreements are effective from January 2006 to December 2017 and are renewable after expiry date for 20 years.
- A subsidiary has entered into service agreements with three companies with regards to hotel operations, whereby the subsidiary has been provided services and granted a license to operate. The subsidiary is required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and basis as specified in the agreements. All agreements are effective from February 2007 to January 2027 and are renewable after expiry date for another two periods of 20 years and 10 years, respectively.



## 37 Commitments (Cont'd)

### Subsidiaries (Cont'd)

#### Management and services agreements (Cont'd)

- A subsidiary has entered into a consulting agreement regarding hotel operations with two companies, whereby the subsidiary has been provided hotel operating and marketing services, right of trademark use, technical knowledge, and other associated services. The subsidiary is to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and basis as specified in the agreements. All agreements are effective from April 2011 to December 2031.
- A subsidiary has entered into a residential license marketing agreement regarding residential operation with a company, whereby the subsidiary has been provided residential operating and marketing services, right of trademark use, technical knowledge, and other associated services. The subsidiary is to comply with certain conditions stipulated in these agreements and to pay the fees following the rates as specified in the agreements. The agreement is effective from June 2007 to May 2037.
- A subsidiary has entered into the service agreements with a company with regards to consultation, installation, repair and maintenance of computer systems, computer software and information technology systems. The subsidiary is committed to pay the fees following the rates, terms and basis as specified in the agreements. The agreements are effective from July 2015 to December 2019.

#### Rental agreements

- Three subsidiaries have entered into separate land lease agreements for periods between 30 to 42 years, effective on 8 May 1987, 25 January 1989 and 2 July 1994, respectively. The subsidiaries are committed to pay rental fees at a certain percentage of annual gross revenue (to be increased annually until it reaches a specified rate) or at a minimum rent stipulated in the agreement, whichever is higher. As at 31 December 2017, the subsidiaries' future payment commitments in accordance with the minimal rental fees stipulated in the agreements are approximately Baht 59 million (2016: Baht 70 million).

A subsidiary has extended its land lease agreements for a period of 30 years, effective from 25 January 2019. The subsidiary is committed to pay rental fees at a certain percentage of annual gross revenue (to be increased annually until it reaches a specified rate) or at a minimum rent stipulated in the agreement, whichever is higher. As at 31 December 2017, the subsidiary's future payment commitments in accordance with the minimal rental fees and special remuneration stipulated in the agreements are approximately Baht 1,132 million (2016: Baht 1,132 million).

### 37 Commitments (Cont'd)

#### Subsidiaries (Cont'd)

#### Rental agreements (Cont'd)

- A subsidiary has entered into the sublease land agreement of Kihavah Huravalhi Island for 23 years from 23 October 2007 for the construction of a new hotel. As at 31 December 2017, a subsidiary has a commitment to pay rental fee as stipulated in the lease agreement of approximately USD 33.4 million (2016: USD 35.5 million).
- Subsidiaries have entered into lease agreements covering the land where their hotels are situated. Under the lease agreements, the subsidiaries have transferred the ownership of the hotel buildings and improvements to the landlord. The subsidiaries committed to pay rental fees at the rates specified in the lease agreements. The lease agreements are for a period of 30 years up to the years 2043 and 2047. As at 31 December 2017, the subsidiaries have commitments to pay minimal rental fees as stipulated in the agreement as follows:

Year	Baht Million
Within 1 year	50
Between 2 and 5 years	217
After 5 years	2,188
	2,455

- On 3 July 2007, a subsidiary entered into an agreement with the Privy Purse Bureau to lease land and construct a building. Under this agreement, the Privy Purse Bureau agrees and permits the subsidiary to undertake building construction, and the subsidiary agreed to construct a residential and hotel building situated on land owned by the Privy Purse Bureau. The building construction permit was under the name of the Privy Purse Bureau and the ownership of the building and other constructions on this land are transferred to the landlord on completion. In addition, the subsidiary was required to pay all expenses with respect to the construction of the building. The construction period was 4 years from the date of receipt of the permit to construct the building from the Bangkok Metropolitan Authority. The Privy Purse agreed with the subsidiary to lease the land and building for the residential, hotel and related commerce for a period of 30 years commencing 1 March 2011. As at 31 December 2017, the subsidiary has a commitment to pay land and building rental fee to the Privy Purse Bureau at the rates stipulated in the agreement amounting to Baht 456 million by which the subsidiary has recorded a part of the rental fee as accrued project cost in the statement of financial position amounting to Baht 273 million.

37 Commitments (Cont'd)

Subsidiaries (Cont'd)

Rental agreements (Cont'd)

- A subsidiary has entered into a land rental agreement of which the location is on timeshare residence. The subsidiary has a commitment to pay rental fees as stated in the agreement. The agreement are for a period of 30 years and will end in January 2039. As at 31 December 2017, the subsidiary has commitments to pay Baht 116 million as stipulated, by which Baht 47 million has been included as accrued project cost in the statement of financial position.
- As at 31 December 2017 and 2016, there were lease commitments for the lease and service agreements for restaurant outlets, office spaces, shops, motor vehicles, computer equipment, and office equipment committed by subsidiaries for periods ranging from 1 year to 30 years payable as follows:

	2017		2016	
	Baht Million	AUD Million	Baht Million	AUD Million
Within 1 year	1,390	26	1,182	27
Between 2 and 5 years	1,758	73	919	63
After 5 years	12	10	18	12
Total	3,160	109	2,119	102

In addition to these amounts, restaurant rental fees are payable based on a percentage of either gross or net sales as specified in the relevant agreements.

## 37 Commitments (Cont'd)

### Subsidiaries (Cont'd)

#### Trademark, franchise and license agreements

- Subsidiaries have entered into a number of franchise agreements in order to obtain rights to operate food restaurants. According to the agreements, those subsidiaries must pay franchise fees based on a percentage of sales and must comply with certain terms and conditions. The payments of franchise fees are included in selling expenses.
- Subsidiaries of the Group's distribution and manufacturing businesses have entered into distribution agreements, franchise agreements and to use trademarks and to receive marketing technical assistance with overseas companies. These agreements have terms of 2 - 10 years and can be renewed unless terminated by either party. The agreements are subject to certain conditions with which the subsidiaries have to comply throughout the agreement periods.
- Under a one year license agreement ending in 2008 to operate a theatre with an overseas company on a yearly renewal basis, a subsidiary is committed to pay certain fees as specified in the agreement. The agreement is automatically renewed at its expiry date for one year each.
- A subsidiary has entered into a license agreement with an overseas company in order to obtain rights to use a trademark in selling residences. According to the agreement, the subsidiary must pay trademark and royalty fees based on a percentage of sales and must comply with certain terms and conditions.

## 38 Guarantees

Guarantees in the normal courses of business are as follows:

	31 December 2017											
	Consolidated financial statements							Separate financial statements				
	Baht Million	US\$ Million	AUD Million	EUR Million	CNY Million	AED Million	BRL Million	Baht Million	US\$ Million	AUD Million	EUR Million	BRL Million
Letters of guarantees issued by banks on behalf of the Group	1,104.6	5.6	9.5	1.6	123.1	23.3	-	624.0	2.7	-	-	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	3,593.9	361.8	139.5	16.2	125.0	-	5.0	1,764.3	123.8	139.5	15.0	5.0

	31 December 2016											
	Consolidated financial statements							Separate financial statements				
	Baht Million	US\$ Million	AUD Million	EUR Million	CNY Million	AED Million	BRL Million	Baht Million	US\$ Million	AUD Million	EUR Million	BRL Million
Letters of guarantees issued by banks on behalf of the Group	1,021.7	11.1	11.6	0.3	130.3	15.0	-	626.8	3.1	-	-	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	6,418.1	463.0	144.5	16.2	125.0	-	5.0	4,624.5	463.0	144.5	15.0	5.0

## 39 Provident fund

The Group and permanent employees have jointly registered a provident fund scheme under the Provident Fund Act, B.E. 2530. The fund receives contributions on a monthly basis from both the employees and the Group at the rate of 5% to 7.5% and 5% to 10 % respectively of basic salaries. The fund is managed by Kasikorn Asset Management Company Limited, Bangkok Bank Public Company Limited and Tisco Asset Management Company Limited.

## Management Discussion and Analysis

### Overview

#### 4Q17 and 2017 Performance

Minor International Public Company Limited (“MINT”) reported y-y revenue growth of 12% in 4Q17 and 8% in 2017, while net profit increased by 20% in 4Q17 and 18% in 2017, compared to 4Q16 and 2016 core revenue and net profit, respectively. Note that in 2016, MINT recorded non-recurring items as required under Thai Generally Accepted Accounting Principles (Thai GAAP), which are detailed in the Non-Recurring Items table on page 265.

In a move to reward its shareholders, MINT’s Board of Directors proposed to pay cash dividend in the amount of Baht 0.40 per share. The dividend payment is subject to MINT’s shareholder’s approval at the Annual General Meeting of Shareholders to be held on 3 April 2018.

For fourth quarter performance, MINT reported total revenue of Baht 15,578 million, a 12% growth from 4Q16 core revenue, attributable to outstanding performance of all three business units. Hotel & mixed-use business showed revenue growth of 14% from 4Q16 core revenue, bolstered by the robust performance of Thailand hotels and Tivoli-branded hotels in Portugal and Brazil, turnaround of the Maldives operation, as well as strong contributions from real estate business and MINT’s recent investment in Corbin & King (C&K), which operates a chain of restaurants and manages a hotel in the UK. Restaurant business posted revenue growth of 8% y-y, driven by the performance of Thailand and China hubs. Lastly, retail trading & contract manufacturing business reported revenue growth of 29% y-y, supported by organic growth of existing retail brands, the ramping up of new retail brands and the recovery of the contract manufacturing business.

In 4Q17, hotel & mixed-use business accounted for 54% of total revenue. Restaurant business contributed 39% of total revenue, while retail trading & contract manufacturing contributed the remaining 7%.

#### Revenue Breakdown

Baht million	4Q17	4Q16	% Chg
<b>As Reported</b>			
Restaurant Services	6,053	5,621	8
Hotel & Mixed-Use	8,352	7,872	6
Retail Trading & Contract Manufacturing	1,173	910	29
<b>Total Revenue</b>	<b>15,578</b>	<b>14,403</b>	<b>8</b>
<b>Core*</b>			
Restaurant Services	6,053	5,621	8
Hotel & Mixed-Use	8,352	7,344	14
Retail Trading & Contract Manufacturing	1,173	910	29
<b>Total Revenue</b>	<b>15,578</b>	<b>13,875</b>	<b>12</b>

\* Exclude non-recurring items as detailed in the table on page 265



In 2017, MINT reported total revenue of Baht 58,644 million, an increase of 8% from 2016 core revenue. The growth was driven mainly by solid performance of hotel & mixed-use business, including robust hotel operations in Thailand and the Tivoli portfolio in Brazil and Portugal, additional contributions from acquisitions, including the increase in shareholding in the two hotels in Zambia since July 2016 and investment in C&K in 4Q17, and strong growth of real estate business. Furthermore, the outstanding performance of retail trading portfolio also contributed to the group's overall revenue growth.

In terms of revenue breakdown, in 2017, hotel & mixed-use and restaurant businesses accounted for 53% and 40% of total revenue, respectively. Retail trading & contract manufacturing business contributed another 7%.

#### Revenue Breakdown

Baht million	2017	2016	% Chg
<b>As Reported</b>			
Restaurant Services	23,582	23,157	2
Hotel & Mixed-Use	30,970	30,310	2
Retail Trading & Contract Manufacturing	4,091	3,505	17
<b>Total Revenue</b>	<b>58,644</b>	<b>56,973</b>	<b>3</b>
<b>Core*</b>			
Restaurant Services	23,582	23,022	2
Hotel & Mixed-Use	30,970	27,758	12
Retail Trading & Contract Manufacturing	4,091	3,505	17
<b>Total Revenue</b>	<b>58,644</b>	<b>54,285</b>	<b>8</b>

\* Exclude non-recurring items as detailed in the table on page 265

MINT reported EBITDA of Baht 3,435 million in 4Q17, a 9% increase from 4Q16 core EBITDA. The growth was attributable to performance of all three business units. EBITDA of restaurant business increased by 20% y-y, primarily from effective cost control and supply chain management of Riverside brand in China. EBITDA of retail trading & contract manufacturing business grew by 26% y-y, mainly due to improved profitability of retail trading business. Lastly, EBITDA of hotel & mixed use business was 3% higher than 4Q16 core EBITDA, mainly from strong contribution of real estate business, which helped offset the low margin of Portugal operation during the low season. With the lower growth rate of EBITDA than revenue, EBITDA margin of the whole group dropped to 22.0% in 4Q17, compared to core EBITDA margin of 22.7% in 4Q16.

In 4Q17, hotel & mixed-use and restaurant businesses accounted for 64% and 33% of total EBITDA respectively. Retail trading & contract manufacturing contributed the remaining 3%.

## EBITDA Breakdown

Baht million	4Q17	4Q16	% Chg
<b>As Reported</b>			
Restaurant Services	1,118	933	20
Hotel & Mixed-Use	2,201	2,078	6
Retail Trading & Contract Manufacturing	115	91	26
<b>Total EBITDA</b>	<b>3,435</b>	<b>3,102</b>	<b>11</b>
<b>EBITDA Margin (%)</b>	<b>22.0</b>	<b>21.5</b>	
<b>Core*</b>			
Restaurant Services	1,118	933	20
Hotel & Mixed-Use	2,201	2,132	3
Retail Trading & Contract Manufacturing	115	91	26
<b>Total EBITDA</b>	<b>3,435</b>	<b>3,156</b>	<b>9</b>
<b>EBITDA Margin (%)</b>	<b>22.0</b>	<b>22.7</b>	

\* Exclude non-recurring items as detailed in the table on page 265

In 2017, MINT reported EBITDA of Baht 12,274 million, a 9% increase from 2016 core EBITDA, driven by robust growth of all three business units. As a result, 2017 EBITDA margin improved to 20.9%, compared to core EBITDA margin of 20.7% in 2016.

In 2017, hotel & mixed-use business represented 63% of total EBITDA, while restaurant business accounted for 35%. Retail trading & contract manufacturing business accounted for the remaining 2%.

## EBITDA Breakdown

Baht million	2017	2016	% Chg
<b>As Reported</b>			
Restaurant Services	4,285	3,978	8
Hotel & Mixed-Use	7,685	8,984	-14
Retail Trading & Contract Manufacturing	304	267	14
<b>Total EBITDA</b>	<b>12,274</b>	<b>13,229</b>	<b>-7</b>
<b>EBITDA Margin (%)</b>	<b>20.9</b>	<b>23.2</b>	
<b>Core*</b>			
Restaurant Services	4,285	3,843	12
Hotel & Mixed-Use	7,685	7,146	8
Retail Trading & Contract Manufacturing	304	267	14
<b>Total EBITDA</b>	<b>12,274</b>	<b>11,256</b>	<b>9</b>
<b>EBITDA Margin (%)</b>	<b>20.9</b>	<b>20.7</b>	

\* Exclude non-recurring items as detailed in the table on page 265

MINT reported net profit of Baht 1,611 million in 4Q17, a 20% growth from 4Q16 core net profit of Baht 1,347 million. The increase was of larger magnitude than EBITDA, mainly supported by tax benefits from net losses incurred in certain jurisdictions during the period. As a result, net profit margin increased to 10.3% in 4Q17, from core net profit margin of 9.7% in 4Q16.

In 2017, MINT reported net profit of Baht 5,415 million, an increase of 18% from 2016 core net profit of Baht 4,576 million, from solid performance of all three business units. As a result, net profit margin expanded to 9.2% in 2017 from core net profit margin of 8.4% in 2016.

#### Net Profit

Baht million	4Q17	4Q16	% Chg
<b>As Reported</b>			
Total Net Profit	1,611	1,293	25
Net Profit Margin (%)	10.3	9.0	
<b>Core*</b>			
Total Net Profit	1,611	1,347	20
Net Profit Margin (%)	10.3	9.7	

Baht million	2017	2016	% Chg
<b>As Reported</b>			
Total Net Profit	5,415	6,590	-18
Net Profit Margin (%)	9.2	11.6	
<b>Core*</b>			
Total Net Profit	5,415	4,576	18
Net Profit Margin (%)	9.2	8.4	

\* Exclude non-recurring items as detailed in the table on page 265

## Non-Recurring Items

Timeline	Amount (Baht million)	Non-Recurring Items
4Q16	490	• Gain from bargain purchase of hotels in Zambia
	38	• Gain from bargain purchase of Tivoli hotels in Portugal
	-359	• Anantara Vacation Club's (AVC) provision of doubtful account (recorded in SG&A), which is part of MINT's prudent measures to conservatively provide for potential bad debts which may arise from the accounts receivable of Phase I, which was sold during 2010 - 2015
	-223	• Oaks' general administrative expenses and provision (recorded in SG&A)
3Q16	92	• Gain from changing status of investment in some of the Oaks properties, which were offset by;
	-136	• Impairment charges of certain Oaks properties (recorded in SG&A, pre-tax), resulting in no material impact post-tax on core net profit in 3Q16
2Q16	136	• Gain from changing status of investment in BreadTalk Group in Singapore, from available-for-sale investment to investment in associate
1Q16	1,932	• Gain from bargain purchase of the Tivoli Hotels & Resorts

## Major Developments in 4Q17

Developments	
Restaurant	<ul style="list-style-type: none"> <li>• Opened 22 outlets, net q-q, majority of which were The Pizza Company, Burger King and Dairy Queen outlets in Thailand</li> <li>• Acquired four existing Patara restaurants and franchise rights to develop and operate restaurants under Patara and Suda brands in the UK</li> <li>• Launched the first Burger King and The Coffee Club outlets in Seychelles</li> </ul>
Hotel & Mixed-Use	<ul style="list-style-type: none"> <li>• Entered into a 50% joint venture to own and operate a 196-key AVANI Hua Hin Resort &amp; Villas</li> <li>• Acquired 74% stake in the UK-based C&amp;K, which operates a portfolio of six brasserie-style restaurants and manages 73-key five-star hotel named The Beaumont in London, the UK</li> <li>• Debuted the AVANI brand in New Zealand with the rebranding of Metro Suites to AVANI Metropolis Auckland Residences</li> <li>• Opened AVANI Broadbeach Gold Coast Residences, a management letting rights contract in Queensland, Australia</li> <li>• Transferred and recorded sales of one unit of The Estates Samui and two units of Anantara Chiang Mai Serviced Suites</li> <li>• Added seven units of Anantara Vacation Club's inventory in Phuket</li> </ul>
Lifestyle	<ul style="list-style-type: none"> <li>• Launched OVS Kids, the Italian fast-fashion brand, at Don Mueang International Airport, Terminal 2 in Bangkok</li> </ul>
Corporate	<ul style="list-style-type: none"> <li>• Concluded MINT-W5 warrant program, resulting in additional equity of Baht 7.9 billion for the entire program</li> <li>• Included in the list of Thailand Sustainability Investment (THSI) 2017 by The Stock Exchange of Thailand for the third consecutive year</li> </ul>

## Segment Performance

### Restaurant Business

At the end of 4Q17, MINT's total restaurants reached 2,064 outlets, comprising 1,072 equity-owned outlets (52% of total), and 992 franchised outlets (48% of total). 1,341 outlets (65% of total) are in Thailand, while the remaining 723 outlets (35% of total) are in Australia, China, India, the Middle East, New Zealand, Seychelles, Singapore, the Maldives, the UK and other countries in Asia.

#### Restaurant Outlets by Owned Equity and Franchise

	4Q17	Chg q-q	Chg y-y
Owned Equity	1,072	37	54
• Thailand	866	30	52
• Overseas	206	7	2
Franchise	992	-15	14
• Thailand	475	8	17
• Overseas	517	-23	-3
<b>Total Outlets</b>	<b>2,064</b>	<b>22</b>	<b>68</b>

#### Restaurant Outlets by Brand

	4Q17	Chg q-q	Chg y-y
The Pizza Company	447	18	56
Swensen's	328	0	-2
Sizzler	66	3	6
Dairy Queen	447	10	11
Burger King	93	9	19
The Coffee Club	433	-25	-28
Thai Express	91	0	-6
Riverside	56	-1	-2
BreadTalk	46	4	10
Others*	57	4	4
<b>Total Outlets</b>	<b>2,064</b>	<b>22</b>	<b>68</b>

\* Others include restaurants at the airport under MINT's 51% JV, "Select Service Partner", restaurants in Singapore under MINT's 50% JV, "The Food Theory Group" and restaurants in the UK under "Grab" and "Patara" brands

## Hub Performance Analysis

In 4Q17, total-system-sales (including sales from franchised outlets) increased by 3.2% y-y, due to store expansion of 3% y-y. Same-store-sales decreased slightly by 1.1% y-y amidst challenging market conditions across MINT's key operating markets.

Thailand hub reported total-system-sales growth of 7.2% y-y in 4Q17, mainly attributable to its disciplined outlet expansion of 5% y-y. With the negative impact of national mourning on domestic consumer sentiment throughout the first ten months of the year, Thailand hub experienced same-store-sales decline by 1.0% y-y in 4Q17. However, Swensen's, Sizzler and The Coffee Club were brands that successfully led the turnaround despite sluggish consumption environment and reported positive same-store-sales growth in 4Q17. Swensen's achieved robust same-store-sales growth of more than 6% in 4Q17, led by the success of its product innovation such as ice cream Bingsu and Christmas Chocolate Dome menus, together with continuous growth of the kids segment and effective digital marketing strategy. Sizzler reported positive same-store-sales growth in 4Q17, the first time in the past five quarters, thanks to its well-executed marketing campaigns, including salad bar promotion, which drove double-digit increase in customer traffic in 4Q17. Lastly, The Coffee Club reported same-store-sales growth of over 7% y-y in 4Q17, driven by its ongoing efforts to launch new and exciting menus and effective digital marketing strategy. Overall, although the performance of Thailand hub experienced modest slowdown in 4Q17, Minor Food has already seen sign of same-store-sales improvement across all of its brands in December and expects to see sustainable recovery in 2018 with favorable economic outlook and improving domestic consumption trend.

China hub showed total-system-sales growth of 3.5% y-y in 4Q17, attributable to outlet expansion of 3% y-y. However, same-store-sales declined marginally by 0.6% y-y in 4Q17. While Riverside, China hub's largest revenue contributor, continued to report positive same-store-sales growth, Sizzler and Thai Express saw negative same-store-sales growth in the midst of product and operational adjustment process, which had temporary short-term adverse impact on sales but should yield benefit in the long term. Minor Food believes the adjustment of menus and restaurant formats will allow the two brands to better cater to local tastes and restore growth effectively. In any case, Riverside will continue to be the main driver of the China hub. Moreover, China hub will continue to leverage on technology to transform customer experience, improve operational efficiency and strengthen profitability.

Australia hub continued to experience market pressure with negative total-system-sales and same-store-sales growth in 4Q17. To strengthen its performance in the long term, Australia hub is in the process of rationalizing its portfolio to refocus on its core brands. In 4Q17, Australia hub completed the strategic divestment of The Groove Train, which was part of the acquisition of VGC Food Group in 2014. With the divestment of the entire portfolio of 24 franchised outlets, Australia hub's number of outlets decreased by 7% y-y in 4Q17. Despite the slowdown in Australia, the operation in other international markets, especially The Coffee Club brand in the Middle East and Thailand, continued to sustain strong same-store-sales momentum. To restore growth, Australia hub will focus on accelerating expansion of its coffee business. Domestically, Australia hub will focus on driving product and service improvement of The Coffee Club and growing its coffee roasting business. Internationally, it plans to rapidly expand the number of The Coffee Club outlets, which is expected to more than double over the next five years.

Although same-store-sales growth of Singapore hub remained negative in 4Q17, the trend has much improved, with negative same-store-sales growth of 3.6% y-y. As the slowdown of domestic consumption and intense competition in the restaurant sector continued to adversely affect its performance, Minor Food took the action to close non-performing outlets during the year. Although this resulted in further negative total-system-sales growth, Singapore hub successfully turned profitable again in 4Q17. In response to market challenges, Singapore hub will continue to rationalize its portfolio by focusing on enhancing sales of existing outlets, selectively closing non-performing outlets and maximizing operational efficiency. Looking ahead, Minor Food still believes in the long-term potential of Singapore hub and its brands and will look for growth opportunities of Thai Express brand in international markets to achieve sustainable earnings.



Overall, 2017 total-system-sales increased by 5.1%, driven by Thailand and China hubs. Although economic and competitive challenges in Minor Food's operating markets have put pressure on the performance of its key restaurant hubs in 2017, its strong multi-brand portfolio and operational excellence have helped support and alleviate the pressure on the overall performance to a certain degree. As a result, Minor Food's group-wide same-store-sales declined slightly by 0.8% in 2017.

### Restaurant Business Performance

%	4Q17	4Q16	2017	2016
Average Same-Store-Sales Growth	-1.1	-0.9	-0.8	-1.3
Average Total-System-Sales Growth	3.2	6.4	5.1	9.1

*Note: Calculation based on local currency to exclude the impact of foreign exchange*

### Financial Performance Analysis

4Q17 total restaurant revenue increased by 8% y-y due to resilient growth of Thailand and China hubs, together with higher contribution from Minor Food's strategic investments such as SSP, MINT's restaurant operation at airports, and BreadTalk. Franchise fee decreased slightly by 1% y-y, mainly from the weakening of Australian dollar during the period. 4Q17 EBITDA grew by 20% y-y, primarily because of effective supply chain management of Riverside brand in China and improved operational efficiency of Singapore hub. As a result, 4Q17 EBITDA margin grew to 18.5% from 16.6% in 4Q16.

2017 total restaurant revenue increased by 2% from core revenue in 2016, from the resilient growth of Thailand and China hubs. 2017 EBITDA grew by a larger magnitude of 12%, compared to 2016 core EBITDA, primarily from improved profitability of China hub and higher contribution from strategic investments at share of profits level. As a result, EBITDA margin improved to 18.2% in 2017 from 2016 core EBITDA of 16.7%.

### Revenue Breakdown\*

Baht million	4Q17	4Q16	% Chg
Revenue from Operation**	5,641	5,203	8
Franchise Fee	412	418	-1
<b>Total Revenue</b>	<b>6,053</b>	<b>5,621</b>	<b>8</b>
<b>EBITDA</b>	<b>1,118</b>	<b>933</b>	<b>20</b>
<b>EBITDA Margin (%)</b>	<b>18.5</b>	<b>16.6</b>	

Baht million	2017	2016	% Chg
Revenue from Operation**	21,918	21,405	2
Franchise Fee	1,665	1,616	3
<b>Total Revenue</b>	<b>23,582</b>	<b>23,022</b>	<b>2</b>
<b>EBITDA</b>	<b>4,285</b>	<b>3,843</b>	<b>12</b>
<b>EBITDA Margin (%)</b>	<b>18.2</b>	<b>16.7</b>	

\* Exclude non-recurring items as detailed in the table on page 265

\*\* Include share of profit and other income

## Hotel & Mixed-Use Business

### Hotel Business

At the end of 4Q17, MINT owns 70 hotels and manages 88 hotels and serviced suites in 25 countries. Altogether, these properties have 20,209 hotel rooms and serviced suites, including 9,099 that are equity-owned and 11,110 that are purely-managed under the brands Anantara, AVANI, Oaks, Tivoli, Elewana Collection and The Beaumont. Of the total, 4,387 rooms or 22% are in Thailand, while the remaining 15,822 rooms or 78% are located in Australia, Botswana, Brazil, Cambodia, China, Kenya, New Zealand, India, Indonesia, Lesotho, Malaysia, Mozambique, Namibia, Oman, Portugal, Qatar, Seychelles, Sri Lanka, Tanzania, the Maldives, the UAE, the UK, Vietnam and Zambia.

#### Hotel Rooms by Owned Equity and Management

	4Q17	Chg q-q	Chg y-y
Owned Equity*	9,099	196	195
• Thailand	2,692	196	185
• Overseas	6,407	0	10
Management	11,110	153	238
• Thailand	1,695	0	0
• Overseas	9,415	153	238
<b>Total Hotel Rooms</b>	<b>20,209</b>	<b>349</b>	<b>433</b>

\* Owned equity includes all hotels which are majority-owned hotels and joint ventures

#### Hotel Rooms by Ownership

	4Q17	Chg q-q	Chg y-y
Owned Hotels	7,039	0	-79
Joint Ventures	2,060	196	274
Managed Hotels	4,692	73	159
MLRs*	6,418	80	79
<b>Total Hotel Rooms</b>	<b>20,209</b>	<b>349</b>	<b>433</b>

\* Properties under Management Letting Rights in Australia and New Zealand

## Hotel Performance Analysis by Ownership

Owned-hotels portfolio, which accounted for 56% of hotel & mixed-use revenue in 4Q17, reported y-y organic revenue per available room (RevPar) increase of 13%. Owned hotels in Thailand sustained strong growth momentum and achieved organic RevPar growth of 13% y-y. Operations in Bangkok and the provinces of Thailand both experienced double-digit RevPar increases, supported by strong demand during the high season and the effectiveness of MINT's revenue management. Outside of Thailand, organic RevPar of the overseas owned hotels portfolio grew robustly by 12% y-y, led by the operations in Portugal, Brazil and the Maldives. In Portugal, the portfolio under the Tivoli brand delivered RevPar growth of over 20% y-y, led by higher ADR after property renovations, which began since 4Q16. In Brazil, the two Tivoli hotels continued to report strong RevPar growth of 14% y-y, driven by both occupancy and ADR from improving macro conditions and MINT's successful sales and marketing efforts. Lastly, the operation in the Maldives showed significant operational improvement with MINT's effective targeted marketing initiatives, together with strong demand from the European markets during the high season, and achieved RevPar growth of 11% y-y. With no new hotel openings during the quarter, 4Q17 system-wide RevPar of owned hotels also grew by 13% y-y.

Oaks, contributing 19% of 4Q17 hotel & mixed-use revenue, continued to see strong demand with occupancy rate of 80%, resulting in RevPar growth of 5% y-y in Australian dollar term. With the weakening of Australian dollar, Oaks' RevPar was flat y-y in Thai Baht term in 4Q17.

Revenue contribution of management contract to MINT's hotel & mixed-use revenue was 4% in 4Q17. Organic RevPar of management contract portfolio decreased by 5% y-y in 4Q17, primarily due to the temporary impact of the Volcano eruption in Bali, Indonesia and the absence of the PER AQUUM portfolio in the UAE and the Maldives, which had high ADR, following the sale of MINT's shareholding in the brand in early 2017. Including new hotels, which are still ramping up, system-wide RevPar of managed hotels declined by 9% y-y in 4Q17.

In summary, in 4Q17, MINT's organic RevPar of the entire portfolio grew by 3% y-y, bolstered by solid operations both in Thailand and key overseas markets, including Portugal, Brazil and the Maldives. Including new hotel additions, system-wide RevPar of its entire hospitality portfolio grew by 1% y-y in 4Q17.

In 2017, organic RevPar of the entire portfolio grew by 1%, led by owned hotel operations both in Thailand and overseas, as well as Oaks, which helped offset the temporary softness of managed hotel portfolio. Including new hotels, system-wide RevPar of MINT's entire portfolio was flat due to the lower RevPar commanded by the new hotels than MINT's average.

### Hotel Business Performance by Ownership

(System-Wide)	Occupancy (%)			
	4Q17	4Q16	2017	2016**
Owned Hotels	59	56	62	63
Joint Ventures	53	49	49	44
Managed Hotels	64	62	64	63
MLRs*	80	79	78	77
<b>Average</b>	<b>67</b>	<b>65</b>	<b>67</b>	<b>67</b>
MINT's Portfolio in Thailand	75	69	77	73
Industry Average in Thailand***	69	66	68	67

(System-Wide)	ADR (Baht/night)			
	4Q17	4Q16	2017	2016**
Owned Hotels	6,617	6,143	6,228	5,811
Joint Ventures	9,032	10,603	9,336	11,176
Managed Hotels	6,075	6,886	6,108	6,724
MLRs*	4,689	4,772	4,588	4,557
<b>Average</b>	<b>5,850</b>	<b>5,963</b>	<b>5,705</b>	<b>5,744</b>
MINT's Portfolio in Thailand	5,278	5,201	4,844	4,859
Industry Average in Thailand***	1,801	1,555	1,613	1,461

(System-Wide)	RevPar (Baht/night)			
	4Q17	4Q16	2017	2016**
Owned Hotels	3,881	3,445	3,865	3,653
Joint Ventures	4,801	5,154	4,577	4,955
Managed Hotels	3,876	4,244	3,917	4,241
MLRs*	3,740	3,747	3,596	3,495
<b>Average</b>	<b>3,903</b>	<b>3,858</b>	<b>3,837</b>	<b>3,821</b>
MINT's Portfolio in Thailand	3,972	3,602	3,753	3,555
Industry Average in Thailand***	1,250	1,019	1,104	973

\* Properties under Management Letting Rights in Australia & New Zealand

\*\* Performance of owned hotels and joint ventures in 2016 were restated, following the increased shareholding in the two hotels in Zambia effective from July 2016 onwards

\*\*\* Source for Industry Average: Bank of Thailand

(Organic)	Occupancy (%)			
	4Q17	4Q16	2017	2016**
Owned Hotels	59	56	62	63
Joint Ventures	56	49	51	44
Managed Hotels	66	62	65	63
MLRs*	80	79	78	77
<b>Average</b>	<b>68</b>	<b>65</b>	<b>68</b>	<b>67</b>
MINT's Portfolio in Thailand	77	69	78	73

(Organic)	ADR (Baht/night)			
	4Q17	4Q16	2017	2016**
Owned Hotels	6,617	6,143	6,228	5,811
Joint Ventures	9,680	10,603	9,628	11,176
Managed Hotels	6,084	6,886	6,140	6,724
MLRs*	4,689	4,772	4,588	4,557
<b>Average</b>	<b>5,868</b>	<b>5,963</b>	<b>5,719</b>	<b>5,744</b>
MINT's Portfolio in Thailand	5,299	5,201	4,848	4,859

(Organic)	RevPar (Baht/night)			
	4Q17	4Q16	2017	2016**
Owned Hotels	3,881	3,445	3,865	3,653
Joint Ventures	5,439	5,154	4,904	4,955
Managed Hotels	4,031	4,244	4,007	4,241
MLRs*	3,740	3,747	3,596	3,495
<b>Average</b>	<b>3,973</b>	<b>3,858</b>	<b>3,875</b>	<b>3,821</b>
MINT's Portfolio in Thailand	4,061	3,602	3,774	3,555

\* Properties under Management Letting Rights in Australia & New Zealand

\*\* Performance of owned hotels and joint ventures in 2016 were restated, following the increased shareholding in the two hotels in Zambia effective from July 2016 onwards

## Hotel Performance Analysis

In 4Q17, revenue of hotel and related services increased by 9% from 4Q16 core revenue. The increase was mainly due to strong performance of hotels in Thailand and Tivoli-branded portfolio in Brazil and Portugal, solid improvement of the Maldives operation and contribution from C&K. 4Q17 management income increased by 19% y-y, attributable to solid performance of hotels under management in Thailand, the UAE and the Maldives, which MINT also receives management fees from joint-venture hotels, together with the additional management fee from 4% y-y increase in number of managed rooms.

In 2017, revenue from hotel and related services grew by 8% from 2016 core revenue due to robust operations of Thailand hotels and the Tivoli portfolio in Brazil and Portugal, contributions from the two hotels in Zambia since the shareholding increase in July 2016 and C&K in 4Q17. 2017 management income increased by 6%, attributable to the solid performance of managed hotels in Thailand and the UAE, together with the additional management fee from 4% increase in number of managed rooms.

## Mixed-Use Business & Performance Analysis

One of MINT's mixed-use businesses is plaza and entertainment business. The Company owns and operates three shopping plazas, namely; (1) Royal Garden Pattaya, (2) Turtle Village Shopping Plaza Phuket and (3) Riverside Plaza Bangkok. In addition, MINT is the operator of seven entertainment outlets in Pattaya, namely (1) Ripley's Believe It or Not Museum, (2) 12D Moving Theater, (3) Haunted Adventure, (4) Infinity Maze, (5) The Louis Tussaud's Waxworks, (6) Ripley's Scream in the Dark and (7) Ripley's The Vault. 4Q17 revenue from plaza and entertainment business increased by 4% y-y to Baht 112 million, led by the continued growth of Riverside Plaza Bangkok and turnaround of Royal Garden Pattaya with increasing traffic during the high season. In 2017, revenue from plaza and entertainment business decreased by 5% to Baht 473 million, due to the soft performance of Royal Garden Pattaya in the first nine months of the year, as well as the slowdown of Turtle Village Shopping Plaza Phuket during the construction of Turtle Village Phase II.

The other mixed-use business that provides a bigger contribution to MINT's hospitality business is the real estate business, which comprises residential development and vacation club. MINT's residential development business develops and sells properties in conjunction with the development of some of its hotels. The first project is The Estates Samui, consisting of 14 villas, adjacent to MINT's Four Seasons Resort Koh Samui. In 4Q17, one villa of The Estates Samui was sold and transferred, resulting in a total of 12 villas sold to date. The second project is St. Regis Residences, with 53 residential units located above The St. Regis Bangkok. To date, all units of St. Regis Residences have been sold. The latest project is Layan Residences by Anantara in Phuket, with 15 villas next to Anantara Layan Phuket Resort. To date, nine villas have been sold. In addition, MINT launched two joint-venture residential projects. Anantara Chiang Mai Serviced Suites, a 50% joint-venture project with U City PCL, is situated across Anantara Chiang Mai Resort & Spa and consists of 44 condominium units available for sale. In 4Q17, two units were sold and transferred, resulting in a total of 31 condominium units sold to date. Another joint-venture project outside of Thailand, Torres Rani in Maputo, Mozambique was also completed with 187 condominium units. While most of the units are leased out, there are six penthouses available for sale, of which total of three units were sold and transferred to date. In addition, three new residential development projects have already been announced and are under construction, including Avadina Hills by Anantara in Phuket, Anantara Desaru in Malaysia and Anantara Ubud, Bali in Indonesia to ensure continuous pipeline of MINT's real estate business in the coming years.

Another real estate business of MINT is the point-based vacation club under its own brand, Anantara Vacation Club (AVC). At the end of 4Q17, AVC had a total inventory of 186 units in Samui, Phuket, Bangkok and Chiang Mai in Thailand, Queenstown in New Zealand, Bali in Indonesia, and Sanya in China. With the successful adjustment of the sales model, AVC delivered exceptional sales growth of 28% in 2017, mainly from the increase in number of members by 27% y-y to 10,193 members at the end of 2017.



Overall, revenue from real estate development increased by 39% y-y in 4Q17, bolstered by sale of residential development and continued growth of AVC sales. For 2017, real estate business reported a revenue growth of 36% due to the same reason as in 4Q17.

#### Overall Hotel & Mixed-Use Financial Performance Analysis

Total hotel & mixed-use revenue increased by 14% in 4Q17, compared to 4Q16 core revenue, led by the robust growth of hotel & related services and real estate business, together with the consolidation of C&K. However, 4Q17 EBITDA increased by a smaller magnitude of 3% from 4Q16 core EBITDA, mainly attributable to the low margin of Tivoli portfolio in Portugal during the low season and the consolidation of C&K, which had lower margin than Minor Hotels' average. As a result, EBITDA margin declined to 26.4% in 4Q17 from core EBITDA of 29.0% in 4Q16.

For 2017, total revenue of hotel & mixed-use business increased by 12% from 2016 core revenue, attributable to the growth of hotel & related services, management income, and real estate development. 2017 EBITDA grew by 8%, compared to 2016 core EBITDA, slower than revenue growth rate, primarily because of the hotel renovations which adversely affected the profitability of Portugal portfolio. As a result, EBITDA margin declined to 24.8% in 2017 from core EBITDA of 25.7% in 2016.

#### Revenue Breakdown\*

Baht million	4Q17	4Q16	% Chg
Hotel & Related Services**	6,459	5,917	9
Management Fee	328	277	19
Plaza & Entertainment	112	107	4
Real Estate Development	1,453	1,042	39
<b>Total Revenue</b>	<b>8,352</b>	<b>7,344</b>	<b>14</b>
<b>EBITDA</b>	<b>2,201</b>	<b>2,132</b>	<b>3</b>
<b>EBITDA Margin (%)</b>	<b>26.4</b>	<b>29.0</b>	
Baht million	2017	2016	% Chg
Hotel & Related Services**	24,010	22,233	8
Management Fee	1,171	1,103	6
Plaza & Entertainment	473	500	-5
Real Estate Development	5,316	3,922	36
<b>Total Revenue</b>	<b>30,970</b>	<b>27,758</b>	<b>12</b>
<b>EBITDA</b>	<b>7,685</b>	<b>7,146</b>	<b>8</b>
<b>EBITDA Margin (%)</b>	<b>24.8</b>	<b>25.7</b>	

\* Exclude non-recurring items as detailed in the table on page 265

\*\* Include share of profit and other income

## Retail Trading & Contract Manufacturing Business

At the end of 4Q17, MINT had 398 retail trading points of sales, an increase of 71 points of sales from 327 points at the end of 4Q16. Of total 398 retail trading outlets, 91% are operated under fashion brands including Esprit, Bossini, GAP, Banana Republic, Brooks Brothers, Etam, OVS, Radley, Anello, Charles & Keith and Pedro, while 9% are operated under home and kitchenware brands including Zwilling J.A. Henckels and Joseph Joseph.

### Retail Trading's Outlet Breakdown

No. of Outlets/Retail Trading Points	4Q17	Chg q-q	Chg y-y
Fashion	364	37	59
Home & Kitchenware	34	7	12
<b>Total Outlets</b>	<b>398</b>	<b>44</b>	<b>71</b>

In 4Q17, total retail trading & contract manufacturing revenue showed significant growth of 29% y-y. Revenue from retail trading business increased by 32% y-y from the strong performance of both fashion and home & kitchenware brands. Revenue from contract manufacturing business continued to show operational improvement and reported revenue growth of 20% y-y as major customers were successful in product launches and promotional campaigns following the end of the mourning period. EBITDA of the retail trading & contract manufacturing business increased by 26% y-y in 4Q17, which is slightly lower than the revenue growth rate, due to higher labor cost of contract manufacturing business and the lower profitability of the recently launched brands, which are still in their ramping up stage. As a result, EBITDA margin declined slightly to 9.8% in 4Q17 from 10.0% in 4Q16.

2017 revenue from retail trading & contract manufacturing increased by 17%, while EBITDA increased by 14%. The lower growth rate of EBITDA, compared to the revenue growth rate, was because of the lower profitability of contract manufacturing business and recently launched brands. Consequently, EBITDA margin declined to 7.4% in 2017, compared to 7.6% in 2016.

### Retail Trading & Contract Manufacturing's Revenue Breakdown

Baht million	4Q17	4Q16	% Chg
Retail Trading	904	685	32
Manufacturing	269	225	20
<b>Total Revenue*</b>	<b>1,173</b>	<b>910</b>	<b>29</b>
<b>EBITDA</b>	<b>115</b>	<b>91</b>	<b>26</b>
<b>EBITDA Margin (%)</b>	<b>9.8</b>	<b>10.0</b>	

Baht million	2017	2016	% Chg
Retail Trading	3,112	2,551	22
Manufacturing	979	954	3
<b>Total Revenue*</b>	<b>4,091</b>	<b>3,505</b>	<b>17</b>
<b>EBITDA</b>	<b>304</b>	<b>267</b>	<b>14</b>
<b>EBITDA Margin (%)</b>	<b>7.4</b>	<b>7.6</b>	

\* Include share of profit and other income

## Balance Sheet & Cash Flows

At the end of 2017, MINT reported total assets of Baht 118,444 million, an increase of Baht 9,990 million from Baht 108,453 million at the end of 2016. The increase was primarily the result of:

1. Baht 2,187 million increase in trade and other receivables, mainly from the increased instalment sales of AVC and the consolidation of C&K;
2. Baht 2,844 million net increase in investments, including the increase in shareholding of Riverside, the conversion of loan to 70% stake in Grab Food in the UK and the increased investments in hotel business in Africa;
3. Baht 2,573 million increase in property, plant and equipment, mainly from the renovation of Tivoli portfolio and the investment in C&K.

MINT reported total liabilities of Baht 68,423 million at the end of 2017, an increase of Baht 766 million from Baht 67,656 million at the end of 2016. The increase was mainly from (1) the increase in trade accounts payable of Baht 1,377 million, mainly from higher accounts payable of hotel business, together with the consolidation of C&K, netted off with (2) the decrease in debentures of Baht 666 million due to the maturity of existing debentures.

Shareholders' equity increased by Baht 9,224 million from Baht 40,797 million at the end of 2016 to Baht 50,021 million at the end of 2017, owing mainly to (1) 2017 net profit of Baht 5,415 million, (2) the increase in share capital and share premium of Baht 7,584 million, mainly as a result of warrants conversion in November 2017, netted off with (3) the decrease in non-controlling interests amounted to Baht 696 million, from additional investments in Riverside in China and hotels in Africa and (4) dividends paid of Baht 1,544 million.

For the 12 months of 2017, MINT and its subsidiaries reported positive cash flows from operations of Baht 6,480 million, a decrease of Baht 14 million from 2016. This was partly from (1) the increase in profit before income tax from operations (excluding non-recurring gains) of Baht 1,254 million, netted off with changes in non-cash items, including (2) the increase in share of profits of Baht 482 million (3) the decrease in translation adjustments of Baht 221 million and (4) the decrease in net operating assets and liabilities of Baht 373 million.

Cash flow paid for investing activities was Baht 11,584 million, due primarily to investments in available-for-sale, associates and joint ventures of Baht 2,765 million and capital expenditures of hotel, restaurant and other businesses of Baht 5,913 million.

The Company reported net cash received from financing activities of Baht 6,156 million, comprising primarily of (1) net cash received from long-term borrowings of Baht 1,367 million, (2) cash received from issuance of ordinary shares by exercise of warrants of Baht 7,584 million, netted off with (3) dividend payment of Baht 1,544 million and (4) payment to non-controlling interest for disposal of investment in subsidiaries of Baht 1,183 million, mainly from additional investment in Riverside, China.

In summary, cash flows from operating, investing and financing activities resulted in higher net cash and cash equivalents of Baht 986 million in 2017.

## Financial Ratio Analysis

MINT's gross profit margin increased from 57.5% in 2016 to 58.8% in 2017, due to improved gross margins of all three business units. MINT's reported net profit margin decreased from 11.6% in 2016 to 9.2% in 2017, due mainly to non-recurring items in 2016 as detailed in the table on page 265. Stripping out the non-recurring items, core net margin improved from 8.4% in 2016 to 9.2% in 2017, supported by higher operating leverage of all three business units.

Return on equity decreased from 17.0% in 2016 to 11.9% in 2017. Correspondingly, return on assets declined from 6.4% in 2016 to 4.8% in 2017. The decrease of both ratios to the more normalized level was due to reported net profit from operations in 2017, as opposed to 2016 reported net profit, which included the non-recurring items detailed on page 265.

Collection days decreased from 61 days in 2016 to 58 days in 2017, primarily as a result of the change of AVC's sales model. The provision for impairment as a percentage of gross trade receivables decreased from 6.3% at the end of 2016 to 5.5% at the end of 2017, also mainly from AVC's new sales model. MINT's inventory comprises primarily raw materials, work-in-process and finished products of the restaurant, retail trading & contract manufacturing businesses, while hotel business has lower level of inventory because of the nature of its business. Inventory days increased from 51 days in 2016 to 56 days in 2017, due mainly to the slowdown of restaurant business amidst challenging macro backdrop. Account payable days increased from 47 days in 2016 to 48 days in 2017, primarily due to higher accounts payable of hotel business.

Current ratio increased from 0.9x at the end of 2016 to 1.3x at the end of 2017, primarily because of the increase in cash and cash equivalents with the proceeds from warrants conversion, the increase in trade and other receivables following the rapid sales growth of AVC and the decrease in current portion of debentures with maturity of existing debentures. Interest bearing debt to equity decreased from 1.2x at the end of 2016 to 1.0x at the end of 2017, mainly from the increase in equity following the exercise of warrants in November 2017, as well as improvement of the 2017 performance. Interest coverage ratio decreased from 5.7x in 2016 to 5.1x in 2017 because of higher interest expenses, together with lower cash flow from operations.

#### Financial Ratio Analysis

Profitability Ratio	2017	2016
Gross Profit Margin (%)	58.8	57.5
Net Profit Margin – As Reported (%)	9.2	11.6
Core Net Profit Margin (%)	9.2	8.4
Efficiency Ratio	31 Dec 2017	31 Dec 2016
Return on Equity (%)	11.9	17.0
Return on Assets (%)	4.8	6.4
Collection Period (days)	58	61
Inventory Days	56	51
Accounts Payable Days	48	47
Liquidity Ratio	31 Dec 2017	31 Dec 2016
Current Ratio (x)	1.3	0.9
Leverage & Financial Policy	31 Dec 2017	31 Dec 2016
Interest Bearing Debt/Equity (x)	1.0	1.2
Net Interest Bearing Debt/Equity (x)	0.9	1.1
	2017	2016
Interest Coverage (x)	5.1	5.7

## Management's Outlook

In 2017, MINT made significant progress on both strategic and operational fronts to drive revenue, profitability and shareholders' value despite challenging macro conditions in its key operating markets. Going into 2018, MINT is confident in the bright business outlook and strong earnings, with its solid diversification strategy, strong brand portfolio, disciplined execution, together with improving overall macro trends. Below highlight key growth drivers in 2018.

### Rapid Ramp-Up of Hotel Operations on the Back of Positive Tourism Trends

Minor Hotels will leverage on its strong global operating platform and operational excellence to drive performance and profitability. With positive outlook of tourism industry in its key operating markets, together with its proactive efforts to strengthen its distribution, sales and marketing capabilities, Minor Hotels expects to see uplift in occupancy, ADR and RevPar across its owned hotel portfolio as detailed below:

- In Thailand, Minor Hotels is confident in the attractiveness of Thailand tourism, supported by strong demand from both domestic and international tourists. Especially with the government's focus on increasing the number of quality tourists, Minor Hotels expects to greatly benefit from increasing demand for tourism in the high-end segment.
- In Portugal, Minor Hotels expects the tourism industry to continue to benefit from strong demand of European tourists, who are cautious of geopolitical instabilities in the Mediterranean destinations and shift their holidays to the country. Furthermore, by second half of 2018, Minor Hotels will reap full benefits of its hotel refurbishment program with improved product and service offerings and well-achieved ADR increase.
- In Brazil and Africa, Minor Hotels expects favorable business outlook, supported by improving macro conditions, strong tourism demand and limited growth of hotel supply. With renovated products, Minor Hotels is well positioned to attract more guests and ramp up performance in these two markets.

For Oaks operation in Australia, Minor Hotels expects stable tourism growth, driven by both domestic and international travelers. In addition to securing new management letting rights contracts, Minor Hotels will also selectively look for investment opportunities to ensure consistent growth. Internationally, Minor Hotels continues to look for opportunities to expand the Oaks brand, with pipeline in China, South Korea, Lebanon and Qatar.

For the hotel management business, Minor Hotels' owned brands continue to receive high praise for their best-in-class products and guest experience, experienced management team and proven track record of delivering superior returns to property owners. To date, Minor Hotels has successfully secured over 40 management contracts to be opened over the next four years. By 2022, Minor Hotels plans to increase hotel under management from the current 35 hotels to over 70 hotels.

For the real estate business, Minor Hotels will continue to drive sale of current residential projects, as well as begin selling a new 16-luxury villas project named Avadina Hills by Anantara, next to Layan Residences by Anantara in Phuket. At the same time, AVC will continue to grow its member base and expand its product offerings to spearhead growth.

### Thailand and China to Lead Growth of Restaurant Business

Minor Food is resourced with a strong multi-brand portfolio to drive growth, supported by solid operational excellence. Minor Food expects Thailand and China to spearhead business expansion in 2018 on the back of improving economic environment and growing middle-class.

- In Thailand, Minor Food will benefit from improving domestic consumption and strong economic growth prospects, supported by rising farm income, higher infrastructure spending and recovery of private investment. Minor Food will leverage on its brands' leading position in the market to drive performance. In addition to disciplined outlet expansion, each brand will focus on strengthening its core competencies, including product and service innovation and marketing excellence. Furthermore, digital technology will play an important role in transforming brand experience, from product development, customer journey analysis to seamless customer service experience.
- In China, Minor Food will continue to leverage on its distinctive local Chinese concept, Riverside, to build scale and drive profitable expansion. With growing middle-class and urbanization trend, Minor Food aims to double number of Riverside outlets in the country over the next five years. To support business expansion, Minor Food will continue to strengthen its supply chain infrastructure and capabilities to maximize operational efficiency and profitability.

### Transforming Retail Experience to Grow Lifestyle Business

With digital technology transforming retail experience, Minor Lifestyle will drive online-offline strategy to provide seamless customer experience and expand customer base. To support the omni-channel strategy, Minor Lifestyle will streamline its operations, including supply chain and inventory management, ordering system, sales and customer service. In addition, Minor Lifestyle will continue to strengthen its portfolio by looking for opportunities to launch new lifestyle brands in Thailand as the macro environment improves. Minor Lifestyle is confident that these initiatives will provide a solid foundation for the retail trading business to grow robustly going forward.



## Connected Transactions

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<b>1. MJETS Limited (MJETS)</b> <b>Relationship:</b> Common directors	MJETS provided air-chartered flight services to Minor International Public Company Limited (MINT) and its subsidiaries. The services were recorded as <b>other expenses</b> by the following companies:		MINT and its subsidiaries used air-chartered flights for management to travel to business meetings/visit project sites in Thailand and abroad. The services were provided at market rates and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	<ul style="list-style-type: none"> <li>• MINT</li> <li>• Minor Hotel Group Limited</li> <li>• Hua Hin Resort Limited</li> <li>• Rajdamri Residence Limited</li> </ul>	14.29 0.77 1.30 1.00	
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to MJETS and received monthly <b>management fee income</b> , which was charged according to the type and quantity of services provided.	0.82	
<b>2. Select Service Partner Limited (SSP)</b> <b>Relationship:</b> The Minor Food Group Public Company Limited (MFG) holds 51% stake and shares common directors.	MINT's subsidiaries, which sold their products to SSP and recorded <b>sales</b> from SSP, are the following:		MINT's subsidiaries sold the products to SSP at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	<ul style="list-style-type: none"> <li>• MFG</li> <li>• Minor DQ Limited</li> <li>• Burger (Thailand) Limited</li> <li>• The Coffee Club (Thailand) Limited</li> <li>• Swensen's (Thai) Limited</li> </ul>	21.78 21.94 159.41 0.18 1.11	
	MFG, MINT's subsidiary, provided management and financial services to SSP and recorded such services as <b>management fee income</b> .	4.78	

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
	MFG, MINT's subsidiary, held a stake in SSP and received <b>dividend income</b> .	25.50	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transaction was fair and reasonable.
	MFG, MINT's subsidiary, recorded <b>interest income</b> received from the loan to SSP according to the agreement.	0.38	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>3. Maikhao Vacation Villas Limited (MVVL)</b> <b>Relationship:</b> MINT holds 50% stake and shares common directors in the joint venture.	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to MVVL. The <b>fee</b> was charged according to the type and amount of services provided.	0.49	Minor Hotel Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>4. Eutopia Private Holding Limited (Eutopia)</b> <b>Relationship:</b> MINT indirectly holds 50% stake and shares common directors.	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management service to Eutopia and recorded such service as <b>management fee income</b> .	176.39	Lodging Management (Labuan) Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided IT management service to Eutopia and recorded <b>management fee income</b> , which was charged according to the type and quantity of services provided.	0.74	Minor Hotel Group Limited has expertise in providing IT management service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Eutopia and recorded <b>management fee income</b> , which was based on international standard and market prices.	4.02	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
	RGR International Limited, MINT's subsidiary, provided management service to Eutopia and recorded <b>management fee income</b> , which was based on international standard and market prices.	26.23	RGR International Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	MSpa Ventures Limited, MINT's subsidiary, provided spa management to Eutopia and recorded <b>management fee income</b> , which was based on international standard and market prices.	18.22	MSpa Ventures Limited specializes in spa management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	RGR International Limited, MINT's subsidiary, held a stake in Eutopia and received <b>dividend income</b> .	87.55	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Supply Chain Solutions Limited sold its products to Eutopia and recorded <b>sales</b> .	1.89	Products were sold at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>5. MHG Deep Blue Financing Relationship:</b> MINT indirectly has 50% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, provided treasury service to MHG Deep Blue Financing and recorded service charge as <b>management fee</b> .	22.11	The treasury service was in accordance with the agreement. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>6. O Plus E Holding Private Limited Relationship:</b> MINT indirectly has 50% shareholding.	Lodging Management (Mauritius) Limited, MINT's subsidiary, provided <b>loan</b> to O Plus E Holding Private Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	804.46 47.22	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
	Minor Hotel Group MEA DMCC, MINT's subsidiary, provided hotel management service to O Plus E Holding Private Limited and recorded <b>management fee income</b> .	39.84	Lodging Management (Mauritius) Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to O Plus E Holding Private Limited and recorded <b>management fee income</b> , which was based on international standard and market prices.	1.76	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>7. Harbour View Corporation Limited</b>	RGR International Limited, MINT's subsidiary, provided <b>loan</b> to Harbour View Corporation Limited proportionately to its shareholding. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>Relationship:</b> MINT indirectly holds 30.39% shareholding and shares common directors.			
	<ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>107.38</p> <p>4.72</p>	
	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Harbour View Corporation Limited and recorded <b>management fee income</b> .	4.82	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>8. Tanzania Tourism and Hospitality Investment Limited</b>	Hospitality Investment International Limited, MINT's subsidiary, provided <b>loan</b> to Tanzania Tourism and Hospitality Investment Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>Relationship:</b> MINT indirectly has 50% shareholding.			
	<ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>259.74</p> <p>13.57</p>	

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<p><b>9. Zanzibar Tourism and Hospitality Investment Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.</p>	<p>Hospitality Investment International Limited, MINT's subsidiary, provided <b>loan</b> to Zanzibar Tourism and Hospitality Investment Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>15.40 0.51</p>	<p>The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>10. Rocky Hill Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.</p>	<p>Hospitality Investment International Limited, MINT's subsidiary, provided <b>loan</b> to Rocky Hill Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>90.85 4.46</p>	<p>The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>11. Sand River Eco Camp Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.</p>	<p>Hospitality Investment International Limited, MINT's subsidiary, provided <b>loan</b> to Sand River Eco Camp Limited in accordance with agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>52.97 2.99</p>	<p>The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<b>12. Elewana Afrika Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	Hospitallity Investment International Limited, MINT's subsidiary, provided <b>loan</b> to Elewana Afrika Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	236.09 15.06	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided internal audit services to Elewana Afrika Limited and recorded <b>internal audit income</b> .	0.22	
<b>13. Harbour Residences Oaks Ltd.</b> <b>Relationship:</b> Oaks Hotels & Resorts Limited has 50% shareholding.	Oaks Hotels & Resorts Limited, MINT's subsidiary, provided <b>loan</b> to Harbour Residences Oaks Ltd. in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> <li>• Loan</li> </ul>	19.41	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
	Oaks Hotels & Resorts Limited, MINT's subsidiary, held a stake in Harbour Residences Oaks Ltd. and received <b>dividend income</b> .	13.55	
<b>14. Zuma Bangkok Limited</b> <b>Relationship:</b> MINT indirectly has 51% shareholding and shares common directors.	Rajadamri Lodging Limited, MINT's subsidiary, provided <b>loan</b> to Zuma Bangkok Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.	63.54	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.



Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to Zuma Bangkok Limited. The <b>fee</b> was charged according to the type and amount of services provided.	0.12	Minor Hotel Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Supply Chain Solutions Limited sold its products to Zuma Bangkok Limited and recorded <b>sales</b> .	1.03	Products were sold at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>15. Arabian Spa (Dubai) (LLC)</b> <b>Relationship:</b> MINT indirectly has 49% shareholding and shares common directors.	MSpa Venture Limited, MINT's subsidiary, provided spa management to Arabian Spa (Dubai) (LLC) and recorded the service as <b>management fee income</b> .	5.67	MSpa Venture Limited specializes in spa management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>16. Sribhathana Garden Limited</b> <b>Relationship:</b> Minor Holdings (Thai) Limited is the common major shareholder (holds 16.53% of MINT) and shares common directors.	Maerim Terrace Resort Limited, MINT's subsidiary, leased land from Sribhathana Garden Limited to operate Four Seasons Resort Chiang Mai. The lease was recorded as <b>rental expenses</b> .	27.20	The leasing of land for hotel operation was a normal business transaction. Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting, tax management and financial services to Sribhathana Garden Limited. The <b>fee</b> was charged monthly according to the type and amount of services provided.	0.27	Minor Hotel Group Limited has expertise in providing accounting, tax management and financial services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>17. Phuket Vessel Holding Limited</b> <b>Relationship:</b> Common directors	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to Phuket Vessel Holding Limited and received monthly <b>service fee</b> , which was based on the type and quantity of services provided.	0.04	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<b>18. Minor Holdings (Thai) Limited (MHT)</b> <b>Relationship:</b> Major shareholder of MINT with 16.50% stake. MINT also shares common directors.	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to MHT and received monthly service fee, which was based on the type and quantity of services provided. The service was recorded as <b>management fee income</b> .	0.48	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, leased computers to MHT and recorded <b>rental income</b> .	0.08	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>19. S&amp;P Syndicate Public Company Limited (S&amp;P)</b> <b>Relationship:</b> MINT has 35.70% shareholding.	MINT received <b>dividend income</b> from the investment in S&P.	134.82	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transaction was fair and reasonable.
	MINT's subsidiaries purchased products from S&P, the producer and distributor of bakery products and frozen foods. The subsidiaries, which recorded these <b>purchases of goods</b> , are the following:		The purchases were considered normal business transactions and purchase prices were at market prices. Audit Committee had an opinion that the transaction was fair and reasonable.
	<ul style="list-style-type: none"> <li>• MFG</li> <li>• Swensen's (Thai) Limited</li> <li>• SLRT Limited</li> <li>• Minor DQ Limited</li> <li>• The Coffee Club (Thailand) Limited</li> </ul>	26.90 52.71 3.64 27.33 0.31	
	Chao Phaya Resort Limited, MINT's subsidiary, provided service to S&P and recorded <b>management fee income</b> , based on the type and quantity of services provided.	6.12	The service fee was under normal conditions. Audit Committee had an opinion that the transaction was fair and reasonable and was carried out to maximize benefit of the company.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<b>20. Minor Aircraft Holding Limited</b> <b>Relationship:</b> Common shareholder	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to Minor Aircraft Holding Limited and received monthly <b>service fee</b> , which was based on the type and quantity of services provided.	0.02	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, leased computers to Minor Aircraft Holding Limited and received monthly rental fee from Minor Aircraft Holding. The fee was recorded as <b>rental income</b> .	0.02	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>21. MJETS Maintenance Limited</b> <b>Relationship:</b> Common directors and common shareholder	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to MJETS Maintenance Limited and recorded <b>management fee income</b> , based on the type and quantity of services provided.	0.39	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>22. MDJETS Limited</b> <b>Relationship:</b> Common directors and common shareholder	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to MDJETS Limited and recorded <b>management fee income</b> , based on the type and quantity of services provided.	0.02	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>23. Mysale.co.th Limited</b> <b>Relationship:</b> Minor Corporation Public Company Limited, MINT's subsidiary, has 50.1% shareholding.	Minor Corporation Public Company Limited, MINT's subsidiary, provided management services to Mysale.co.th Limited and recorded <b>management fee income</b> , based on the type and quantity of services provided.	2.70	Minor Corporation Public Company Limited has expertise in providing management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<p><b>24. Thai Union Group Public Company Limited and its subsidiaries</b> <b>Relationship:</b> Common director</p>	<p>MINT's subsidiaries and related parties purchased products from Thai Union Group Public Company Limited and its subsidiaries, the producer and distributor of frozen seafood products. The subsidiaries, which recorded these <b>purchases of goods</b>, are the following:</p> <ul style="list-style-type: none"> <li>• MFG 25.33</li> <li>• SLRT Limited 39.60</li> <li>• Minor DQ Limited 7.38</li> <li>• The Coffee Club (Thailand) Limited 3.95</li> <li>• NMT Limited 2.44</li> <li>• Burger (Thailand) Limited 7.76</li> <li>• Swensen's (Thai) Limited 0.13</li> </ul>		<p>The transactions were done at market prices and under normal business conditions. Audit Committee had an opinion that the transactions were fair and reasonable, and were carried out to maximize the benefit of the Company.</p>
<p><b>25. InsurExcellence Insurance Brokers Ltd.</b> <b>Relationship:</b> Common director</p>	<p>MINT and its subsidiaries paid <b>insurance premium</b> to InsurExcellence Insurance Brokers Ltd. at market prices.</p>	22.91	<p>InsurExcellence Insurance Brokers Ltd. has expertise in the insurance business. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable and was carried out to maximize the benefit of the Company.</p>
<p><b>26. BTM (Thailand) Ltd.</b> <b>Relationship:</b> The Minor Food Group Public Company Limited, MINT's subsidiary, has 50% shareholding.</p>	<p>MINT's subsidiaries sold their products to BTM (Thailand) Ltd. and recorded <b>sales</b>.</p> <p>MINT's subsidiaries purchased products from BTM (Thailand) Ltd., the producer of bakery products. The subsidiaries recorded the transaction as <b>purchase of goods</b>.</p>	6.89	<p>MINT's subsidiaries sold their products to BTM (Thailand) Ltd. at market prices and conditions. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
		0.07	<p>The transaction was done at market prices and under normal business conditions. Audit Committee had an opinion that the transaction was fair and reasonable, and was carried out to maximize the benefit of the Company.</p>

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
	Minor Hotel Group Limited, MINT's subsidiary, provided IT consulting, internal audit and management services to BTM (Thailand) Ltd. and recorded <b>management fee income</b> , based on the type and quantity of services provided.	0.59	Minor Hotel Group Limited has expertise in providing IT consulting and management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, leased computers to BTM (Thailand) Ltd. and received monthly rental fee from BTM (Thailand) Ltd., which was recorded as <b>rental income</b> .	0.16	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.
	BTM (Thailand) Ltd. leased retail space from Chao Phaya Resort Limited, MINT's subsidiary. The rental rate was charged at market rates with certain lease terms and recorded as <b>rental expenses</b> .	2.04	The lease contract is considered a normal business transaction at market rates. Audit Committee had an opinion that the transaction was fair and reasonable and was carried out to maximize the benefit of the Company.
	BTM (Thailand) Ltd. leased retail space from Royal Garden Plaza Limited, MINT's subsidiary. The rental rate was charged at market rates with certain lease terms and recorded as <b>rental expenses</b> .	2.24	The lease contract is considered a normal business transaction at market rates. Audit Committee had an opinion that the transaction was fair and reasonable and was carried out to maximize the benefit of the Company.
<b>27. MHG Signity Asset Holding (Mauritius) Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	MHG International Holding (Mauritius) Limited, MINT's subsidiary, provided <b>loan</b> to MHG Signity Asset Holding (Mauritius) Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.  <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	120.92 9.33	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<b>28. Per Aquum Management JLT</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	MINT provided management service to Per Aquum Management JLT and recorded <b>management fee income</b> . The fee was based on international standard and market prices.	0.14	MINT has expertise in hotel management. For the purpose of optimizing shared resource, Audit Committee had an opinion that the transaction was fair and reasonable.
	Lodging Management (Mauritius) Limited, MINT's subsidiary, received dividend from Per Aquum Management JLT and recorded <b>dividend income</b> .	7.33	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transaction was fair and reasonable.
	Lodging Management (Mauritius) Limited, MINT's subsidiary, recorded <b>interest income</b> received from Per Aquum Management JLT in accordance with the agreement.	0.13	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>29. Per Aquum Maldives Private Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	MINT provided management service to Per Aquum Maldives Private Limited and received <b>management fee</b> , which was based on international standard and market prices.	0.14	MINT has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Lodging Management (Mauritius) Limited, MINT's subsidiary, recorded <b>interest income</b> received from Per Aquum Maldives Private Limited in accordance with the agreement.	1.89	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>30. Indigo Bay SA Limited</b> <b>Relationship:</b> MINT indirectly has 25% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Indigo Bay SA Limited and recorded <b>management fee income</b> .	0.74	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable and was carried out to maximize the benefit of the Company.



Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management and IT management services to Indigo Bay SA Limited and recorded <b>management fee income</b> .	6.22	Lodging Management (Labuan) Limited has expertise in hotel management and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>31. Rani Minor Holding Limited</b> <b>Relationship:</b> MINT indirectly has 25% shareholding.	MHG International Holding (Singapore) Pte. Ltd., MINT's subsidiary, provided <b>loan</b> to Rani Minor Holding Limited according to the agreement.	245.90	The loan was provided in accordance with the agreement. Audit Committee had an opinion that the transaction was fair and reasonable.
<b>32. Cabo Delgado Hotels &amp; Resorts, Lda.</b> <b>Relationship:</b> MINT indirectly has 25% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Cabo Delgado Hotels & Resorts, Lda. and recorded <b>management fee income</b> .	2.06	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management and IT management services to Cabo Delgado Hotels & Resorts, Lda. and recorded <b>management fee income</b> .	3.76	Lodging Management (Labuan) Limited has expertise in hotel management and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>33. Elewana Afrika (T) Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	Hospitality Investment International Limited, MINT's subsidiary, provided <b>loan</b> to Elewana Afrika (T) Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	29.41 2.25	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<b>34. MHG Npark Development Company Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to MHG Npark Development Company Limited and recorded <b>management fee income</b> . The fee was based on international standard and market prices.	0.08	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Hua Hin Resort Limited, MINT's subsidiary, provided <b>loan</b> to MHG Npark Development Company Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
	<ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	87.48 5.11	
	Minor Hotel Group Limited, MINT's subsidiary, leased computers to MHG Npark Development Company Limited and received monthly rental fee from MHG Npark Development Company Limited. The fee was recorded as <b>rental income</b> .	0.01	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to MHG Npark Development Company Limited and recorded <b>management fee income</b> .	0.12	Minor Hotel Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, received hotel trademark fee from MHG Npark Development Company Limited. The fee was recorded as <b>trademark fee income</b> .	2.64	Minor Hotel Group Limited holds Anantara brand license. Audit Committee had an opinion that the transaction was fair and reasonable and was carried out to maximize the benefit of the Company.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<p><b>35. The Food Theory Group Pte. Ltd.</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.</p>	<p>MFG International Holding (Singapore) Pte. Ltd., MINT's subsidiary, provided loan to The Food Theory Group Pte. Ltd. in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>30.19 0.12</p>	<p>The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>36. Liwa Minor Food &amp; Beverages LLC</b> <b>Relationship:</b> MINT indirectly has 49% shareholding.</p>	<p>Primacy Investment Limited, MINT's subsidiary, provided loan to Liwa Minor Food &amp; Beverages LLC in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>120.13 2.63</p>	<p>The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>37. Pluluang Company Limited</b> <b>Relationship:</b> Common directors</p>	<p>Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to Pluluang Company Limited and recorded <b>management fee income</b>. The fee was based on the type and quantity of services provided.</p>	<p>0.09</p>	<p>Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>38. Pecan Deluxe (Thailand) Co., Ltd.</b> <b>Relationship:</b> MINT indirectly has 49.9% shareholding.</p>	<p>Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to Pecan Deluxe (Thailand) Co., Ltd. and recorded <b>management fee income</b>. The fee was based on the type and quantity of services provided.</p>	<p>0.14</p>	<p>Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
	<p>Minor DQ Limited, MINT's subsidiary, sold their products to Pecan Deluxe (Thailand) Co., Ltd. and recorded <b>sales</b>.</p>	<p>7.03</p>	<p>Products were sold at market prices and under normal business conditions. Audit Committee had an opinion that the transaction was fair and reasonable.</p>

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to Pecan Deluxe (Thailand) Co., Ltd. and received monthly <b>service fee</b> , which was based on the type and amount of services provided.	0.54	Minor Hotel Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	Pecan Deluxe (Thailand) Co., Ltd., MINT's subsidiary, leased building from Minor Dairy Limited, MINT's subsidiary. The rental rate was charged at market rates with certain lease terms and recorded as <b>rental expenses</b> .	3.29	The lease contract is considered a normal business transaction at market rates. Audit Committee had an opinion that the transaction was fair and reasonable and was carried out to maximize the benefit of the Company.
	<p>MINT's subsidiaries purchased products from Pecan Deluxe (Thailand) Co., Ltd., the manufacturer of food ingredients. The subsidiaries, which recorded these <b>purchases of goods</b>, are the following:</p> <ul style="list-style-type: none"> <li>• Minor DQ Limited</li> <li>• Swensen's (Thai) Limited</li> <li>• Minor Dairy Limited</li> <li>• SLRT Limited</li> </ul>	<p>37.95</p> <p>14.63</p> <p>33.38</p> <p>0.37</p>	The transactions were done at market prices and under normal business conditions. Audit Committee had an opinion that the transactions were fair and reasonable, and were carried out to maximize the benefit of the Company.
<b>39. MSC Thai Cuisine Co., Ltd.</b> <b>Relationship:</b> MINT indirectly has 43.8% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, leased computers and received monthly rental fee, which was recorded as <b>rental income</b> .	0.23	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower costs. Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to MSC Thai Cuisine Co.,Ltd. The fee was charged according to the type and amount of services provided and recorded as <b>management fee income</b> .	0.26	Minor Hotel Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
	The Minor Food Group Public Company Limited, MINT's subsidiary, recorded <b>interest income</b> received from MSC Thai Cuisine Co., Ltd. in accordance with the agreement.	0.11	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<p><b>40. G5 JETS Limited</b> <b>Relationship:</b> Common directors and common shareholder</p>	<p>Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to G5 JETS Limited. The fee was charged according to the type and amount of services provided and recorded as <b>management fee income</b>.</p>	0.03	<p>Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>41. MHG Lesotho (Proprietary) Limited</b> <b>Relationship:</b> MINT indirectly has 46.9% shareholding and share common directors.</p>	<p>MHG International Holding (Mauritius) Limited provided management service to MHG Lesotho (Proprietary) Limited and recorded as <b>management fee income</b>. The fee was based on international standard and market prices.</p>	19.54	<p>MHG International Holding (Mauritius) Limited has expertise in management service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
	<p>Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management and IT management services to MHG Lesotho (Proprietary) Limited and recorded <b>management fee income</b>.</p>	0.46	<p>Lodging Management (Labuan) Limited has expertise in hotel management and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
	<p>MHG International Holding (Mauritius) Limited, MINT's subsidiary, provided <b>loan</b> to MHG Lesotho (Proprietary) Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>28.70 3.27</p>	<p>The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
	<p>Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to MHG Lesotho (Proprietary) Limited and recorded <b>management fee income</b>.</p>	2.02	<p>Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<p><b>42. Serendib Hotels PLC</b> <b>Relationship:</b> MINT indirectly has 25.0% shareholding and share common directors.</p>	<p>Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Serendib Hotels PLC and recorded <b>management fee income</b>. The fee was based on international standard and market prices.</p>	1.20	<p>Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>43. PH Resorts (Private) Ltd.</b> <b>Relationship:</b> MINT indirectly has 49.9% stake and shares common directors.</p>	<p>Minor Hotel Group Limited, MINT's subsidiary, provided hotel management, marketing and internal audit services to PH Resorts (Private) Ltd. and recorded <b>management fee income</b>. The fee was based on international standard and market prices.</p>	1.63	<p>Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
	<p>Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management service to PH Resorts (Private) Ltd. and recorded <b>management fee income</b>. The fee was based on international standard and market prices.</p>	12.54	<p>Lodging Management (Labuan) Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
	<p>Lodging Management (Labuan) Limited, MINT's subsidiary, provided marketing service to PH Resorts (Private) Ltd. The <b>fee</b> was charged based on actual cost and was the same rate charged to the third parties.</p>	2.56	<p>Lodging Management (Labuan) Limited specializes in providing marketing service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>



Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<p><b>44. Bodhi Hotel Resort Pvt. Ltd.</b> <b>Relationship:</b> MINT indirectly has 25% stake.</p>	<p>Minor Hotel Group Limited, MINT's subsidiary, provided <b>technical services</b> such as hotel facility design and interior design and decoration to Bodhi Hotel Resort Pvt. Ltd. The <b>fee</b> was charged based on percentage of completion as per agreement.</p>	2.24	<p>Minor Hotel Group Limited has specialized staff to provide technical services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable and was carried out to maximize benefit of the Company.</p>
<p><b>45. NYE and RGP Development Co., Ltd.</b> <b>Relationship:</b> MINT indirectly has 40% shareholding.</p>	<p>Royal Garden Plaza Limited, MINT's subsidiary, provided <b>loan</b> to NYE and RGP Development Co., Ltd. proportionately to its shareholding. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>33.20</p> <p>1.06</p>	<p>The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
	<p>Minor Hotel Group Limited, MINT's subsidiary provided management service to NYE and RGP Development Co., Ltd. and recorded <b>management fee income</b>.</p>	2.25	<p>Minor Hotel Group Limited has expertise in providing management service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>46. Rani Minor Holding II Limited</b> <b>Relationship:</b> MINT indirectly has 49% shareholding.</p>	<p>MHG International Holding (Mauritius) Limited, MINT's subsidiary, provided <b>loan</b> to Rani Minor Holding II Limited in accordance with the agreement.</p>	2,923.20	<p>The loan was provided in accordance with the agreement. Audit Committee had an opinion that the transaction was fair and reasonable.</p>

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<b>47. PT. WIKA Realty</b> <b>Minor Development</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	MHG International Holding (Singapore) Pte. Ltd., MINT's subsidiary, provided loan to PT. WIKA Realty Minor Development. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.	126.27	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary provided management service to PT. WIKA Realty Minor Development and recorded <b>management fee income</b> .	3.18	Minor Hotel Group Limited has expertise in management service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.
<b>48. Avadina Hills Co., Ltd.</b> <b>Relationship:</b> MINT indirectly has 49.99% shareholding.	Rajdamri Residence Co., Ltd., MINT's subsidiary, provided loan to Avadina Hills Co., Ltd. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
	<ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	364.50 10.57	
	MINT provided loan to Avadina Hills Co., Ltd. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
	<ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	15.00 0.10	
	Minor Hotel Group Limited, MINT's subsidiary, provided management, IT, marketing and project management services to Avadina Hills Co., Ltd. and recorded as <b>management fee income</b> .	8.14	Minor Hotel Group Limited has expertise in providing IT, marketing and management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<b>49. Layan Bang Tao Development</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	MINT provided loan to Layan Bang Tao Development. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
	<ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	45.00 0.06	
	Minor Hotel Group Limited, MINT's subsidiary provided accounting and IT management services to Layan Bang Tao Development and recorded <b>management fee income</b> .	0.37	
<b>50. Layan Hill Residence</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.	MINT provided loan to Layan Hill Residence. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.
	<ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	45.00 0.06	
	Minor Hotel Group Limited, MINT's subsidiary provided accounting and IT management services to Layan Hill Residence and recorded <b>management fee income</b> .	0.37	

Connected Persons	Type of Business	Transaction Size 2017 (Baht million)	Necessity and Rationale
<p><b>51. H&amp;A Park Co., Ltd.</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.</p>	<p>MINT provided loan to H&amp;A Park Co., Ltd. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>192.28 1.40</p>	<p>The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>52. Plexus Holding Private Limited</b> <b>Relationship:</b> MINT indirectly has 50% shareholding.</p>	<p>MINT provided loan to Plexus Holding Private Limited. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.</p> <ul style="list-style-type: none"> <li>• Loan</li> <li>• Interest income</li> </ul>	<p>117.65 2.71</p>	<p>The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transaction was fair and reasonable.</p>
	<p>Minor Hotel Group Limited, MINT's subsidiary provided technical service to Plexus Holding Private Limited and recorded <b>management fee income</b>.</p>	<p>5.69</p>	<p>Minor Hotel Group Limited has expertise in providing IT and management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transaction was fair and reasonable.</p>
<p><b>53. Christiani &amp; Nielsen (Thai) Public Company Limited</b> <b>Relationship:</b> Common director</p>	<p>Christiani &amp; Nielsen has constructed hotel properties for MINT's subsidiaries. The <b>construction fee</b> was charged according to the construction contract.</p>	<p>5.73</p>	<p>Construction service was considered a normal business transaction. Audit Committee had an opinion that the transaction was fair and reasonable.</p>

## Connected Transaction Approval Procedure

All connected transactions are evaluated by the relevant work units in two respects; firstly, the transaction is reasonable and for the benefit of the Company, and secondly, the transaction is being done on a fair price basis. For example, in acquiring assets, investment department must analyze return on investment. If necessary, external advisors or experts shall be engaged in order to provide independent opinion on the transactions. The transactions are then proposed for internal approval where directors or employees with conflict of interest must not participate in the approval process. In addition, the Audit Committee will review the connected transactions to ensure that they are necessary and based on fair price.

In case the transactions fall under the relevant rules and regulations of The Stock Exchange of Thailand, the Company ensures that all relevant rules and regulations are being strictly adhered to by the Company as well as its subsidiaries.

## Future Policy on Connected Transactions

The Audit Committee and the Company will jointly consider and review any connected transactions that may arise in the future to ensure that they are necessary and based on fair price.

Pricing policies for related party transactions are as follows:

Pricing Policies	
Sales and purchases	Prices normally charged to third parties
Sales from real estate development operations	Prices normally charged to third parties
Rental income	Agreed prices which are similar to prices normally charged to third parties
Franchise fee	Agreed prices which are similar to prices normally charged to third parties
Management income and other income	Agreed prices which are similar to prices normally charged to third parties
Interest income	Rate as mutually agreed by shareholders and rate determined with reference to interest rates quoted by commercial banks
Rental expenses	Agreed prices which are similar to prices normally charged by third parties
Management expenses	Agreed prices which are costs plus administrative expenses
Royalty fee	Agreed prices which are similar to prices normally charged by third parties
Interest expenses	Rate determined with reference to interest rates quoted by commercial banks
Professional fee	Agreed prices which are similar to prices normally charged by third parties
Other expenses	Agreed prices which are similar to prices normally charged by third parties

## Nature of Business

Minor International Public Company Limited (MINT) is a global company focused on three primary businesses including restaurants, hotels and lifestyle brands distribution. MINT is one of Asia's largest restaurant companies with over 2,000 outlets operating system-wide in 19 countries under The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King, Thai Express, The Coffee Club, BreadTalk (Thailand) and Riverside brands. MINT is also a hotel owner, operator and investor with a portfolio of 158 hotels and serviced suites under the Anantara, AVANI, Oaks, Tivoli, Elewana Collection, Four Seasons, St. Regis, JW Marriott, Radisson Blu, The Beaumont and Minor International brands in 25 countries across Asia Pacific, the Middle East, Africa, the Indian Ocean, Europe and South America. In addition, MINT operates mixed-use businesses, which are complimentary to the hotel business. These include real estate business, comprising sale of residential and Anantara Vacation Club, retail and property business, and entertainment business. MINT is one of Thailand's largest distributors of lifestyle brands, including Gap, Banana Republic, Brooks Brothers, Esprit, Bossini, Etam, OVS, Radley, Anello, Charles & Keith, Pedro, Zwilling J.A. Henckels, Joseph Joseph and Minor Smart Kids. MINT is also a contract manufacturer of household products, with its own manufacturing plant.

### Revenue Structure

In the year 2017, the Company and its subsidiaries operated in main business segments as follows:

(1) Food and beverage	37.0%
(2) Hotel and related services operation	41.6%
(3) Retail and property business	0.6%
(4) Entertainment operation	0.2%
(5) Real estate	7.5%
(6) Distribution and manufacturing	6.9%
(7) Other income	6.2%



## Major Events in 2017

Month	Major Events in 2017
January	<ul style="list-style-type: none"> <li>• Opened Oaks Bodhgaya, a 25% joint-venture hotel in Bihar, India.</li> <li>• Launched the first Thai Express franchise outlet at the Beijing Capital International Airport in China.</li> <li>• Named as part of the 2016 FTSE4Good Emerging Index.</li> </ul>
March	<ul style="list-style-type: none"> <li>• Increased shareholding in AVANI Windhoek Hotel &amp; Casino in Namibia from 80% to 100%.</li> <li>• Divested the 50% shareholding in the PER AQUUM brand.</li> <li>• Launched Joseph Joseph, design-led houseware products from the UK, in Thailand.</li> </ul>
April	<ul style="list-style-type: none"> <li>• Debuted the Anantara and AVANI brands in Europe with the rebranding of two Tivoli hotels to Anantara Vilamoura Algarve Resort and AVANI Avenida Liberdade Lisbon Hotel in Portugal.</li> </ul>
May	<ul style="list-style-type: none"> <li>• Increased shareholding in AVANI Gaborone Resort &amp; Casino in Botswana from 64% to 80%.</li> <li>• Assumed management letting rights of Metro Suites in Auckland, New Zealand.</li> <li>• Entered into a 50% joint-venture agreement with Kajima Corporation to invest and operate the residential project, Avadina Hills by Anantara, Phuket.</li> <li>• Invested in development of 97 newly-designed Anantara Vacation Club adjacent to the existing Anantara Vacation Club Mai Khao project in Phuket, Thailand.</li> <li>• Invested in expansion of Turtle Village shopping mall in northern Phuket, Thailand.</li> <li>• Converted loan to 70% equity of Grab Food, the Thai restaurant concept in the UK.</li> </ul>
June	<ul style="list-style-type: none"> <li>• Opened Anantara Guiyang Resort, a hotel under management contract with a total of 218 keys in China.</li> <li>• Increased shareholding in Riverside, the China-based sichuan barbecue fish restaurant concept, from 69% to 85%.</li> <li>• Issued 10-year bond in the amount of USD 50 million.</li> </ul>

Month	Major Events in 2017
August	<ul style="list-style-type: none"> <li>• Entered into a 50% joint venture to develop AVANI Fares Resort in the Maldives.</li> <li>• Launched Cardamom Tented Camp as part of MINT’s sustainability initiative to promote conservation in Cambodia.</li> </ul>
September	<ul style="list-style-type: none"> <li>• Debuted the Tivoli brand in the Middle East with the opening of Souq Waqif Boutique Hotels by Tivoli in Doha, Qatar.</li> <li>• Rebranded Minor Education, which distributes learning-aid and children’s books in Thailand, to Minor Smart Kids.</li> <li>• Issued 7-year bond in the amount of Baht 1 billion and 15-year bond in the amount of Baht 1 billion.</li> </ul>
October	<ul style="list-style-type: none"> <li>• Entered into a 50% joint venture to own and operate a 196-key AVANI Hua Hin Resort &amp; Villas.</li> <li>• Introduced the AVANI brand in New Zealand with the rebranding of Metro Suites to AVANI Metropolis Auckland Residences.</li> </ul>
November	<ul style="list-style-type: none"> <li>• Acquired four existing Patara restaurants and franchise rights to develop and operate restaurants under Patara and Suda brands in the UK.</li> <li>• Concluded MINT-W5 warrant program, resulting in additional equity of Baht 7.9 billion for the entire program.</li> </ul>
December	<ul style="list-style-type: none"> <li>• Acquired 74% stake in the UK-based Corbin &amp; King, which operates a portfolio of six brasserie-style restaurants and manages 73-key five star hotel, The Beaumont, in London, the UK.</li> <li>• Launched AVANI Broadbeach Residences, a management letting rights in Queensland, Australia.</li> <li>• Launched the first Burger King and The Coffee Club outlets in Seychelles.</li> <li>• Launched OVS Kids, No. 1 fast-fashion brand from Italy, at Don Mueang International Airport, Terminal 2, Bangkok, Thailand.</li> </ul>

## **Risk Factors**

Conducting businesses carries a level of risks and uncertainties. Such risks may lead to fluctuation in revenues, profits, asset values, liquidity, share price, and potential impact to company's reputation.

Managing existing risks and identifying emerging risks, which may not currently be material but can later become material, is critical to the success and sustainability of our business. Risk factors listed below have taken into account both the company's existing and emerging risks. All stakeholders should acknowledge the impact and the likelihood of occurrence and carefully consider all other associated factors not limited to general and the specific risks contained in this document.

### **1. Risk of Business Disruption Resulting from the Economic and Political Instability, Natural Disasters and Catastrophe**

The Company's revenues, profitability and development plans are dependent upon discretionary spending by consumers and tourist confidence, which can be adversely affected by several external and uncontrollable events, e.g. recession, political unrest, epidemics and natural disasters, etc. Although these risks are common for every business operator, the Company employs various risk mitigation methodologies to minimize the possible adverse impact on the Company's operations and financial results, including but not limited to:

- Optimizing sales mix between different types of businesses; hotel & mixed-use, restaurant, retail trading and contract manufacturing;
- Strengthening and diversifying its brand portfolio to cover many market segments; from serviced apartments to upscale and luxury hotels, and from hamburgers to pizzas to Thai food;
- Expanding geographical coverage across Asia Pacific (including Australia), Africa, the Middle East, Europe and South America in order to reduce the reliance on any single country;
- Growing fee-based business of hotel management contracts and franchising in both existing and new or unfamiliar markets;
- Preparing adaptive contingency plans, while unexpected events in the past have increased the Company's ability to handle each situation effectively and improved our recovery capabilities.

### **2. Risk from the Competition in Core Businesses**

#### **2.1 Competition in Hospitality Business**

Increase in luxury hotel supplies in the markets the Company serves may result in price competition, pressuring its revenues and profits, especially during the low season due to the pricing pressure with lower levels of occupancy, as well as high operating leverage nature of the hotel business. The focus on the quality of the services has ensured that the Company's properties are ranked at the top among competitors in each of the markets. In addition, to mitigate such risks, the Company continues to enhance its diversification, in terms of geographical coverage, classes of hotel properties, brand positioning as well as nationalities of feeder markets. In addition to its own upscale brands, Anantara, AVANI, Oaks, Tivoli and Elewana Collection, the Company also hires world-class

hoteliers to manage its hotels under Four Seasons, JW Marriott, St. Regis and Radisson Blu brands. Furthermore, the geographical diversification with the hotel portfolio's presence in Asia, the Middle East, Africa, Europe, South America, Australia and New Zealand helps both in terms of brand recognition as well as balancing out the seasonality throughout the year. Lastly, having other complimentary businesses, e.g. spa, retail properties, entertainment and real estate allows the Company to provide a full range of services.

## 2.2 Competition in Restaurant Business

Restaurant business is highly competitive due to lower barrier to entry, unlike hospitality business. The Company competes in Thailand and international markets with many food service companies. Nevertheless, the Company aims to stay on top of the competition by continually improving existing products, developing and launching new products and new concepts, and actively responding to consumer preferences and changing trends. As a result, the Company is able to maintain its leading position with prominent market share, on the back of strong financial resources and economies of scale. In addition, the Company has diversified its product offerings to include Western concepts, e.g. pizza, steak, hamburger and ice cream and other concepts, e.g. Thai, Chinese, coffee and bakery. The increased geographical footprint also results in better coverage of consumers' diverse demand, offering greater diversification and growth for the business.

## 2.3 Competition in Retail Trading Business

Retail trading business, which includes the distribution of lifestyle products in Thailand, has a fairly competitive environment. Although there are many new global fast fashion retailers entering the market, they are concentrated mainly in Bangkok and other major cities. Most of the brands that the Company carries are more penetrated in both Bangkok and upcountry, which has higher potential for consumption growth in the long run. In addition, the Company has selectively added new brands in order to diversify its portfolio and keep up with the consumer trend. The Company's retail trading portfolio continues to be one of the biggest among independent distributors in Thailand. In addition, with retail trading being Minor Group's first business, the Company is able to leverage on its extensive management expertise and connection. Furthermore, the Company actively keeps up with consumption trend to better address consumer needs and stays connected with its consumers through its privilege program, Minorplus membership.

## 3. Risks from New Investments

As the Company intends to continue the expansion of both domestic and international operations, it is exposed to risks inherent in making any new investments such as fluctuation in investment value, the success of project initiation, contractual obligation, licensing and laws & regulations, in addition to the generic country risks. The Company closely monitors the development of any new projects through various tools, e.g. thorough due diligence, standard protocols, prudent investment criteria, etc. Local industry experts, legal and accounting professionals are also engaged to work with the Company's specialist teams to ensure its ability to complete the development or the acquisition, operate new businesses on a profitable basis and comply with all related rules and regulations. In addition, for countries that the Company has no presence, the Company will form joint ventures with business partners who have local knowledge and expertise in order to learn the market, rules and regulations, industry landscape and business operations. Until the Company is confident with the operations in that particular country will the Company increase its shareholding. This is reflected in the investments in Africa, the Maldives, Sri Lanka, Vietnam, China, Singapore and Australia. Furthermore, for investments with majority stake in new countries such as Portugal and Brazil, the Company ensures that capable management with local knowledge and expertise will be retained.

#### **4. Risk from Not Being Able to Secure Desired Locations for the Business**

Some of the Company's hotel properties are on leased land. The Company has the right to renew the lease agreements, with rental fees to be agreed upon, unless the Company voluntarily declines to extend the lease. The Company has been in compliance with all terms and conditions and has maintained excellent relationship with the landlords, and therefore does not foresee such risk arising in the near term.

For restaurant and retail trading businesses, securing prime location is one of the key success factors. Risks include the possibility that rent contracts cannot be renewed or terms and conditions may be changed. Nevertheless, with the scale of its restaurant and retail trading portfolio, together with the strength of the products which helps attract traffic into shopping centers, the Company generally has negotiation power with the landlords, thus allowing it to secure long-term rental agreements.

#### **5. Risk from Non-Renewal and Significant Change of Agreement's Terms and Conditions of Franchise and Distribution Business**

Some of the restaurant brands under the Company's operations are franchised from abroad. There is a risk of contract renewal or changes in terms and conditions of the contracts. To control such risk, the Company requests for renewal well in advance with contract terms of 10 - 20 years (subject to types of agreement). With the franchised brands being market leaders in their respective food concepts, there is higher likelihood that the contracts will be renewed. In addition, the Company's reliance on the franchised brands becomes less with greater contribution from owned brands, which are The Pizza Company, Thai Express group, The Coffee Club group and Riverside.

For retail trading business, securing exclusive distribution agreements is crucial. Two types of agreements are automatic renewal and defined term of maturity. There is a risk on the renewal in case of agreements with defined term of maturity, leading to a possible decline in revenues from retail trading. Nonetheless, its compliance with terms and conditions and its long and established relationship with the manufacturers enable the Company to successfully renew its contracts, unless the Company voluntarily declines to do so. In addition, should there be any modifications in the agreements especially on the fee structure, the Company shall negotiate to reach mutual benefits for both parties. In addition, the Company continues to look for opportunities to selectively add new brands to its retail trading portfolio.

#### **6. Risk from Termination of Hotel Management Contract and Manufacturing Contract**

The Company has increasingly leveraged on its own Anantara, AVANI, Oaks, Tivoli and Elewana Collection brands to manage non-owned hotels in exchange for management fees. Fee structure can be categorized into two phases; a technical service and advisory fee prior to the hotel opening and the management fee once the hotel commences its operations. The management fee is based on the sharing structure of hotel's revenues and gross operating profits. Generally, the contract term lasts 10 - 20 years. Should the hotel owners terminate the contract prior to maturity, the Company is entitled to cancellation fees. With many years of experience in hotel management, Minor Hotels is known for the variety and quality of brands in its portfolio, its flexibility and adaptability to customer needs and most importantly, its dedication to showcase strong performance to keep owners and travelers satisfied.

One of the Company's subsidiaries, NMT Ltd., conducts contract manufacturing business for global fast-moving consumer goods. While barrier to entry is relatively high due to the limited licensed manufacturers, price and product quality play a prominent role in securing orders. With over 30 years of experience, the Company emphasizes on production quality at the appropriate price. Moreover, consistent improvement of production line enables cost reduction. These result in long-term orders from global and regional customers.

## 7. Financial Risks

### 7.1 Risk from Fluctuation in Exchange Rate

The Company and its subsidiaries in Thailand receive certain portion of revenues, such as franchise income, hotel management income, dividend income and income from foreign travel agencies and other foreign sources, in non-Thai Baht currencies. These revenues fluctuate according to the exchange rates against Thai Baht. However, they are naturally hedged, partially, against non-Thai Baht expenses, e.g. hotel management expenses, franchise expenses and costs of retail trading products. The Company and its subsidiaries also reduce the foreign exchange risk exposure by quoting all room rates of domestic hotels in Thai Baht, instead of foreign currency, in order to match Thai Baht revenues and Thai Baht expenses. In addition, as the Company expands its operations outside of Thailand, these overseas operations are also subject to the fluctuation of foreign currencies when their performance is consolidated into the Company's financial statements in Thai Baht terms. In terms of funding, financing is generally sourced in the same currency of the assets being financed and future cash flow generated from those assets, thereby establishing natural currency hedge to the extent possible. Amidst the volatile foreign currency market driven by the fluctuating global economy and the unpredicted events, the Company has closely monitored the currency exchange fluctuations and at certain extents entering into the forward contract to minimize the impact from the fluctuations.

### 7.2 Risk from Interest Rate

The interest rate risks arise from the volatility of market interest rates, which may have a negative impact on the Company's cash flow. The Company and its subsidiaries manage such risks in accordance with its policy to reduce the Company's exposure to adverse changes in interest rates and the prevailing financial market condition. As a result, the Company keeps balancing interest rate position to align with the financial market situation.

### 7.3 Risk from Financial Stability and Ability to Borrow and Satisfy Debt Covenants

In order to support business expansion, additional funding may be required from time to time to fund direct investments, development, initiatives and acquisitions. As a result, the Company and its subsidiaries have to maintain sufficient liquidity and/or credit facilities from financial institutions to support its working capital requirements, procure long-term funding and diversify funding sources. The Company and its subsidiaries strive to maintain strong financial positions in order to comply with all financial covenants. All covenants imposed on the Company have been satisfied at all times.

## 8. Risk from Changing Technology

The Company is reliant upon technology platforms not only for back-of-the-house operations but also for selling and marketing activities. We identify emerging risks from technology as it is no longer merely a tool for our operations, but also introduces new types of competitors and transforms customer engagement practice. Failing to keep pace with new technology and changing consumer preferences may put the Company at a competitive disadvantage. The Company recognizes the importance of information technology and incorporates it as part of the Company's long-term strategies. Backed by strong financial resources and economies of scale, the Company is able to remain competitive by making necessary investments in new technologies and systems, with a number of key initiatives. For example, Anantara's central reservation system improves the visibility of live inventory, promotes rate parity, takes bookings in multiple languages, improves yield management and guest profiling. The new platform of The Pizza Company's website and mobile application have improved the customer ordering experience, reduced average online ordering time and allowed customers to track the status of their delivery order online. In addition, the Company puts in place the long-term 5-year strategy specifically for information technology to ensure the support for ongoing business plans.



## 9. Risk from Climate Change

The Company's global footprint across Asia Pacific, the Middle East, the Indian Ocean, Africa, Europe and South America, exposes its businesses to current and emerging climate change risks, particularly from changing landscapes, natural disasters and food security. In recent years, extreme and frequent climate events such as floods, drought and forest fires have also occurred in Southeast Asia and Australia where the Company has significant presence. These risks threaten the tourism and agriculture sectors, which directly impact the operations and supply chain of the Company's hospitality and restaurant businesses. The Company closely monitors these risks to assess the impact to its businesses, and has established adaptive contingency plans to address potential disruptions, as part of business continuity planning. In addition, the Company continues to ensure that it complies with environmental regulations, and as much as possible, strives to minimize the environmental impact from its operations through resource and waste management, as well as natural heritage and habitat conservation.

The Company sees the importance of possible impact arising from the above risks, and therefore has appointed its internal audit department to periodically evaluate all associated risk factors and effectiveness of risk mitigations. Each business unit performs self-assessment exercise to identify possible risks and cooperates with the internal audit department to analyze the impact and likelihood, and to formulate risk-mitigation procedures. Follow-ups and re-evaluation are conducted on a continuing basis. Formal Group Risk Management Policy and Procedure is in place and being followed by all business units. The effectiveness of risk management is reported to the Audit Committee and Senior Management on a quarterly basis.

## Report of the Nominating and Corporate Governance Committee

The Board of Directors of Minor International Public Company Limited (“the Company”) has appointed the Nominating and Corporate Governance Committee which comprises four directors, all of them non-executives of the Company, while the Chairman of the Nominating and Corporate Governance Committee is an independent director. The Nominating and Corporate Governance Committee assists the Board in identifying qualified individuals to become directors, determining the composition and compensation of the Board and its Committees, monitoring processes to assess Board effectiveness, and developing and implementing the Company’s Corporate Governance Guidelines.

In 2017, the Nominating and Corporate Governance Committee held 3 meetings on various matters in accordance with the duties and responsibilities mandated by the Nominating and Corporate Governance Committee Charter, which in summary include:

- Recommended to the Board for director candidates
- Reviewed the Committee’s structure and recommend to the Board for the nomination of members of each Committee
- Reviewed the remuneration for directors and committees and recommended to the Board
- Developed the performance assessment form, oversaw and recommended to the Board an annual self-evaluation process of the Board and its Committees to be used as a tool for reviewing the past year’s performance
- Provided recommendations on the Company’s and Board’s practices under the criteria of Good Corporate Governance and Corporate Governance Code (CG Code) for listed companies
- Reviewed the corporate governance guidelines, charters of the Committees, as well as the business code of conduct, and keep them up-to-date in accordance with ongoing business operations and in line with international practices and best practices as prescribed by related organizations

In the discharge of duties and responsibilities specified in the Nominating and Corporate Governance Committee Charter, the Nominating and Corporate Governance Committee has performed its duties carefully and prudently with an emphasis on maximizing benefit to the Company, shareholders and other stakeholders. The Nominating and Corporate Governance Committee believes that continuing transparent and fair business operations will enhance the operations of the Company to ensure efficiency and sustainable growth.



**Ms. Suvabha Charoenying**

Chairman of the Nominating and Corporate Governance Committee

## Report of the Compensation Committee

The Board of Directors of Minor International Public Company Limited (“the Company”) has appointed the Compensation Committee which comprises five directors, all of them non-executives of the Company, while the Chairman of the Compensation Committee is an independent director. The Compensation Committee has performed its duties as directly assigned by the Board of Directors and as defined in the Compensation Committee Charter.

In 2017, the Compensation Committee held 2 meetings to carry out the duties as assigned by the Board of Directors. The minutes of the meetings were reported to the Board with the following issues:

- Assisted the Board to oversee the development of executive succession plans including that for the Chief Executive Officer
- Reviewed and approved the Chief Executive Officer’s and senior executives’ compensation based upon the Chief Executive Officer’s performance in light of established goals and objectives and reviewed and approved the evaluation process and compensation structure for the Company’s senior executive officers based on initial recommendations from the Chief Executive Officer
- Reviewed and discussed with management the Company’s compensation discussion and analysis including terms and conditions of Employee Joint Investment Program (EJIP), and recommended to the Board for acknowledgement and/or approval

In the discharge of duties and responsibilities specified in the Compensation Committee Charter, the Compensation Committee is of confidence that it has performed duties with prudence, transparency, and regard for the best benefits of the Company and shareholders.



**Khunying Jada Wattanasiritham**

Chairman of the Compensation Committee

## Good Corporate Governance

The Board of Directors (“the Board”) and management of Minor International Public Company Limited (“the Company”, “MINT”) realize the importance of Good Corporate Governance, a critical factor for the Company to achieve its long term sustainable growth objectives.

The Board has approved the Good Corporate Governance Guidelines (“the Guidelines”) of the business operations for the Company’s directors, management and employees. The Guidelines will be reviewed and modified annually in order to adapt to the changes in business operations, the regulatory environment, and applicable laws.

The Company publicizes the Guidelines and Business Code of Conduct via the Company’s website ([www.minor.com](http://www.minor.com)), in order for employees at all levels to better understand and use them as working guidelines, and at the same time for shareholders, stakeholders, investors and other interested parties. In addition, to promote the practice according to the Business Code of Conduct, all employees are required to acknowledge and sign the Business Code of Conduct on the orientation day before commencing his/her employment. During the year, all employees completed the e-training and test for refreshment and acknowledgement the Business Code of Conduct. The following up and report whether the Code is being abided by is part of the internal audit process.

In the year 2017, the Company has complied with the Guidelines and has reviewed and updated the CG Policy and Guidelines to be consistent with international standards. Moreover, the Board had acknowledged the Corporate Governance Code (“CG Code”) for listed companies, developed by Securities Exchange Commission Board as practice principles for the Board of Directors, as the leader and governing body of a listed company. Having considered and primarily reviewed the CG Code, the Board mainly applied the CG Code to the Company’s businesses in the interest of long-term sustainable value creation.

The Company’s corporate governance scoring 2017 was rated “excellent” for the fifth consecutive year from Corporate Governance Report of Thai Listed Companies 2017 conducted by the Thai Institute of Directors Association (IOD).

The Company’s corporate governance activities in 2017, which are classified into 5 main categories, are as follows:

### **1. Rights of Shareholders**

The Board values the rights of shareholders and defines a policy in the Guidelines to ensure the equitable treatment of all shareholders and institutional shareholders. The Board is committed to protect the rights and benefits of every group of our shareholders as well as to encourage them to exercise their rights under the standard legal practices as follows:

- **Statutory Rights**

Statutory rights of shareholders and institutional shareholders that include voting rights; rights to receive dividends; rights to sell, buy or transfer shares; rights to attend shareholders’ meetings; rights to appoint and remove directors, and to approve the appointment of independent auditors; rights to approve director’s remuneration; and rights to receive information that is sufficient, timely, and appropriate for decision making.

- **Rights to Propose the Agenda for the Annual General Meeting (“AGM”), to Nominate Qualified Candidates as the Company’s Director and to Send Questions for the AGM in Advance**

The Corporate Secretary will screen the questions and agenda proposals according to the criteria defined for the Board. The Board may assign specific Committees to review respective agenda proposals prior to final decision by the Board.

The Corporate Secretary will propose to the Nominating and Corporate Governance Committee to screen the candidates proposed for directorship. The candidates that are approved by the Nominating and Corporate Governance Committee will be passed to the Board’s meeting for approval. The Board will consider the appropriateness of candidates proposed for directorship.

The agenda proposals and candidate proposals approved by the Board along with the Board opinions will be included in the agenda of the AGM notice. For the agenda proposals and candidate proposals which are not approved by the Board, the Company will communicate to the shareholders via official letter with the reasons of the Board’s refusal.

However, none of the shareholders proposed an agenda, sent questions, nor nominated a qualified candidate as the Company’s director for 2017 AGM in advance.

- **Rights to Receive Information on AGM**

Prior to the AGM, shareholders have the rights to receive an invitation notice for the AGM, including the information on the date, time, location of the meeting, detailed information of agenda items, rules and procedures to attend the meeting and issues for consideration. The meeting will be held on date, time and location that is convenient for shareholders.

In 2017, the AGM of the Company was held on 4 April 2017 at 2:00 p.m., at Chaophraya Ballroom, Anantara Riverside Bangkok Resort. The Company disclosed the documents of the AGM on 3 March 2017, not less than 30 days prior to the AGM date, via the Company’s website ([www.minor.com](http://www.minor.com)) in both Thai and English to facilitate foreign shareholders. The invitation notice was sent to all shareholders in advance on 13 March 2017 by the registrar, Thailand Securities Depository Co., Ltd. (“TSD”), not less than 21 days before the meeting.

After the AGM, the Company duly submitted the summary of meeting resolutions, including voting results of each agenda item specifying affirmative, negative and abstention vote counts, to The Stock Exchange of Thailand (“SET”) within the day of the meeting. The minutes of the meeting have been disclosed on the Company’s and the SET’s website within 14 days of AGM date.

The Company has disclosed various information in the annual report, which is posted on the SET’s and the Company’s website ([www.minor.com](http://www.minor.com)) as additional channels for shareholders and public to access the Company’s information.

- **During the AGM**

In 2017 AGM, the Chairman of the Board and the Chairman of the Committees attended the meeting in order to provide shareholders the equal opportunity to ask, suggest, or discuss on issues relevant to the agendas or the Company’s operations before casting vote on each agenda. Significant opinions and/or queries will be recorded in the minutes of the meeting.

Before commencing the meeting, the Chairman of the meeting explains the rules, voting procedures and vote-counting procedures to shareholders. For the agenda of the election of directors, the Company allows shareholders to vote for the election of directors on an individual basis.

In order to ensure the transparency and compliance with auditing standards, the Company uses voting cards for all agenda items in AGM. In addition, for accurate and timely report, the Company uses technology of barcode system and electronic PDAs for registration and vote-counting for transparency.

In 2017 AGM, the Company invited an independent individual from legal consultant company to be a meeting inspector, to observe the meeting and review the vote collecting and counting procedures. The Company also invited a representative from the shareholders to witness the vote counting procedure, to ensure that the meeting was conducted with transparency and in compliance with the laws and the Company’s Articles of Association.

- **Facilities for Shareholders at the AGM**

With the growing number of shareholders every year, in 2017 AGM, the Company increased the number of registration stations, which used barcode system. The barcode system is used both for registration and ballot counting for timeliness and efficiency. Duty stamps for proxy forms were provided at the document check point to proxies free of charge.

The Company takes into consideration the communication channels with foreign shareholders and therefore prepares relevant documents in English and provides English translation of presentation slides during the meeting. Questions, comments, or any suggestions from foreign shareholders are responded in English by the Company's directors.

The Chairman of the shareholders' meeting conducts the meeting in compliance with the Articles of Association of the Company relating to meetings and follows the sequence of the agenda stipulated in the notice of the meeting. No additions to the agenda or alteration of sequence of agenda items will be made, except if there are appropriate reasons.

All shareholders have equal opportunity to pose questions, request explanations, and express their views to the Board and the AGM as appropriate.

## 2. Equitable Treatment of Shareholders

The Board values the importance of fair and equitable treatment to shareholders and institutional shareholders and has established policies to supervise, protect and promote the shareholders' rights to ensure that all shareholders will be treated equally and transparently. The Company provides adequate and accurate information to all shareholders and does not grant any privileges to certain groups of shareholders by disclosing inappropriate information to them. Furthermore, the policy relating to the equitable treatment to shareholders must be in accordance with the Guidelines, and the rules and regulations of The Stock Exchange of Thailand ("SET"), and the Securities and Exchange Commission ("SEC"), as well as related laws. The key policies that have been established to ensure the equitable and fair treatment of shareholders are as follows:

- **To Grant the Opportunity for Minority Shareholders to Propose Agenda for AGM, to Nominate Qualified Candidates as the Company's Director and to Send Questions for the AGM in Advance**

The Company allows all shareholders and institutional shareholders, including minority shareholders, holding individually or in aggregate, as the case may be, not less than 2.5% of the total issued and paid up shares of the Company, to propose AGM agenda and to nominate candidates for directorship.

For 2017 AGM, through the SET's website, the Company invited shareholders to propose AGM agenda, to nominate candidates for directorship and to send questions for the AGM during 9 November 2016 - 16 January 2017. All criteria are also disclosed on the Company's website ([www.minor.com](http://www.minor.com)).

However, none of the shareholders proposed an agenda, sent questions, nor nominated a name of qualified candidate as the Company's director for 2017 AGM in advance.

- **Equitable Voting Rights**

The Company encourages all shareholders and institutional shareholders who cannot vote in person to vote by proxy. In the case that any shareholders or institutional shareholders cannot attend the meeting, the Company has provided three proxy forms prescribed by the Department of Commercial Registration, Ministry of Commerce, to be used as appropriate for shareholders. In order to facilitate the proxy, the Company has provided an independent director to act on behalf of the proxy. The independent director's profile has also been attached to the proxy form.

Shareholders have the rights to vote in the meeting according to the number of shares owned by each shareholder, where one share is entitled to one vote.



- **Equitable Disclosure of Information**

The Company prepared AGM invitation notice and presentation on the Company's performance in both Thai and English, in order to facilitate foreign shareholders. Moreover, the meeting was conducted in English and translated into Thai for the convenience of all shareholders.

- **Policy and Measures on Inside Information**

The Company has established an explicit policy and measurement to prevent all directors and management from using inside information for their own interests. Directors and senior management are responsible to inform Corporate Secretary Office before reporting to the SEC of every change of the shareholding, within 3 business days after such change. Moreover, the Company will disclose the securities holding of directors in every quarterly board meeting.

In addition, the Company imposes a blackout period whereby directors, management and executives are prohibited to buy, sell or transfer MINT's shares and warrants 30 days before the disclosure of financial statements. The Company sends written notifications of blackout period to all directors and senior management to refrain from trading and transfer the Company's securities.

- **Report of Interest of Directors and Management**

In line with resolution of the Board of Directors' meeting, the Company's directors, management and related persons must report to the Company on their vested interests twice a year, in June and December. Corporate Secretary has been assigned to collect and file such reports. Corporate Secretary will send the report of interest to Chairman of the Board and Chairman of the Audit Committee to review and monitor the conflict of interest, in order to abide by the Company's good governance.

- **Conflict of Interest and Connected Transactions**

In order to avoid any conflicts of interest, the Company has established a written policy and approval process for any connected transactions between the Company or persons who may have conflict of interest.

For any transactions that are related to any director of the Company, that particular director does not have the right to vote on such transactions. The Board also has established a policy that prohibits management and staff from utilizing inside information for personal use.

In the process of approving connected transactions, the relevant work units will perform the primary evaluation, by analyzing whether the transactions are reasonable and for the benefit of the Company, and whether they are fairly priced. For example, for asset acquisition, the investment department must perform return on investment analysis, and where necessary, external advisors or experts may be engaged in order to provide independent opinion on the transactions. The transactions are then proposed according to the internal approval process, where directors or management with conflict of interest must not participate in the approval process. Moreover, the Audit Committee oversees that the connected transactions are necessary and are done on a fair price basis.

### **3. Roles of Stakeholders**

The Company realizes the importance of ensuring that all stakeholders' rights are properly observed. Pertinent procedures are carried out in line with the rules and regulations of the SET, the SEC as well as the related laws.

#### • Shareholders

All Company's shareholders are entitled to all basic rights of shareholders; i.e., the right to attend shareholders' meeting, the right to express opinions in the meeting, the right to propose agenda in advance, the right to nominate candidates for directorship, the equitable right to receive Company's information, including financial information, etc. The Company is committed to conduct the business with transparency and to create long-term growth and returns to the shareholders.

#### • Customers

The Company is committed to continuously improve the quality as well as safety standards of its goods and services, in order to maximize the benefit and satisfaction of its customers. The Company emphasizes on the importance of products and services that create 100% satisfaction to customers.

Food safety is a core focus in all of the Company's restaurants, within both the restaurant and hotel groups. The ingredients and products are controlled to achieve high hygiene standards all the way from suppliers, through logistics, delivery and preparation, until they reach the Company's outlets and customers. The Company conducts very stringent supplier selection process and regular audits of them. In addition, the Company promotes food traceability where all ingredients can be traced back to their sources to ensure product safety throughout the value chain.

The Company aims to engage in end-to-end customer experience. Beyond the normal customer interactions, the Company starts to get involved in other aspects of customers' experience. For example, Minor Food Group initiated a program to include the telephone number and e-mail of the brands' customer relations team at the bottom of receipts so customers can reach out to them when needed. To assure that the consumers receive 100% satisfaction, all of the Company's business units continuously seek customer feedback through various channels including customer satisfaction surveys, analysis of comments from key social media platforms and market surveys. In addition, the Company also ensures that responsible media is created when communicating to the customers without controversial or incorrect contents.

Customers can communicate with the Company, either to complain or report misconducts or unsatisfactory services via [feedback@minor.com](mailto:feedback@minor.com). Confidentiality will be maintained to the fullest extent possible.

#### • Partners

One of the Company's core values is "partnership". The Company strives to develop win-win relationships with all partners, whether they are suppliers, joint venture partners, owners, franchisees or third party service providers. The Company treats all partners equally and fairly, taking into consideration mutual benefits and is committed to developing relationships which will maximize all parties' benefits.

In selecting partners, the Company takes into consideration partners that have good reputation and high standards, are widely-accepted within the industry, highly ethical and professional, considerate about the employees' welfare and have in place anti-corruption policy. Qualified business partners have to acknowledge the Company's Business Partner Code of Conduct in order to ensure the proper understanding towards the same business goals. The Company has put in place the partners' selection process that is fair, with the following practices:

1. All partners will be treated fairly and compete on equal information.
2. Agreements with partners are standardized, taking into consideration fair terms and conditions for both parties.
3. The Company will set up a system to monitor and ensure the compliance of all terms and conditions and to prevent unfair treatment or corruption throughout the selection process.
4. The Company does not support partners with unethical business practices, illegal actions, corruption or human rights violations.

The number of partners increases as the Company grows. The Company takes into consideration partners with qualifications which are up to the Company's standards and conducts regular supplier audit. The Company continues to develop and grow together with its partners, in order to learn from each other's strengths to create synergies.

The Company's raw materials are mainly sourced from local producers, and where possible, the Company encourages sourcing from local communities where the business units are based. The Company's goal is to maximize local sourcing, and to continually develop local suppliers to operate and produce products at international standards. An example is the collaboration between Sizzler and the Royal Project, where Sizzler introduced the Royal Project's vegetables and produces from experimented fields to customers and at the same time provided market feedback and research for continual improvements.

- **Creditors**

The Company treats creditors fairly, observes and complies strictly with all agreed terms and conditions, payment schedules and all obligations. In the case that any terms and conditions must be revised, or an event that might significantly impact the Company's financial position, impairing the Company's repayment capability, the Company shall promptly inform its lenders and will together work out potential solutions to prevent any damages to all parties. In addition, the Company will strictly adhere to the loan objectives as proposed to the creditors.

- **Competitors**

The Company abides by the framework of international fair trade and competition and will not damage the reputation of competitors through false accusations.

- **Employees**

The Company considers its employees a valuable asset and treats them fairly with regards to work opportunities, remuneration, training and development, and quality and safety of working environment.

**Training:** The Company provides all employees with professional and career development training by promoting high standards, operational excellence, ethical conduct, efficient evaluation systems and continuous improvement programs, while at the same time, encourages entrepreneurial thinking. The Company provides training courses in relevant areas such as sales, marketing, accounting, leadership, software program and English literacy, as well as softer skills such as grooming and personal hygiene, also environmental issues.

In addition, as part of the efforts to minimize corruptions in the society, the Company has an anti-corruption training course to educate employees regarding Company's policy and guidelines on anti-corruption actions and to encourage all employees to fight against corruptions in all forms. During the year 2017, human resource department has developed and launched Code of Conduct and Anti-corruption e-training for all employees to refresh and acknowledge the Code annually. The e-training included knowledge test on Anti-corruption and all employees passed the standard test.

**Benefits and Welfare:** The Company ensures that employees' salary and remuneration are appropriate with their capabilities and responsibilities, and are competitive with companies in the same industry. In addition, the Company has a reward policy where incentive bonus is paid when the Company's performance target is met, and Employee Joint Investment Program (EJIP) in order to incentivize and create the long-term growth of the Company. Apart from salary and provident fund that are fundamental benefits for Company's management and employees, the Company also provides annual medical benefits.

**Health and Safety:** The Company is committed to conducting business in a manner that protects and promotes the safety and health of employees, and the communities where the Company operates.

**Employee Whistle-blower Policy:** Employees who would like to report the wrongdoings or violations of laws and rules, unethical practices, misconduct issue, etc. can do so via several channels below:

1. E-mail: [whistleblower@minor.com](mailto:whistleblower@minor.com)
2. Post: Whistle-Blower Steering Committee  
MINOR Group, Human Resource Department (Whistle-blower)  
75 White Group Tower II, 6<sup>th</sup> Floor, Sukhumvit 42 Road, Klongtoey, Bangkok 10110

Confidentiality and security will be maintained to the fullest extent possible. All reports will undergo appropriate investigation which is systematic and traceable, to ensure that whistle-blowers will not be bothered or harmed. If whistle-blowers had good intentions in doing so, they will be compensated in a fair and appropriate manner in case of any damages.

#### • **Anti-Corruption**

The Company conducts business with a commitment to avoid corruption of all forms, and institutes a risk management and audit process to prevent and control corruption and malfeasance. Also, the Company encourages corporate culture where people are firmly committed to integrity and ethics. In 2013, the Company has been included in the list of Signatory Companies of Thailand's Private Sector Collective Action Coalition Against Corruption's Declaration of Intent, which is a collaboration among various business organizations, including Thai Institute of Directors, Thai Chamber of Commerce, Tourism Council of Thailand, the Federation of Thai Industries, the Joint Foreign Chambers of Commerce in Thailand, the Thai Bankers Association, Thai Listed Companies Association and the Federation of Thai Capital Market Organizations. Subsequently, in November 2015, the Company submitted the Self-Evaluation form for countering bribery required by the Private Sector Collective Action Coalition Against Corruption (CAC). The Company has been certified as a member of CAC on 22 January 2016. This is to ensure and promote the commitment not to engage in any forms of corrupt practices.

During the year 2017, human resource department has developed and launched Code of Conduct and Anti-corruption e-training for all employees to refresh and acknowledge the Code annually. The e-training included knowledge test on Anti-corruption and all employees passed the standard test.

The Company uses the whistle-blower service and complaint reports as channels to supervise and monitor corruption issues and submitted the quarterly report to the Nominating and Corporate Governance Committee.

For more information, please see Anti-Fraud and Corruption Policy, presented on the Company's website ([www.minor.com](http://www.minor.com)).

#### • **Human Rights**

As the Company grows and expands to the international level, the Company realizes that relationships developed with local communities have direct impact on the sustainability of the Company. Wherever the Company operates, acting with respect towards individuals and community with diverse cultures is mandatory. The Company is committed to treat all employees with fairness, respect, and to provide employees with good working environment without verbal, physical and sexual harassment. Basic human rights of the community or any individuals must not be violated, including rights in assets and intellectual properties, expression of opinions, equal treatment and nondiscrimination regardless of gender, religion, race, political views and gender rights violation. In selecting partners, the Company takes into consideration their actions towards human rights in operating their businesses.

For more information, please see Human Rights Policy, presented on the Company's website ([www.minor.com](http://www.minor.com)).

#### • **Intellectual Property Rights**

The Company realizes the importance of intellectual property rights and will not encourage any violation of patents, copyrights, trademarks, information, information technology and any other aspects of intellectual assets. Regarding the compliance of its respect for intellectual property rights, the Company undertakes the following actions:

- The Company regularly monitors information, documents, media, printing utilized in the Company's business. If the work is subject to intellectual property rights, the Company shall review terms and conditions and strictly abide by them.
- Employees are not allowed to distribute or redistribute any documents in violation of copyright laws.
- Employees are prohibited to load any non-business related or unlicensed software onto any of the Company's computers.
- The Company does not support any illegal use of products that violate property rights.

- **Society and Environment**

The Company is committed to conducting businesses that benefit the economy and society at large, and focuses on the preservation of environment. The Company has established the Sustainability Department to instill corporate culture and promote to the Company's staff the importance of taking care of, developing and supporting the society, environment, and all stakeholders, in harmony with the Company's sustainable growth objectives through various campaigns and activities.

In terms of social development, the Company operates many projects that promote the quality of life of disadvantaged children and people in various fields; i.e. education, career opportunities and health. In addition, the Company provides emergency relief at times of natural disaster to help the community.

Caring deeply about the community and the environment, the Company encourages employees and customers to be concerned about environmental protection through a "Rethink, Reduce, Reuse and Recycle" lifestyle. The Company continuously operates projects and activities with strategies to conserve energy, reduce waste, save the wildlife and the environment and increase participation in the local communities. Including training session on environmental topics to employees such as Environmental awareness for new employees (Orientation), Operator for Wastewater Treatment Plant, Fire Drill and Fire Evacuation, Emergency plan for Flooding.

Details of Company's environmental and social activities in 2017 are available in the Sustainability Report and presented on the Company's website ([www.minor.com](http://www.minor.com)).

- **Reporting of Concerns and Whistle-Blower Service**

The Company supports whistle-blower service by encouraging all stakeholders to request information, complain or report any misconducts relating to financial reports, internal control system, human rights or business ethics by sending an e-mail to independent directors or the Audit Committee through e-mail: [feedback@minor.com](mailto:feedback@minor.com). The internal auditor will review these communications and advise the Audit Committee. All complaints and reports will be protected and kept confidential. The Audit Committee will investigate these matters, recommend corrective actions (if any) and will address the outstanding concerns to the Board.

#### 4. Disclosure and Transparency

The Company stresses on the importance of information disclosure in an adequate, accurate and timely manner. In 2017, the Company has complied with the Guidelines and has reviewed and updated the Guidelines to be consistent with international standards.

- **Investor Relations**

The Board stresses on the importance of disclosure of both financial and non-financial information in an adequate, accurate and timely manner. As part of the strategic planning unit which reports to the Chief Operating Officer, Head of Investor Relations has developed and established yearly investor relations plan. The Investor Relations Department also ensures efficient communication process and channels to communicate information including the Company's vision, mission statements, strategies, financial and operational information to shareholders, equity analysts, target investors and fund managers. Last year, the Company successfully delivered the Company's information through various tools including news releases, conference calls, quarterly presentations, local and international investor roadshows, IR website, annual reports, fact sheets, IR materials, and other channels including announcements through the SET and the SEC.

The Company regularly keeps analysts, investors and employees informed by holding analyst meetings, roadshows, conference calls and investor conferences. The Company also participates in various SET events organized for both institutional and retail investors and issues Press release/MD&A. In addition, interested parties can arrange company visits to meet with Company's management to obtain information regarding the Company's operations.

Details of Investor Relations activities in 2017 are as listed in the table:

Activity	No. of Event
Domestic Roadshow (Both institutional and retail investors)	8
International Roadshow	11
Analyst Meeting	4
Company Visit/Conference Call	91
Joint Activities with SET and Other Agencies to Meet Investors	8
Site Visit	5
Press Release/MD&A	4

*For more information, please see details of Investor Relations activities in 2017, presented on Company's website ([www.minor.com](http://www.minor.com)).*

In addition, the Company disseminates information regarding business activities and project updates to the press, and also addresses questions and coordinates with the press and the public.

The Company provides a central point of investor contact:

Mr. Chaiyapat Paitoon, Deputy Corporate Chief Financial Officer & Strategic Planning

Mrs. Jutatip Adulbhan, VP of Investor Relations

#### • Report of the Board of Directors

The Board is responsible for the consolidated financial statements of the Company and its subsidiaries and the financial information shown in the annual report. The Company has effective internal control system, in order to ensure that financial statements are accurate and sufficient as per appropriate accounting policy according to accounting standards in Thailand, and to ensure the proper disclosure of financial information.

The Board has appointed the Audit Committee, which comprises independent directors, to be responsible for the oversight of the quality of financial reporting and internal control. The Opinion Report of the Audit Committee is shown in the annual report.

#### • Securities Holding Report of Directors

The Company has established an explicit policy and measurement to prevent all directors and management from using inside information for their own interests. Directors and senior management are responsible to inform Corporate Secretary before reporting to the SEC of every change of the outstanding shareholding within 3 working days after such change. Moreover, the Company will disclose the securities holding of directors in every quarterly Board meeting.

In addition, directors, management and executives have a blackout period whereby they are prohibited to buy, sell or transfer MINT's shares and warrants 30 days before the disclosure of financial statements. The Company will send written notifications of blackout period to all directors and senior management to abstain from trading or transfer the Company's securities at least 30 days before the information dissemination.



### • Remuneration of Directors and Management

The Company sets the remuneration of directors and senior management based on relevant industry practices in order to maintain its competitiveness to attract and retain key personnel. The remuneration for directors are meeting fees and fixed fees which needs to get approval from shareholders' meeting, whereas remuneration for senior management, including the Chief Executive Officer (CEO), are salary and bonus. In addition, the Company has Employee Joint Investment Program (EJIP), in order to motivate management to create long-term growth for the Company. The Compensation Committee, which comprises independent directors and non-executive directors, will approve such remunerations, including the salaries and bonuses of executive directors, and review the Company's equity incentive compensation and other stock-based plans and recommend changes in such plans to the Board as appropriate.

2017 remuneration paid to directors and senior management were as follows:

#### • Directors' Remuneration

Directors	BOD Meeting Attendance	Type of Fee	Meeting Fees (Baht)					Fees from Subsidiaries	Total
			Board	AC	CC	NCG			
1. Mr. William Ellwood Heinecke <i>(including Conference call*: 1/8)</i>	8/8	Annual fee	200,000	-	-	-	180,000	380,000	
2. Khunying Jada Wattanasiritham  <i>(including Conference call*: 1/8)</i>	8/8	Total	1,300,000	490,000	175,000	150,000	-	2,115,000	
		Annual fee	-	250,000	150,000	100,000	-	500,000	
		Quarterly meetings	1,200,000	240,000	-	-	-	1,440,000	
		Other meetings	100,000	-	25,000	50,000	-	175,000	
3. Mr. Charamporn Jotikasthira  <i>Appointed on 4 April 2017</i>	5/6	Total	675,000	205,000	125,000	125,000	-	1,130,000	
		Annual fee	-	125,000	100,000	100,000	-	325,000	
		Quarterly meetings	600,000	80,000	-	-	-	680,000	
		Other meetings	75,000	-	25,000	25,000	-	125,000	
4. Mr. Patee Sarasin  <i>Resigned on 9 January 2018</i>	6/8	Total	975,000	285,000	-	-	-	1,260,000	
		Annual fee	-	125,000	-	-	-	125,000	
		Quarterly meetings	900,000	160,000	-	-	-	1,060,000	
		Other meetings	75,000	-	-	-	-	75,000	
5. Ms. Suvabha Charoenying	8/8	Total	1,300,000	285,000	125,000	200,000	-	1,910,000	
		Annual fee	-	125,000	100,000	150,000	-	375,000	
		Quarterly meetings	1,200,000	160,000	-	-	-	1,360,000	
		Other meetings	100,000	-	25,000	50,000	-	175,000	

Directors	BOD Meeting Attendance	Type of Fee	Meeting Fees (Baht)					Total
			Board	AC	CC	NCG	Fees from Subsidiaries	
6. Mr. Anil Thadani	7/8	Total	1,275,000	-	125,000	150,000	180,000	1,730,000
		Annual fee	-	-	100,000	100,000	180,000	380,000
		Quarterly meetings	1,200,000	-	-	-	-	1,200,000
		Other meetings	75,000	-	25,000	50,000	-	150,000
<i>(including Conference call*: 2/8)</i>								
7. Mr. Thiraphong Chansiri	5/8	Total	400,000	-	125,000	-	-	525,000
		Annual fee	-	-	100,000	-	-	100,000
		Quarterly meetings	300,000	-	-	-	-	300,000
		Other meetings	100,000	-	25,000	-	-	125,000
<i>(including Conference call*: 1/8)</i>								
8. Mr. Paul Charles Kenny	8/8	Annual fee	200,000	-	-	-	-	200,000
9. Mr. Emmanuel Jude Dillipraj Rajakarier	8/8	Annual fee	200,000	-	-	-	419,889**	619,889
10. Mr. John Scott Heinecke	8/8	Annual fee	200,000	-	-	-	-	200,000

\* Participation in the meeting via telephone conference shall not be counted for a quorum.

\*\* Mr. Emmanuel Jude Dillipraj Rajakarier was appointed as the Chairman of Rajadamri Hotel Pcl. on 20 March 2017.

Note: BOD = Board of Directors AC = Audit Committee CC = Compensation Committee NCG = Nominating and Corporate Governance Committee

In addition to the remuneration, directors also received director privileges in using hotel services as defined in the value of Baht 25,000 per property per year.

#### • Management Remuneration

In 2017, remuneration paid to management of the Group and the Company for the year ended 31 December 2017 were Baht 235 million and Baht 105 million, respectively. Management remuneration comprised short term benefits such as salaries, bonuses and other allowances.

#### • Committees' Functions

The Board has set and appointed members of the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and Risk Management Steering Committee. Roles, duties and responsibilities of each committee are detailed in shareholders' structure and management section.

#### • Summary of the Committees' Meeting Attendance

Directors	Audit Committee	Compensation Committee	NCG Committee
1. Khunying Jada Wattanasiritham	4/4	2/2	3/3
2. Mr. Charamporn Jotikasthira*	2/3	1/1	1/2
3. Mr. Patee Sarasin**	4/4	-	-
4. Ms. Suvabha Charoenying	4/4	2/2	3/3
5. Mr. Anil Thadani	-	2/2	3/3
6. Mr. Thiraphong Chansiri	-	1/2	-

\* Appointed on 4 April 2017

\*\* Resigned on 9 January 2018

- **Auditor Fee**

For the year 2017, the Company has appointed PricewaterhouseCoopers ABAS Limited to be the Company's and subsidiaries' auditors. The Company paid audit fee of Baht 2.23 million for the fees related to the Company and Baht 65.83 million for subsidiaries. No other type of fees has been paid.

## 5. Responsibilities of the Board

The Company's Articles of Association stipulates that the Board consists of at least five members, but not more than eleven. Not less than half of the Board members must be based in the Kingdom. The Board members must have the qualifications as stipulated by the Public Company Limited Act and related laws.

As of 31 December 2017, the Board of Directors consists of 10 directors, 6 of which are non-executive directors, with the proportion exceeding half of the Board. The composition of the Board is as follows:

- 6 non-executive directors (60% of the Board)
- 4 executive directors (40% of the Board)
- 4 independent directors (40% of the Board)

The Board has diverse skill mix, including industry knowledge, accounting and financing, management skills, international marketing, business strategy, crisis management, corporate governance and legal. The diversity also includes in terms of gender, nationality, education, ethnic group, age, marital status, political opinion and religion.

The Board must consist of at least three independent directors, and must not be less than one-third of the Board size. All independent directors must have the qualifications as stipulated by the Company and in accordance with the SEC Announcement and the SET Notification. The definition of independent directors of the Company is more stringent than the criteria set by the SEC.

Directors must possess knowledge, capabilities and experiences which can benefit the Company's business operations. The Nominating and Corporate Governance Committee will consider the qualifications of the candidates through transparent pre-selection procedures and propose to the Board. The candidates selected by the Board will be included in the AGM agenda for shareholders' approval. All directors' information including experience, qualifications and shareholding in the Company is disclosed in the annual report, which is presented on the Company's website ([www.minor.com](http://www.minor.com)).

- **Term of Service of Directors**

The term of service of the Company's directors is in accordance with the Public Company Limited Act and the Company's Articles of Association, whereby one-third of the Company's directors (or the number nearest to one-third) shall retire from office. Directors who have served for the longest term shall retire. The Company has not set the maximum term of service of directors for continued and effective work.

The Audit Committee's term of service is 3 years and can be re-appointed after the term of service ends. There is no fixed term of service for other Committees.

- **Independence of the Chairman of the Board**

The Chairman of the Board and the CEO is the same person and is not an independent director. Nevertheless, the current Board structure maintains an appropriate check and balance system because majority of Board members are non-executive directors. To ensure the balance of power and authority of the Board and between the Board and management, the Board appointed the Chairman of Audit Committee to participate in setting the Board meeting agenda.

- **Limitation on Number of Companies that Directors and CEO Can Hold Director Position**

The Company's non-executive directors must not serve on more than five boards of Thai listed companies and executive directors must not serve on more than three boards of Thai listed companies (Currently, CEO of the Company is also an executive director) to ensure the sufficient allocation of time to attend Board meetings in order to monitor the Company's performance and operations. At the end of 2017, all directors of the Company comply with the number of directorship in listed companies.

The directorship of the CEO in other listed companies shall not hold up the CEO's responsibilities as the Company's CEO. However, in holding a director position in other listed companies, the CEO can contribute his experience to other companies while at the same time applies the knowledge learned to the Company, in addition to developing good business relationship and network. Currently, the CEO serves as a director of the Company and one other listed company.

The Company has not yet stipulated limitation on the consecutive directorship terms of independent directors, as the Company's independent directors are qualified according to the definition specified by the SEC and the Company, and are able to provide opinions independently in Board meetings. In the case that the Board re-elects an independent director who has over 9 years of consecutive service for another term, the Board shall explicitly explain the rationales for the nomination to the shareholders.

- **Segregation of Roles, Duties and Responsibilities between the Board and Management**

The Board and management have clear segregated roles, duties and responsibilities for check and balance. The Board will consider and approve overall policies such as vision, mission, strategies, Corporate Governance Guidelines, and overall financial objectives, whereas management will manage the business operations under policies defined by the Board. Roles, duties and responsibilities of the Board and Management are detailed in shareholders' structure and management section.

- **Board of Directors' Meeting**

To ensure that directors are able to attend the Board meetings, Corporate Secretary has set and informed directors of 2017 meeting schedule in advance. This includes the annual meeting to consider, review and approve the Company's vision, mission and 5-year strategic plan. Prior to every meeting, directors can propose agenda items to the Chairman of the Board. The Chairman of Audit Committee, an independent director, is appointed to participate with the Chairman of the Board in setting the agenda of board meetings. Corporate Secretary will send Board notices with supporting documents to all directors at least 7 days or at least 5 working days before the meeting.

In 2017, a total of 8 Board meetings have been held, where Corporate Secretary has sent notices to the Board at least 7 days or at least 5 working days before the meetings. During the meetings, the Chairman of the Board appropriately allocated time for directors to ask management and to carefully review and discuss all relevant information, and to follow up on the implementation of the Company's strategies. Written minutes which have been approved by the Board are filed and made available for verification. In addition, the Company regularly sends monthly performance summary to the Board.

For the year 2018, the Company will follow the aforesaid meeting procedures.

At the Board meeting, any directors or management who may have vested interest in any agenda item under consideration must not attend the meeting or must abstain from voting on such agenda item. This is to ensure that the Board and management make decisions for the utmost benefit of shareholders. In addition, at Board meetings, at least two-thirds of all directors should be present during the voting procedure.

MINT management attended the Board meetings to provide useful information to the Board, and to learn directly about the Board's initiatives and policies for effective implementation.

In addition to the Board of Directors' meetings, there was a non-executive directors' meeting held in the year 2017, in order to discuss the operational management issues without the participation of executive management.

#### • **Criteria for Nomination of Directors and CEO**

To nominate a new director, the Board will specify the qualification of required director by considering Board skill mix and the consistency with the Company's business strategy. The Board uses the director data pool such as Thai Institute of Directors, etc. to help in the selection process. The Nominating and Corporate Governance Committee will make preliminary selection and recommend to the Board for appointment.

Each year, the Nominating and Corporate Governance Committee will screen candidates for directorship, in the case a vacant position due to completion of term, taking into consideration the nomination by shareholders. The recommendations by shareholders are based on Director Qualifications as defined in the Corporate Governance Guideline, Public Company Limited Act and Securities and Exchange Act.

The Compensation Committee is responsible for screening candidate for the position of CEO. Details of roles, duties and responsibilities of the Compensation Committee are in the Compensation Committee Charter, which is presented on the Company's website ([www.minor.com](http://www.minor.com)).

#### • **Orientation of the Newly Appointed Director**

The newly appointed director is provided with orientation programs. Corporate Secretary will arrange meetings among new director, director and executive management overviewing business operation as well as handbooks that cover roles, authorities and responsibilities of directors, Corporate Governance policies, annual report, memorandum of association, articles of association, the Company's vision, mission, and framework of business operations. New directors also attend meetings with senior management regarding the formulation of the Company's vision and strategic plans.

#### • **Directors' Development**

The Board has a policy to continuously encourage and support the directors' development, by which Corporate Secretary will coordinate with and facilitate directors in attending related seminars and knowledge sharing programs organized by various organizations such as:

- National Director Conference 2017: "Steering Governance in a Changing World", attended by Khunying Jada Wattanasiritham.
- Strategic Board Master Class (SBM) Class 2/2017, attended by Ms. Suvabha Charoenying.

In addition, in 2017, the Company had arranged a seminar on "Criminal Liabilities of Directors under New Law" for the board members and executives in order to educate and enhance the understanding of the applicable law. The keynote speaker of this seminar was Professor Kitipong Urapeepatanapong, Chairman, Baker & McKenzie.

- **Board of Directors' Self-Assessment**

The Board assessment consists of entire Board assessment and individual Board member assessment. Sub-committees assessment consists of the assessment of Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee.

The Board assigned Nominating and Corporate Governance Committee to develop and recommend to the Board of Directors, for its approval, an annual self-assessment process of the Board and its Committees. The Committee oversees such annual self-assessments by assigning Corporate Secretary to gather results, comments and the suggestions from the assessment. The results will be summarized to Nominating and Corporate Governance Committee for consideration and report to the Board with the objective to improve each of the committee's performance and enhance their efficiency.

In 2017, the form of Individual Director Self Assessment is a survey of 3 topics, which are Governance Role, Knowledge of the Organization and the Environment, Effective Behavior and Relationships. The results of the survey showed that the practice of the Board is in accordance with the Board guidelines.

The form of Full Board Performance Assessment is a survey of 3 main topics which are Board structure and qualifications, the Board meeting, the duties and responsibilities of the Board. The result of the survey showed that the practice of the Board is in accordance with the Board guidelines. The results of the assessment of sub-committees, which included the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, consistently met or exceeded expectation.

- **CEO and Senior Management Assessment**

The Compensation Committee individually reviews the performance of the senior executive officers – the CEO, COO, CFO and other executive officers – and establishes and approves their compensation. Once a year, the Committee shall evaluate the CEO's performance in light of the established goals and objectives, in order to set the CEO's annual compensation, including salary, bonus and equity and non-equity incentive compensation. The Committee also regularly evaluates the effectiveness of the different elements of the Company's overall executive compensation program and reports to the Board.

For more information, please see the Compensation Committee Charter, presented on the Company's website ([www.minor.com](http://www.minor.com)).

- **Succession Plan**

Compensation Committee responsible to assist the Board in developing and evaluating potential candidates for senior executive positions, including the Chief Executive Officer, and to oversee the development of executive succession plans. The Board will annually approve and maintain a Succession Plan for the CEO and management.

- **Corporate Secretary**

The Company has assigned Corporate Secretary to be in charge of the following responsibilities:

1. Prepare and file Board and shareholders' documents which are the directors' registration records, notices of Board and shareholders' meetings, minutes of Board and shareholders' meetings, the Company's annual report and quarterly financial reports.
2. File reports on the conflict of interest of directors and management.
3. Advise the rules and regulations related to the directors' duties and responsibilities.
4. Administer other activities as directed.

The Company's Corporate Secretary is Ms. Saranya Soontaros. Her educational background, work experience, and attendance of relevant training programs are shown in Shareholders' Structure and Management section.



### • Internal Control System

The Company stresses the importance of strong internal control and internal audit throughout the organization. Written responsibilities, authority delegation, and management controls have been adopted to create transparency for utilization of the Company's resources, to prevent damages and to ensure smooth business operations of the Company. The duties of staff, controllers and evaluators have been established and segregated in order to ensure that proper verification, monitoring and balancing of power processes are in place.

The Company has an Internal Audit Department to verify and balance the management control process. Internal Audit Department reports directly to the Audit Committee in order to ensure that the main operations and financial activities are performed according to the guidelines and that the Company is in compliance with laws and regulations relating to the Company's businesses in all material aspects. Internal Audit Department also serves as a support function of the compliance unit for the group, where non-compliance circumstances or activities will be reported directly to the Audit Committee and the Board. The head of internal audit is Mr. Torpong Muadchaiyaphum, Director of Internal Audit & Risk Management.

### • Risk Management System

Certain aspects of its business operation may expose the Company to both internal and external risks. The Company recognizes the importance of controlling these risks and minimizing the possibility of any negative impact to the Company. In assessing risks, every business unit and department has to identify existing and emerging risk factors that may have impact on its business in terms of strategic risk, financial risk, operational risk and compliance risk. The Internal Audit Department acts as a facilitator to support business units and other departments that identified these risk factors in order to put in place proper risk mitigation actions to minimize the negative impacts. The effectiveness of risk mitigations are regularly assessed through various Internal Audit activities. The Company has also a formal risk management policy and procedure in place to support an effective risk management processes. This policy and procedure, which is published on the Company's website ([www.minor.com](http://www.minor.com)), is adhered to by all business units. The policy covers Risk Governance Structure and Reporting and risk management approach, which involves identifying risk categories, assessing the impact and likelihood of risks materializing, prioritizing the risks using standard risk matrices, implementing appropriate responses to risk (through mitigation, detection, transfer, or termination of risk activities) and monitoring the outcomes.



## Shareholders' Structure and Management

The Board structure consists of the Board of Directors, the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and Risk Management Steering Committee.

### Board of Directors

At present, the Board of Directors comprises 10 directors as follows:

1. Mr. William Ellwood Heinecke	
Position	<ul style="list-style-type: none"> <li>Chairman (Appointed 1 September 1978)</li> <li>Group Chief Executive Officer</li> </ul>
Age	<ul style="list-style-type: none"> <li>68 years (Born in 1949)</li> </ul>
Educational Credential	<ul style="list-style-type: none"> <li>Honorary Doctoral of Business Administration in Management, Yonok College, Lampang</li> <li>International School of Bangkok</li> <li>Director Certification Program (DCP) Class 64/2005, Thai Institute of Directors Association (IOD)</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee of Indorama Ventures Pcl.</li> <li>Chairman and Director of Minor International Pcl.'s subsidiaries</li> <li>Director of Pacific Cross International Ltd.</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company 2 Companies</li> <li>Non-Listed Company 41 Companies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Director of Sermsook Pcl.</li> <li>Director of S&amp;P Syndicate Pcl.</li> <li>Director of Saatchi &amp; Saatchi Limited</li> <li>Chairman and Managing Director of Ogilvy &amp; Mather (Thailand) Limited</li> </ul>
% of Shareholding as of 31 December 2017	<ul style="list-style-type: none"> <li>MINT: 149,585,748 shares or 3.24% of paid up shares</li> <li>MINT: 5,200 shares or 0.00% of paid up shares (Spouse)</li> </ul>

## 2. Khunying Jada Wattanasiritham

<b>Position</b>	<ul style="list-style-type: none"> <li>Independent Director (Appointed 25 April 2008)</li> <li>Chairman of the Audit Committee</li> <li>Chairman of the Compensation Committee</li> <li>Member of the Nominating and Corporate Governance Committee</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>72 years (Born in 1945)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>M.A. in Economic Development, Williams College, Massachusetts, USA</li> <li>M.A. in Natural Sciences &amp; Economics, Cambridge University, UK</li> <li>B.A. in Natural Sciences &amp; Economics, Cambridge University, UK</li> <li>Director Certification Program (DCP) Class 2000, Thai Institute of Directors Association (IOD)</li> </ul>
<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>Independent Director, Chairman of the Corporate Social Responsibility Committee, and Member of the Nomination, Compensation and Corporate Governance Committee of The Siam Commercial Bank Pcl.</li> <li>Chairman of SCB Life Assurance Pcl.</li> <li>Chairman of Chubb Samaggi Insurance Pcl.</li> <li>Chairman of Siam Paragon Development Co., Ltd.</li> <li>Director of Siam Piwat Co., Ltd.</li> <li>Director and Treasurer of The Thai Red Cross Society</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>Listed Company            2 Companies</li> <li>Non-Listed Company    5 Companies</li> </ul> <p style="text-align: center;">21 Organizations</p>
<b>Experience</b>	<ul style="list-style-type: none"> <li>President and Chief Executive Officer of The Siam Commercial Bank Pcl.</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>MINT: - None -</li> </ul>

## 3. Mr. Charamporn Jotikasthira

<b>Position</b>	<ul style="list-style-type: none"> <li>Independent Director (Appointed 4 April 2017)</li> <li>Member of the Audit Committee</li> <li>Member of the Compensation Committee</li> <li>Member of the Nominating and Corporate Governance Committee</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>60 years (Born in 1957)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>Master of Business Administration, Harvard University, USA</li> <li>Bachelor of Electrical Engineering and Computer Science, Massachusetts Institute of Technology, USA</li> <li>Director Certification Program (DCP) Class 185/2014, Thai Institute of Directors Association (IOD)</li> <li>The Executive Program of Energy Literacy for a Sustainable Future Class 1/2012, Thailand Energy Academy (TEA)</li> <li>Director Accreditation Program (DAP) Class 66/2007, Thai Institute of Directors Association (IOD)</li> <li>National Defence Course for The Joint State Private Sector 2004, The National Defence College of Thailand</li> <li>Executive Leadership Program Class 11, Capital Market Academy (CMA)</li> </ul>

### 3. Mr. Charamporn Jotikasthira (Continued)

<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>• Executive Director of Bangkok Bank Pcl.</li> <li>• Independent Director, Member of the Audit Committee and Chairman of the Risk Management Committee of Singha Estate Pcl.</li> <li>• Director of The Thai Silk Company (Jim Thompson)</li> <li>• Member of the Chulabhorn Royal Academy Council</li> <li>• Director of Office of the National Strategic Committee</li> <li>• Director of Suksapattana Foundation</li> <li>• Director of Foundation for Research in Information Technology</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>• Listed Company 3 Companies</li> <li>• Non-Listed Company 1 Company</li> <li>4 Organizations</li> </ul>
<b>Experience</b>	<ul style="list-style-type: none"> <li>• President of Thai Airways International Pcl.</li> <li>• Member of The Financial Institutions Policy Committee (FIPC), Bank of Thailand</li> <li>• Executive Chairman of Electronic Transactions Development Agency</li> <li>• President of The Stock Exchange of Thailand</li> <li>• Chairman of Thailand Securities Depository Co., Ltd.</li> <li>• Chairman of Thailand Clearing House Co., Ltd.</li> <li>• Chairman of Settrade.com Co., Ltd.</li> <li>• Chairman of Family Know How Co., Ltd.</li> <li>• Director of Nok Air Pcl.</li> <li>• Director of Thai Smile Airways Co., Ltd.</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>• MINT: - None -</li> </ul>

### 4. Mrs. Kobkarn Wattanavrangkul\*

<b>Position</b>	<ul style="list-style-type: none"> <li>• Independent Director (Appointed 18 January 2018)</li> <li>• Member of the Audit Committee</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>• 57 years (Born in 1960)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>• Honorary Doctoral in Management, Sripatum University</li> <li>• Bachelor Degree in Architecture, Rhode Island School of Design, Rhode Island, USA</li> <li>• Office of the Royal Development Projects Board (RDPB) Executive Development Program (2) Class 2013</li> <li>• Thailand Energy Academy (TEA 2) Class 2013</li> <li>• Top Executive Program in Commerce and Trade (TEPCoT 4) Class 2011</li> <li>• The Executive Creative Economy Training Program (EXCET 1) Class 2010</li> <li>• Executive Leadership Program Class 5/2007, Capital Market Academy (CMA)</li> <li>• National Defence College (NDC 49) Class 2006</li> <li>• The Role of Chairman Program Class 2005, Thai Institute of Directors Association (IOD)</li> <li>• Director Certification Program (DCP) Class 2000, Thai Institute of Directors Association (IOD)</li> <li>• Institute of Business and Industrial Development (IBID 1)</li> </ul>

\* Appointed on 18 January 2018 in replacement of the resigned director, Mr. Patee Sarasin.

#### 4. Mrs. Kobkarn Wattanavrangkul \*

<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>• Director and Advisor of Toshiba Thailand Co., Ltd.</li> <li>• Director of Thai Toshiba Electric Industries Co., Ltd.</li> <li>• Director of Thai Toshiba Lighting Co., Ltd.</li> <li>• Director of Bangkok Symphony Orchestra Foundation</li> <li>• Member of Board of Trustee of Sirindhorn International Institute of Technology</li> <li>• President of Dr. Korn-Thanpuying Niramol Foundation</li> <li>• Honorary Advisory Committee to Prime Minister</li> <li>• Honorary President of Thai-Japanese Association</li> <li>• Advisor of Thai Chamber of Commerce</li> <li>• Advisor to President of The Federation of Business and Professional Woman's Associations of Thailand</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>• Listed Company            1 Company</li> <li>• Non-Listed Company    3 Companies    3 Organizations</li> </ul>
<b>Experience</b>	<ul style="list-style-type: none"> <li>• Minister of Tourism and Sports</li> <li>• Chairperson of Thai Toshiba Group of Companies</li> <li>• President of Thai-Japanese Association</li> <li>• Vice Chairman of Thai Chamber of Commerce</li> <li>• Board of Kasikorn Bank Pcl.</li> <li>• Board of Director of College of Management Mahidol University (CMMU)</li> <li>• Chairman of the Governors Board of Harrow International School Bangkok</li> <li>• Director of Utokapat Foundation under Royal Patronage of H.M. The King</li> <li>• Board of Bangkok Art and Culture Centre</li> </ul>
<b>% of Shareholding as of 18 January 2018</b>	<ul style="list-style-type: none"> <li>• MINT: 3,548 units or 0.00% of paid up shares</li> </ul>

\* Appointed on 18 January 2018 in replacement of the resigned director, Mr. Patee Sarasin.

#### 5. Ms. Suvabha Charoenying

<b>Position</b>	<ul style="list-style-type: none"> <li>• Independent Director (Appointed 22 January 2016)</li> <li>• Member of the Audit Committee</li> <li>• Member of the Compensation Committee</li> <li>• Chairman of the Nominating and Corporate Governance Committee</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>• 54 years (Born in 1963)</li> </ul>





#### 6. Mr. Anil Thadani (Continued)

<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>• Director of Rajadamri Hotel Pcl.</li> <li>• Founder and Chairman of Symphony Asia Holdings Pte. Ltd. and Director of its subsidiaries</li> <li>• Founder and Director of Symphony International Holdings Limited (listed on London Stock Exchange) and Director of its subsidiaries</li> <li>• Member of Board of Trustees and Chairman of SMU Enterprise Board, The Institute of Innovation and Entrepreneurship, Singapore Management University</li> <li>• Member of SMU Committee for Institutional Advancement, Singapore Management University</li> <li>• Member of International Institute for Strategic Studies</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>• Listed Company 2 Companies (including 1 Listed Company in the UK)</li> <li>• Non-Listed Company 52 Companies 1 Organization</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>• MINT: 59,411,662 shares or 1.29% of paid up shares</li> </ul>

#### 7. Mr. Thiraphong Chansiri

<b>Position</b>	<ul style="list-style-type: none"> <li>• Director (Appointed 26 August 2013)</li> <li>• Member of the Compensation Committee</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>• 52 years (Born in 1965)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>• Master of Business Administration in Management, University of San Francisco, USA</li> <li>• Bachelor of Business Administration in Marketing, Assumption University</li> <li>• Director Certification Program (DCP) Class 10/2001, Thai Institute of Directors Association (IOD)</li> </ul>
<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>• President and CEO of Thai Union Group Pcl. and Director of its subsidiaries</li> <li>• Councilor of Thailand Management Association (TMA)</li> <li>• Board of Trustees of Siam Technology College</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>• Listed Company 2 Companies</li> <li>• Non-Listed Company 29 Companies 2 Organizations</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>• MINT: - None-</li> <li>• MINT: 14,300 shares or 0.00% of paid up shares (Spouse)</li> </ul>

#### 8. Mr. Paul Charles Kenny

<b>Position</b>	<ul style="list-style-type: none"> <li>• Director (Appointed 29 April 1997)</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>• 68 years (Born in 1949)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>• General Management Program, Ashridge Management College, UK</li> <li>• Director Certificate Program (DCP) Class 28/2003, Thai Institute of Directors Association (IOD)</li> </ul>
<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>• Chief Executive Officer and Director of The Minor Food Group Pcl. and Directors of its subsidiaries</li> </ul>

#### 8. Mr. Paul Charles Kenny (Continued)

No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company 1 Company</li> <li>Non-Listed Company 39 Companies</li> </ul>
% of Shareholding as of 31 December 2017	<ul style="list-style-type: none"> <li>MINT: 9,976,979 shares or 0.22% of paid up shares</li> </ul>

#### 9. Mr. Emmanuel Jude Dillipraj Rajakarier

Position	<ul style="list-style-type: none"> <li>Director (Appointed 14 November 2008)</li> </ul>
Age	<ul style="list-style-type: none"> <li>52 years (Born in 1965)</li> </ul>
Educational Credential	<ul style="list-style-type: none"> <li>Master of Business Administration, UK</li> <li>Bachelor of Computer Systems Analysis &amp; Design, Sri Lanka</li> <li>Director Certificate Program (DCP) Class 103/2008, Thai Institute of Directors Association (IOD)</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Chief Operating Officer of Minor International Pcl.</li> <li>Chief Executive Officer and Director of Minor International Pcl.'s subsidiaries</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company 2 Companies (including 1 Listed Company in Sri Lanka)</li> <li>Non-Listed Company 66 Companies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Deputy Chief Financial Officer of Orient-Express Hotels, Trains &amp; Cruises</li> <li>Group Financial Controller of Easi Solutions Pcl.</li> <li>Financial Controller of Le Piaf Restaurants</li> <li>Financial Controller of Desert Express Ltd. T/A Monte's, London, UK</li> <li>Financial Controller/Group Accountant of London Wine Bars Ltd.</li> </ul>
% of Shareholding as of 31 December 2017	<ul style="list-style-type: none"> <li>MINT: 6,142,061 shares or 0.13% of paid up shares</li> </ul>

#### 10. Mr. John Scott Heinecke

Position	<ul style="list-style-type: none"> <li>Director (Appointed 11 November 2013)</li> </ul>
Age	<ul style="list-style-type: none"> <li>46 years (Born in 1971)</li> </ul>
Educational Credential	<ul style="list-style-type: none"> <li>B.A. in International Business, Washington State University, Pullman, WA, USA</li> <li>B.A. in Marketing, Washington State University, Pullman, WA, USA</li> <li>Director Certificate Program (DCP) Class 47/2004, Thai Institute of Directors Association (IOD)</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Chief Operating Officer – Hot Chain of The Minor Food Group Pcl.</li> <li>Director, Member of Executive Committee and Member of Risk Management Committee of S&amp;P Syndicate Pcl.</li> <li>Director of Christiani &amp; Neilsen (Thai) Pcl.</li> <li>Director and Management of Minor International Pcl.'s subsidiaries</li> <li>Trustee of International School Bangkok</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company 3 Companies</li> <li>Non-Listed Company 7 Companies</li> <li>1 Organization</li> </ul>

#### 10. Mr. John Scott Heinecke (Continued)

<b>Experience</b>	<ul style="list-style-type: none"> <li>• Vice President of The Minor Food Group Pcl.</li> <li>• General Manager of SLRT Limited</li> <li>• Director of Global Sourcing of The Minor Food Group Pcl.</li> <li>• General Manager of Burger (Thailand) Ltd.</li> <li>• Operations Manager of Burger (Thailand) Ltd.</li> <li>• Business Development Manager, Fountain Division of Coca-Cola North America, USA</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>• MINT: 3,050,308 shares or 0.07% of paid up shares</li> </ul>

The Board of Directors is responsible for setting policy, planning, controlling, and making decision about the Company's operations and new business investments, except those required by law to be passed by resolution from a shareholders meeting.

The details of Board of Directors functions and responsibilities are available in Corporate Governance guidelines presented on the Company's website ([www.minor.com](http://www.minor.com)).

#### Roles of the Chairman of the Board

The Board approved the stated responsibilities of Chairman of the Board and Chief Executive Officer in order to avoid the unlimited power of approval during business operation.

The Chairman of the Board is responsible for the management, the development and the effective performance of the Board of Directors, and provides leadership to the Board for all aspects of the Board's work including:

1. Oversee, monitor, and ensure that the board efficiently carries out its duties to achieve the Company's objectives.
2. Ensure that all directors contribute to the Company's ethical culture and good corporate governance.
3. Plans and organizes all of the activities of the Board of Directors including the preparation for, and the conduct of, Board meetings, timeliness of the information that goes to Board members, setting agenda of the meeting, ensuring that every meeting proceeds properly.
4. Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company.
5. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.
6. Chairs annual and special meetings of the shareholders.

Whenever the Chairman has vested interests on any agenda item, the Chairman has to excuse from that agenda. To ensure the balance of power and authority of the board and between the board and management, the board appointed the Chairman of Audit Committee to participate in setting the board meeting agenda.

#### Corporate Secretary: Ms. Saranya Soontaros

<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>• Master of Business Administration, Loyola University Chicago, USA</li> <li>• Bachelor of Business Administration, Kasetsart University</li> <li>• Director Certificate Program (DCP) Class 240/2017, Thai Institute of Directors Association (IOD)</li> <li>• Company Secretary Program (CSP) Class 49/2013, Thai Institute of Directors Association (IOD)</li> <li>• Fundamental Practice for Corporate Secretary (FPCS) Class 25/2012, Thai Listed Companies Association (TLCA)</li> </ul>
<b>Experience</b>	<ul style="list-style-type: none"> <li>• Assistant Vice President, Investor Relations, Corporate Planning Office of AEON Thana Sinsap (Thailand) Pcl.</li> </ul>

## Audit Committee

At present, the Audit Committee comprises 4 directors as follows:

- |                                   |                                   |
|-----------------------------------|-----------------------------------|
| 1. Khunying Jada Watthanasiritham | Chairman and Independent Director |
| 2. Mr. Charamporn Jotikasthira    | Member and Independent Director   |
| 3. Mrs. Kobkarn Wattanavrankul*   | Member and Independent Director   |
| 4. Ms. Suvabha Charoenying        | Member and Independent Director   |

*\* Appointed on 18 January 2018 in replacement of the resigned director, Mr. Patee Sarasin.*

All Audit Committee members have knowledge and expertise in accounting with experience in reviewing financial statements.

Audit Committee members term of service is 3 years and can be re-appointed after the term of service ends.

### Audit Committee Scope of Responsibilities

1. To meet, review and discuss with management and the independent auditors the annual audited financial statements and quarterly financial statements, including the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and any other matters required to be reviewed under applicable legal and regulatory provisions.
2. To discuss with management and the independent auditor, as appropriate, earnings press releases and financial information and earnings guidance provided to analysts and to rating agencies.
3. To select and make a recommendation on the appointment, re-appointment and removal of the independent auditor to examine the Company's accounts, controls and financial statements. The Committee shall have the authority and responsibility to select, evaluate, compensate and oversee the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audits, review or attest services for the Company (including resolution of disagreements between management and the auditor regarding financial reporting). The independent auditor and each such registered public accounting firm will report directly to the Committee. The Committee shall have the authority to pre-approve all audit engagement fees and terms and the Committee must pre-approve any audit and non-audit service provided to the Company by the Company's independent auditor. The Committee shall recommend the Board to propose to shareholders to appoint the Company's independent auditor and approve their audit fees at the Annual General Meeting.
4. To discuss with management and the independent auditor, as appropriate, any audit problems or difficulties and management's response, and the Company's risk assessment and risk management policies, including the Company's major financial risk exposure and steps taken by management to monitor and mitigate such exposure.
5. To review the Company's financial reporting and accounting standards and principles, significant changes in such standards or principles or in their application and the key accounting decisions affecting the Company's financial statements, including alternatives to, and the rationale for, the decisions made.
6. To review and approve the internal corporate audit staff functions, including:
  - purpose, authority and organizational reporting lines
  - annual audit plan, budget and staffing
  - concurrence in the appointment, compensation and rotation of the department head corporate audit staff.
7. To review with the Chief Financial Officer, the Department Head-Corporate Audit, or others as the Committee deems appropriate, the Company's internal system of audit and financial controls and the results of internal audits.

8. To obtain and review at least annually a formal written report from the independent auditor delineating: the auditing firm's internal quality-control procedures; the auditing firm's independence; and any material issues raised within the preceding five years by the auditing firm's internal quality-control reviews, by peer reviews of the firm, or by any governmental or other inquiry or investigation relating to any audit conducted by the firm. The Committee will also review steps taken by the auditing firm to address any findings in any of the foregoing reviews. Also, in order to assess auditor independence, the Committee will review at least annually for all relationships between the independent auditor and the Company.
9. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
10. To set policies for the hiring of employees or former employees of the Company's independent auditor.
11. To review and investigate any matters pertaining to the integrity of management, including conflicts of interest, adherence to standards of business conduct as required in the policies of the Company. This should include regular reviews of the compliance processes. In connection with these reviews, the Committee will meet, as deemed appropriate, with the general counsel and other Company officers or employees.
12. To establish and oversee procedures for the receipt, retention and treatment of complaints on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Company employees of concerns regarding questionable accounting or auditing matters.
13. To resolve any conflicts of interest involving a Director, the CEO or Senior Management.
14. To review and approve or ratify any transaction between the Company and a related person, which is required to be disclosed under the rules of the Securities and Exchange Commission.
15. To prepare and publish an Annual Committee Report in the Company's Annual Report. Such Audit Committee's report shall consist of at least the following information:
  - an opinion on the accuracy, completeness and creditability of the Company's financial report,
  - an opinion on the adequacy of the Company's internal control system,
  - an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
  - an opinion on the suitability of an auditor,
  - an opinion on the transactions that may lead to conflicts of interests,
  - the number of the audit committee meetings, and the attendance of such meetings by each committee member,
  - an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
  - other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
16. To report the following matters which may materially affect the Company's financial conditions to the Board of Directors:
  - a transaction which causes a conflict of interest;
  - any fraud, irregularity, or material defect in an internal control system; or
  - an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.
17. To perform any other duties as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

For more information, please see the Audit Committee Charter, presented on the Company's website ([www.minor.com](http://www.minor.com)).

### Definition of Independent Directors

The Board of Directors has sought to prescribe the definition of the "Independent Director" which is more stringent than the definition imposed by The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET) as follows:

1. Holding shares of not more than 0.5% of paid up capital of the company, parent company, subsidiaries, associates, major shareholders or the company controlling person. The number of held shares shall be inclusive of shares held by any related persons of independent director.
2. Not being or formerly an executive director, employee, staff member, advisor who receives a regular salary or being a controlling person of the company, parent company, subsidiaries, associates, subsidiaries which have the same parent company, major shareholder or the company controlling person except where such relationship was in excess of a period of two years before appointment as an independent director.
3. Not being a person who is related by blood or registration under laws, including mother, father, spouses, sibling and children and spouse of children of management, major shareholder, controlling person or a person to be nominated as management or controlling person of the company or subsidiaries.
4. Not having or formerly had a business relationship with the company, parent company, subsidiaries, associates, major shareholders or the company controlling person which may compromise independence. In addition, independent directors may not be or formerly was a significant shareholder, or controlling person who had a business relationship with the company, parent company, subsidiaries, associates, or major shareholder or the company controlling person, except where such relationship was in excess of a period of two years before appointment as an independent director. The relationships mentioned in the first paragraph include normal business transactions, transactions regarding rental or lease of immovable assets, transactions related to assets and services, transactions regarding financial assistance including lending, borrowing, guarantees, or providing assets to pledge or mortgage loans or any other similar action, which have transaction values higher than 3% of net tangible assets or Baht 20 million, whichever is lower. The calculation will include the transaction value taking place with the same person who has business relationship during 12 months period prior to the day of the decision to enter into the transaction and will be subject to the Capital Market Advisory Board Re: Rules on Connected Transactions.
5. Not being or formerly an independent auditor of the company, parent company, subsidiaries, associates, major shareholders, or the company controlling person, and not being a significant shareholder, controlling person or partner of the audit firm which has provided independent auditor services to the company, parent company, subsidiaries, associates, major shareholder or the company controlling person except where such relationship was prior to a two years period before appointment as an independent director.
6. Not being or formerly providing professional services including legal advice, financial advice which received a service fee higher than Baht two million per year from the company, parent company, subsidiaries, associates, major shareholder or the company controlling person and not being a significant shareholder, controlling person or partner of the independent service provider except such relationship was in excess of a period of two years before the appointment as an independent director.
7. Not being a director who was appointed as a representative of a director of the company, major shareholder or shareholder who is related to the major shareholder of the company.
8. Not provide the same services as the company and not being competitors of the company and subsidiaries or not being a significant partner in partnership or being a executive director, staff, employee, consultant who receives regular payroll, or holding over 1% of voting rights of other company which operates the same business and compete with the company and subsidiaries.
9. Not having any other conflicts that prevent independent directors from giving independent opinions to the company.



## Compensation Committee

At present, the Compensation Committee comprises 5 directors as follows:

- |                                  |          |
|----------------------------------|----------|
| 1. Khunying Jada Wattanasiritham | Chairman |
| 2. Mr. Anil Thadani              | Member   |
| 3. Mr. Charamporn Jotikasthira   | Member   |
| 4. Ms. Suvabha Charoenying       | Member   |
| 5. Mr. Thiraphong Chansiri       | Member   |

### Compensation Committee Scope of Responsibilities

1. To assist the Board in developing and evaluating potential candidates for senior executive positions, including the Chief Executive Officer, and to oversee the development of executive succession plans.
2. To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Chief Executive Officer. The Committee shall evaluate at least once a year the Chief Executive Officer's performance in light of these established goals and objectives and based upon these evaluations shall set the Chief Executive Officer's annual compensation, including salary, bonus and equity and non-equity incentive compensation.
3. To review and approve on an annual basis the evaluation process and compensation structure for the Company's senior executive officers. The Committee shall evaluate the performance of the Company's senior executive officers and shall approve the annual compensation, including salary, bonus and equity and non-equity incentive compensation, for such senior executive officers, based on initial recommendations from the CEO. The Committee shall also provide oversight of management's decisions concerning the performance and compensation of the Company officers.
4. To review the Company's equity incentive compensation and other stock-based plans and recommend changes in such plans to the Board as needed. The Committee shall have and shall exercise all the authority of the Board of Directors with respect to the administration of such plans.
5. To maintain regular contact with the leadership of the Company. This should include interaction with the Company's leadership development activities, review of data from employee surveys and regular review of the results of the annual leadership evaluation process.
6. To review and discuss with management the Company's Compensation Discussion and Analysis (CD&A) and to recommend to the Board that CD&A be included in the Company's annual report and proxy statement.

For more information, please see the Compensation Committee Charter, presented on the Company's website ([www.minor.com](http://www.minor.com)).

## Nominating and Corporate Governance Committee

At present, the Nominating and Corporate Governance Committee comprises 4 directors as follows:

- |                                  |          |
|----------------------------------|----------|
| 1. Ms. Suvabha Charoenying       | Chairman |
| 2. Khunying Jada Wattanasiritham | Member   |
| 3. Mr. Anil Thadani              | Member   |
| 4. Mr. Charamporn Jotikasthira   | Member   |

### Nominating and Corporate Governance Committee Scope of Responsibilities

1. To lead the search for individuals qualified to become members of the Board of Directors and to select director nominees to be presented for shareholder approval at the annual meeting. The Committee shall select individuals as director nominees who shall have the highest personal and professional integrity, who shall have demonstrated exceptional ability and judgment and who shall be most effective, in conjunction with the other director nominees and serving directors, in collectively serving the long-term interests of the shareholders.
2. To develop, and to recommend to the Board of Directors for its approval, qualifications for director candidates, and to periodically review these qualifications.
3. To review the Board of Directors' Committee structure and to recommend to the Board for its approval of directors to serve as members of each Committee, and as Committee Chairs. The Committee shall review and recommend Committee slates annually and shall recommend additional Committee members to fill vacancies as needed.
4. To develop and recommend to the Board of Directors for its approval of a set of corporate governance principles. The Committee shall review the principles on an annual basis, or more frequently if appropriate, and recommend changes as necessary.
5. To develop and recommend to the Board of Directors for its approval of an annual self-evaluation process of the Board and its Committees. The Committee shall oversee the annual self-evaluations.
6. To review on an annual basis director compensation and benefits and recommend changes to the Board as necessary.

For more information, please see the Nominating and Corporate Governance Committee Charter, presented on the Company's website ([www.minor.com](http://www.minor.com)).

### Risk Management Steering Committee

Risk Management Steering Committee comprised of the CEO, Head of each Business Unit, Chief People Officer, Corporate Chief Financial Officer, Chief Operating Officer, Head of Internal Audit and Risk Management. The Committee reports directly to the Audit Committee.

### Risk Management Steering Committee Scope of Responsibilities

The Steering Committee has the responsibility of reviewing overall implementation of risk management across the group to assure that key risks are identified and are effectively managed.

For more information, please see Risk Management Policy, prescribed in the Company's website ([www.minor.com](http://www.minor.com)).

### Executive Management

At present, 7 Managements are as follows:

- |                                 |   |
|---------------------------------|---|
| 1. Mr. William Ellwood Heinecke | Chairman and Group Chief Executive Officer                    |
| 2. Mr. Brian James Delaney      | Corporate Chief Financial Officer                             |
| 3. Mr. Chaiyapat Paitoon        | Deputy Corporate Chief Financial Officer & Strategic Planning |
| 4. Ms. Somsri Rachdaponkul      | Vice President of Corporate Finance & Corporate Secretary     |
| 5. Mr. Supasith Xanasongkram    | Vice President of Legal                                       |
| 6. Mr. Kosin Chantikul          | Vice President of Investment & Acquisitions                   |
| 7. Mrs. Jutatip Adulbhan        | Vice President of Investor Relations                          |

Biography of Mr. William Ellwood Heinecke is presented under "Board of Directors" section. The biographies of the remaining 6 executive managements are presented as follows:

### 1. Mr. Brian James Delaney

<b>Position</b>	<ul style="list-style-type: none"> <li>Corporate Chief Financial Officer</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>41 years (Born in 1976)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>C.A., Accounting, Institute of Chartered Accountants, Ireland</li> <li>Master of Accounting, Accounting, UCD Michael Smurfit Graduate Business School, Dublin, Ireland</li> <li>Bachelor of Business Studies, Accounting, Institute of Technology Tallaght, Ireland</li> <li>Director Certification Program (DCP) Class 235/2017, Thai Institute of Directors Association (IOD)</li> </ul>
<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>Director of Minor International Pcl.'s subsidiaries</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>Listed Company - Company</li> <li>Non-Listed Company 1 Company</li> </ul>
<b>Experience</b>	<ul style="list-style-type: none"> <li>Chief Financial Officer of Minor Hotel Group</li> <li>Chief Financial Officer of Oaks Hotels &amp; Resorts, QLD, Australia</li> <li>Head of Fund Accounting of AMP Capital, Sydney, Australia</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>MINT: 135,261 shares or 0.00% of paid up shares</li> </ul>

### 2. Mr. Chaigapat Paitoon

<b>Position</b>	<ul style="list-style-type: none"> <li>Deputy Corporate Chief Financial Officer &amp; Strategic Planning</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>46 years (Born in 1971)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>M.B.A., Finance and International Business, University of Notre Dame, Indiana, USA</li> <li>Bachelor of Accountancy, Chulalongkorn University</li> <li>Chief Financial Officer Certification Program Class 20/2016, Federation of Accounting Professions (FAP)</li> <li>TLCA Executive Development Program (EDP) Class 12/2013, The Stock Exchange of Thailand, Thai Listed Companies Association, and Capital Market Academy (CMA)</li> <li>Director Certification Program (DCP) Class 176/2013, Thai Institute of Directors Association (IOD)</li> </ul>
<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>Director of Minor International Pcl.'s subsidiaries</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>Listed Company - Company</li> <li>Non-Listed Company 13 Companies</li> </ul>
<b>Experience</b>	<ul style="list-style-type: none"> <li>Senior Vice President - Division Head - Investor Relations; and Division Head - Equity Investment Management of The Siam Commercial Bank Pcl.</li> <li>Investment Representative of Morgan Stanley</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>MINT: 444,919 shares or 0.01% of paid up shares</li> </ul>

### 3. Ms. Somsri Ruchdaponkul

Position	<ul style="list-style-type: none"> <li>Vice President of Corporate Finance &amp; Corporate Secretary</li> </ul>
Age	<ul style="list-style-type: none"> <li>53 years (Born in 1964)</li> </ul>
Educational Credential	<ul style="list-style-type: none"> <li>M.B.A. in Accounting, University of The Thai Chamber of Commerce</li> <li>Bachelor of Accountancy, Bangkok University</li> <li>Capital Market Academy Leadership Program Class 23/2016, Capital Market Academy (CMA)</li> <li>Director Certification Program (DCP) Class 179/2013, Thai Institute of Directors Association (IOD)</li> <li>TLCA Executive Development Program (EDP) Class 7/2011, The Stock Exchange of Thailand, Thai Listed Companies Association (TLCA)</li> <li>Chief Financial Officer Certification Program Class 10/2009, Federation of Accounting Professions (FAP)</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Director of Minor International Pcl.'s subsidiaries</li> <li>Committee of Thai Company Secretary Club, Thai Listed Companies Association</li> <li>Committee and the Treasurer of The Thai Asian Elephant Anantara Foundation</li> <li>Committee and the Treasurer of The Thai Minor Foundation</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company - Company</li> <li>Non-Listed Company 1 Company 3 Organizations</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Senior Finance Manager of Central Pattana Pcl.</li> <li>Accounting Manager of Ericsson Thai Network Limited</li> <li>Accounting Manager of Siam Steel Group Pcl.</li> </ul>
% of Shareholding as of 31 December 2017	<ul style="list-style-type: none"> <li>MINT: 445,918 shares or 0.01% of paid up shares</li> </ul>

### 4. Mr. Supasith Xanasongkram

Position	<ul style="list-style-type: none"> <li>Vice President of Legal</li> </ul>
Age	<ul style="list-style-type: none"> <li>51 years (Born in 1966)</li> </ul>
Educational Credential	<ul style="list-style-type: none"> <li>Diploma in International Law, University College London, University of London, UK</li> <li>Diploma in Intellectual, Property Queen Mary and Westfield College, University of London, UK</li> <li>Bachelor of Laws, Thammasat University</li> </ul>
Other Current Position	<ul style="list-style-type: none"> <li>Director of Minor International Pcl.'s subsidiaries</li> </ul>
No. of Director Position	<ul style="list-style-type: none"> <li>Listed Company - Company</li> <li>Non-Listed Company 7 Companies</li> </ul>
Experience	<ul style="list-style-type: none"> <li>Senior Vice President of Hutchison CAT Wireless Multimedia Ltd.</li> <li>Legal Associate of Freshfields Bruckhaus Deringer</li> </ul>
% of Shareholding as of 31 December 2017	<ul style="list-style-type: none"> <li>MINT: 160,972 shares or 0.00% of paid up shares</li> </ul>

#### 5. Mr. Kosin Chantikul

<b>Position</b>	<ul style="list-style-type: none"> <li>Vice President of Investment &amp; Acquisitions</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>35 years (Born in 1982)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>Bachelor of Arts in Economics, Wesleyan University, USA</li> <li>Director Certification Program (DCP) Class 192/2014, Thai Institute of Directors Association (IOD)</li> </ul>
<b>Other Current Position</b>	<ul style="list-style-type: none"> <li>Director of Minor International Pcl.'s subsidiaries</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>Listed Company - Company</li> <li>Non-Listed Company 6 Companies</li> </ul>
<b>Experience</b>	<ul style="list-style-type: none"> <li>Investment Director of Boutique Asset Management</li> <li>Associate of Nomura Asia Asset Finance</li> <li>Associate of Lehman Brothers Principal Transactions Group</li> <li>Analyst of Lehman Brothers Real Estate Private Equity</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>MINT: 70,972 shares or 0.00% of paid up shares</li> </ul>

#### 6. Mrs. Jutatip Adulbhan

<b>Position</b>	<ul style="list-style-type: none"> <li>Vice President of Investor Relations</li> </ul>
<b>Age</b>	<ul style="list-style-type: none"> <li>45 years (Born in 1972)</li> </ul>
<b>Educational Credential</b>	<ul style="list-style-type: none"> <li>M.B.A. Finance, Management and Strategy, Kellogg School of Management, Northwestern University, USA</li> <li>Bachelor of Business Administration, Banking and Finance, Chulalongkorn University</li> <li>Role of the Compensation Committee Program Class 7/2008, Thai Institute of Directors Association (IOD)</li> <li>Company Secretary Program Class 20/2006, Thai Institute of Directors Association (IOD)</li> </ul>
<b>No. of Director Position</b>	<ul style="list-style-type: none"> <li>Listed Company - Company</li> <li>Non-Listed Company 1 Company</li> </ul>
<b>Experience</b>	<ul style="list-style-type: none"> <li>Department Manager, Company Secretary and Investor Relations of Bumrungrad Hospital Pcl.</li> <li>Director, Office of the Chairman of GMM Grammy Pcl.</li> <li>Associate, Investment Banking of ING Securities (Thailand) Limited</li> </ul>
<b>% of Shareholding as of 31 December 2017</b>	<ul style="list-style-type: none"> <li>MINT: 90,760 shares or 0.00% of paid up shares</li> </ul>

### Number of Corporate Securities Held by Directors and Executive Management as of 31 December 2017

No.	Name	Title	No. of Securities Held		
			at 31 December 2016	Increase/ (Decrease)	at 31 December 2017
1.	Mr. William Ellwood Heinecke	Chairman and Group CEO	120,000,000	29,585,748	149,585,748
2.	Khunying Jada Wattanasiritham	Independent Director	-	-	-
3.	Mr. Charapom Jotikasthira	Independent Director	-	-	-
4.	Mr. Patee Sarasin*	Independent Director	-	-	-
5.	Ms. Suvabha Charoenying	Independent Director	-	-	-
6.	Mr. Anil Thadani	Director	56,434,919	2,976,743	59,411,662
7.	Mr. Thiraphong Chansiri	Director	-	-	-
8.	Mr. Paul Charles Kenny	Director	9,402,850	574,129	9,976,979
9.	Mr. Emmanuel Jude Dillipraj Rajakarier	Director	5,399,893	742,168	6,142,061
10.	Mr. John Scott Heinecke	Director	2,938,942	111,366	3,050,308
11.	Mr. Brian James Delaney	Corporate Chief Financial Officer	87,612	47,649	135,261
12.	Mr. Chaiyapat Paitoon	Deputy Corporate Chief Financial Officer & Strategic Planning	388,408	56,511	444,919
13.	Ms. Somsri Ruchdaponkul	VP of Corporate Finance & Corporate Secretary	401,300	44,618	445,918
14.	Mr. Supasith Xanasongkram	VP of Legal	181,332	(20,360)	160,972
15.	Mr. Kosin Chantikul	VP of Investment & Acquisitions	22,556	48,416	70,972
16.	Mrs. Jutatip Adulbhan	VP of Investor Relations	66,276	24,484	90,760

\* Resigned on 9 January 2018.



### Top 10 Major Shareholders as of 31 January 2018

Name of Shareholders	Number of Shares	Proportion of Shareholding
1. Group of Mr. William Ellwood Heinecke <sup>1</sup>	1,539,518,188	33%
1.1 Mr. William Ellwood Heinecke	149,601,794	3%
1.2 Minor Holding (Thai) Limited	727,767,680	16%
1.3 Mrs. Kathleen Ann Heinecke	5,200	0%
1.4 Heinecke Foundation	630,031	0%
1.5 Zall Holdings Limited	617,396,500	13%
1.6 Minor BKH Limited	44,116,983	1%
2. Thai NVDR Co., Ltd.	381,317,353	8%
3. Mr. Nithi Osathanugrah	365,954,851	8%
4. UBS AG Singapore Branch	248,821,349	5%
5. State Street Europe Limited	122,815,421	3%
6. Chase Nominees Limited	101,289,894	2%
7. Social Security Office	94,551,959	2%
8. Administration Account	90,058,715	2%
9. HSBC (Singapore) Nominees Pte. Ltd.	74,348,800	2%
10. Bank of Singapore Limited	44,537,460	1%

Source: The Thailand Securities Depository Co., Ltd.

Remark: <sup>1</sup> This list of shareholder is grouped under the Notification of SEC Kor Chor 17/2551 dated 15 December 2008, not Section 258 of the Public Limited Companies Act, B.E. 2535 (1992) (including any amendment thereof).

## Dividend Policy

With regards to dividend payment, the Company and subsidiaries have the policy to take into consideration potential growth of the companies' performance, investment plans, business expansion, and terms and conditions of loans and debentures of the Company and its subsidiaries, as well as the necessity and appropriateness to enhance shareholders' value in the long term. The Company and subsidiaries do not have a fixed dividend payout ratio, and therefore the dividend payment is considered based on their financial performance in each year.

In 2017, the Company paid dividend for the 2016 performance in view of cash dividend in the amount of Baht 0.35 per share which is equivalent to dividend payout ratio of 23.40% of the consolidated net profit. Excluding adjustment of the non-recurring items, dividend payout ratio should be 33.69%.

## Subsidiaries, Associates and Joint Ventures

### Minor Hotels

Country of Incorporation and Nature of Business are advised in Note No. 13 of the Company's Financial Statement.

Company	Number of Issued Shares (Shares)	Held by	% Held
1. Chao Phaya Resort Limited	12,000,000	MINT	81.2%
2. Hua Hin Resort Limited ("HHR")	2,000,000	MINT	100.0%
3. MHG Npark Development Company Limited	10,000,000	HHR	50.0%*
4. Layan Bang Tao Development Co., Ltd.	500,000	HHR	50.0%*
Included shares held by PBCO			
5. Maerim Terrace Resort Limited	3,000,000	MINT	45.3%
6. Samui Resort and Spa Limited	100,000	MINT	100.0%
7. Rajadamri Hotel Public Company Limited	45,000,000	MINT	99.2%
8. MI Squared Limited ("MI")	100,000	MINT	100.0%
9. Hua Hin Village Limited ("HHV")	3,500,000	MINT	100.0%
10. Baan Boran Chiangrai Limited ("BBC")	1,650,000	MINT	100.0%
11. H&A Park Co., Ltd.	4,000,000	BBC	50.0%*
12. Samui Village Limited	375,000	MINT	100.0%
13. Coco Palm Hotel & Resort Limited	1,730,000	MINT	100.0%
14. Coco Recreation Limited	10,000	MINT	100.0%
15. Samui Beach Club Owner Limited	10,000	MINT	100.0%
16. Royal Garden Plaza Limited ("RGP")	750,000	MINT	100.0%
17. NYE and RGP Development Co., Ltd.	100,000	RGP	40.0%*
18. M Spa International Limited ("MST")	410,000	MINT	100.0%
Included shares held by HIIL			
19. Samui Beach Residence Limited ("SBR")	10,000	MINT	100.0%
20. Layan Hill residence Co., Ltd.	500,000	SBR	50.0%*
Included shares held by PBCO			
21. Coco Residence Limited	10,000	MINT	100.0%

\* shown as interest portion

Company	Number of Issued Shares (Shares)	Held by	% Held
22. Minor Hotel Group Limited ("MHG")	1,079,307	MINT	100.0%
		Included shares held by MGS	
23. Minor Supply Chain Solutions Limited	262,515	MINT	100.0%
24. Minor Global Solutions Limited ("MGS")	500,000	MINT	100.0%
25. Chao Phaya Resort and Residence Limited	10,000	MINT	100.0%
26. RGR International Limited ("RGRI")	100,000	MINT	100.0%
27. Eutopia Private Holding Limited	1,000,000	RGRI	50.0%*
28. Harbour View Corporation Limited	8,383,476	RGRI	30.4%*
29. R.G.E. (HKG) Limited	100,000	MINT	100.0%
30. M & H Management Limited	1,000	MINT	100.0%
31. Lodging Investment (Labuan) Limited ("LIL")	1,000	MINT	100.0%
32. Serendib Hotels Pcl.	111,525,794	LIL	25.0%*
33. Minor International (Labuan) Limited	1,000	MINT	100.0%
34. AVC Club Developer Limited	1,000	MINT	100.0%
35. AVC Vacation Club Limited ("AVC V")	1,000	MINT	100.0%
36. Phuket Beach Club Owner Limited ("PBCO")	10,000	MINT	100.0%
37. MHG Phuket Limited	1,900,000	MINT	100.0%
38. Minor Sky Rider Limited	70,000	MINT	100.0%
39. S&P Syndicate Public Company Limited	490,408,365	MINT	35.7%*
40. Minor Continental Holding (Mauritius) ("MCHM")	EUR 18,000	MINT	100.0%
41. Minor Continental Holding (Luxembourg) S.A.R.L ("MCHL")	EUR 12,500	MCHM	100.0%
42. Minor Continental (Portugal) SGPS, S.A. ("MCP")	EUR 36,000,000	MCHL	100.0%
43. Pojuca S.A. ("Pojuca")	Ordinary Shares 91,138,377 Preferred Shares 68,505,744	MCHL	100.0%
44. Marinoteis - Sociedade de Promocao e Construcão de Hoteis S.A. ("Marinoteis")	6,300,000	MCP	100.0%
45. Coimbra Jardim Hotel - Sociedade de Gestao Hoteleira, S.A.	3,650,000	MCP	100.0%
46. Tivoli Gave do Oriente - Sociedade de Gestao Hoteleira, S.A.	500,000	MCP	100.0%
47. Sotal - Sociedade de Gestao Hoteleira, S.A.	10,000	Marinoteis	100.0%
48. Hotelagos S.A.	1,885,000	Marinoteis	100.0%
49. Rajadamri Residence Limited ("RRL")	5,000,000	MI	100.0%

\* shown as interest portion

Company	Number of Issued Shares (Shares)	Held by	% Held
50. Avadina Hills Co., Ltd.	50,000	RRL	50.0%*
Included shares held by SBR			
51. Rajadamri Lodging Limited	300,000	MI	100.0%
52. Star Traveller Limited	10,000	MI	49.0%
53. Corbin and King Limited	23,335,391	MI	74.0%
54. Zuma Bangkok Limited	160,000	MI	51.0%*
55. Arabian Spas (Dubai) (LLC)	300	MST	49.0%*
56. Hospitality Investment International Limited ("HIIL")	10,000,000	MHG	100.0%
57. MHG International Holding (Singapore) Pte. Ltd. ("MHGIH")	57,863,072	MHG	100.0%
58. MHG International Holding (Mauritius) ("MHGIHM")	1,000	MHG	100.0%
59. MHG Holding Limited	1,000	MHG	100.0%
60. MHG Deep Blue Financing	200,000	MHG	50.0%*
61. 2015 CM Investors Corporation	44,600,000	MHG	50.0%*
62. Cardamom Tented Camp Co., Ltd.	100,000	MHG	35.0%*
63. Anantara Vacation Club (HK) Limited ("AVC V (HK)")	10,000	AVC V	100.0%
64. AVC Vacation Club (Singapore) Pte. Ltd.	16,200	AVC V	100.0%
65. Sanya Anantara Consulting Limited	USD 500,000	AVC V (HK)	100.0%
66. Lodging Management (Labuan) Limited	1,000	HIIL	100.0%
67. Lodging Management (Mauritius) Limited ("LMM")	1,000	HIIL	100.0%
68. PT Lodging Management (Indonesia) Limited	1,500	HIIL	93.3%
69. Jada Resort and Spa (Private) Limited ("Jada")	412,877,494	HIIL	87.0%
70. PH Resort (Private) Ltd.	271,767	HIIL	49.9%*
71. Zanzibar Tourism and Hospitality Investment Limited ("ZTHIL")	2	HIIL	50.0%*
72. Tanzania Tourism and Hospitality Investment Limited ("TTHIL")	2	HIIL	50.0%*
73. Sothea Pte. Ltd.	1,450	LMM	80.0%
74. Minor Hotel Group South Africa (PTY) Limited	1,000	LMM	100.0%
75. O Plus E Holdings Private Limited	1,050,000	LMM	50.0%*
76. Paradise Inland Resort (Private) Limited	6,000,000	Jada	87.0%
77. Kalutara Luxury Hotel and Resort (Private) Limited	193,709,415	Jada	87.0%
78. Avani Ambalangoda (Private) Limited	-	Paradise	87.0%
79. MHG IP Holding (Singapore) Pte. Ltd.	1	MHGIH	100.0%
80. Vietnam Hotel Projekt B.V. ("VHP")	EUR 22,863	MHGIH	100.0%
81. MHG Management (India) Private Limited	10,000	MHGIH	100.0%

\* shown as interest portion

Company	Number of Issued Shares (Shares)	Held by	% Held
82. Rani Minor Holding Limited ("Rani")	50,000,000	MHGIH	25.0%*
83. MHG Australia Holding Pte. Ltd. ("MHGAH")	1	MHGIH	100.0%
84. Plexus Maldives Private Limited	471,600	MHGIH	50.0%*
85. MHG Australia Investments Pty, Ltd.	100	MHGAH	100.0%
86. Bai Dai Tourism Company Limited	VND 118,941,730,159	VHP	100.0%
87. Hoi An Riverpark Hotel Company Limited	USD 1,080,000	VHP	91.0%
88. Sands Hotels (Proprietary) Limited	NAD 100	MHGIHM	100.0%
89. Minor Hotel Group Gaborone (Proprietary) Limited ("Gaborone")	500,000	MHGIHM	80.0%
90. Minor Hotel Group MEA DMCC ("MHG MEA")	50	MHGIHM	100.0%
91. MHG Management Tunisia	118,000	MHG MEA	100.0%
Included shares held by MHG			
92. MHG Desaru Hotel Sdn. Bhd.	Ordinary Shares 7,000,000 Redeemable Convertible Preferred Shares 569,943,332	MHGIHM	60.0%
93. MHG Desaru Villas Sdn. Bhd.	Ordinary Shares 3,000,000 Redeemable Convertible Preferred Shares 30,836,923	MHGIHM	60.0%
94. MHG Lesotho (Proprietary) Limited	12,628	MHGIHM	46.9%*
95. Rani Minor Holding II Ltd.	50,000	MHGIHM	49.0%*
96. MHG Signity Assets Holding (Mauritius) Limited	100,000	MHGIHM	50.0%*
97. Minor Hotels Zambia Limited	50,000	MHGIHM	100.0%
98. Letsatsi Casino (Pty) Ltd.	3,000	Gaborone	64.0%
99. PT Wika Realty Minor Development	260,000	MHGIH	50.0%*
100. MHG GP Pte. Ltd.	5,150,002	MHGIH	50.0%*

\* shown as interest portion



### Oaks's subsidiaries

Company	Number of Issued Shares (Shares)	Held by	% Held
1. Boathouse Management Pty. Ltd.	3,058,996	OAKS	100.0%
2. Calypso Plaza Management Pty. Ltd.	9,420,142	OAKS	100.0%
3. Concierge Apartments Australia Pty. Ltd.	3,479,414	OAKS	100.0%
4. Goldsbrough Management Pty. Ltd.	14,433,119	OAKS	100.0%
5. MINT Residential Pty. Ltd.	1	OAKS	100.0%
6. MH Management (Qld) Pty. Ltd. ("QLD")	2,912,614	OAKS	100.0%
7. Oaks Hotels & Resorts (NSW) No. 1 Pty. Ltd.	8,979,457	OAKS	100.0%
8. MH Management (NSW) Pty. Ltd. ("NSW2")	14,830,219	OAKS	100.0%
9. MH Management (SA) Pty. Ltd.	10,513,471	OAKS	100.0%
10. MH Management (VIC) Pty. Ltd. ("VIC")	1,871,380	OAKS	100.0%
11. Queensland Accommodation Corporation Pty. Ltd.	6	OAKS	100.0%
12. Seaforth Management Pty. Ltd.	4,041,019	OAKS	100.0%
13. The Oaks Resorts & Hotels Management Pty. Ltd. ("ORHM")	8,606,418	OAKS	100.0%
14. Furniture Services Australia Pty. Ltd.	120	OAKS	100.0%
15. Brisbane Apartment Management Pty. Ltd.	1	OAKS	100.0%
16. Housekeepers Pty. Ltd.	2	OAKS	100.0%
17. Oaks Hotels & Resorts NZ Ltd. ("NZ")	13,290,430	OAKS	100.0%
18. Oaks Hotels & Resorts DMCC	300	MHG MEA	100.0%
19. Oaks Hotels & Resorts Investments Pty. Ltd.	100	OAKS	100.0%
20. Oaks Hotels and Resorts No. 4 Pty. Ltd. ("No. 4")	100	OAKS	100.0%
21. Oaks Hotels & Resorts (Management) Pty. Ltd.	100	OAKS	100.0%
22. Oaks Hotels & Resorts Leasing (Collins) Pty. Ltd.	100	OAKS	100.0%
23. Oaks Hotels and Resorts (NT) Pty. Ltd.	15,300,100	OAKS	100.0%
24. Oaks Hotels & Resorts Asset Holding Pty. Ltd.	100	OAKS	100.0%
25. Queen Street Property Management Pty. Ltd.	2	QLD	100.0%
26. Mon Komo Management Pty. Ltd.	100	QLD	100.0%
Included shares held by OakQ			
27. Oasis Caloundra Management Pty. Ltd.	100	QLD	100.0%
28. Oaks Hotels & Resorts (Regis Towers) Pty. Ltd.	100	QLD	100.0%
29. Emerald Holdings Investments Pty. Ltd. ("EHI")	100	QLD	100.0%
30. ACN 153 970 944 Pty. Ltd.	100	QLD	100.0%
31. Oaks Hotels & Resorts (Mon Komo) Pty. Ltd.	100	QLD	100.0%

Company	Number of Issued Shares (Shares)	Held by	% Held
32. Oaks Hotels & Resorts (Carlyle Mackay) Pty. Ltd. ("CM")	100	QLD	100.0%
33. Oaks Hotels & Resorts (Milton) Pty. Ltd. ("Milton")	100	QLD	100.0%
34. Oaks Hotels & Resorts (Carlyle Lessee) Pty. Ltd. ("CL")	100	QLD	100.0%
35. Oaks Hotels & Resorts (Radius) Pty. Ltd. ("Radius")	100	QLD	100.0%
36. Oaks Hotels & Resorts (Rivermarque) Pty. Ltd. ("RM")	100	QLD	100.0%
37. Oaks (M on Palmer) Management Pty. Ltd. ("M on P")	100	QLD	100.0%
38. Oaks Hotels & Resorts (Prince Place) Pty. Ltd. ("PP")	100	QLD	100.0%
39. Oaks Hotels & Resorts (Moranbah) Pty. Ltd. ("Mor")	100	QLD	100.0%
40. Oaks Hotels & Resorts (Mews) Pty. Ltd. ("Mew")	100	QLD	100.0%
41. Oaks Queensland Holdings Pty. Ltd. ("OaksQ")	100	QLD	100.0%
42. ACN 153 490 227 Pty. Ltd.	100	QLD	100.0%
43. Oaks Hotels & Resorts (M on Palmer Apartments) Pty. Ltd.	100	QLD	100.0%
44. Queensland Nominee Management Pty. Ltd.	100	OaksQ	100.0%
		Included shares held by ORHM	
45. Wrap No. 1 Pty. Ltd. ("Wrap No. 1")	10	OaksQ	100.0%
46. Emerald Management Pty. Ltd.	100	EHI	100.0%
		Included shares held by OaksQ	
47. Mackay (Carlyle) Management Pty. Ltd.	100	EHI	100.0%
		Included shares held by OaksQ	
48. Brisbane (Milton) Management Pty. Ltd. ("B Milton")	100	Milton	100.0%
		Included shares held by OaksQ	
49. The Milton Residences Pty. Ltd.	100	B Milton	100.0%
50. Mackay (Carlyle) Lessee Pty. Ltd.	100	CL	100.0%
		Included shares held by OaksQ	
51. Brisbane (Radius) Management Pty. Ltd.	100	Radius	100.0%
		Included shares held by OaksQ	
52. Mackay (Rivermarque) Management Pty. Ltd.	100	RM	100.0%
		Included shares held by OaksQ	
53. Middlemount (Prince Place) Management Pty. Ltd.	100	PP	100.0%
		Included shares held by OaksQ	
54. Moranbah Management Pty. Ltd.	100	Mor	100.0%
		Included shares held by OaksQ	
55. Mews Management Pty. Ltd.	100	Mews	100.0%
		Included shares held by OaksQ	

Company	Number of Issued Shares (Shares)	Held by	% Held
56. Oaks Hotels & Resorts (NSW) Pty. Ltd. ("NSW")	49,309	NSW2	100.0%
57. Pacific Blue Management Pty. Ltd.	2	NSW2	100.0%
58. Regis Towers Management Pty. Ltd.	100	NSW2	100.0%
59. Oaks Hotels & Resorts (Hunter Valley) Pty. Ltd. ("HV")	100	NSW2	100.0%
60. 183 on Kent Management Pty. Ltd.	2	NSW	100.0%
61. 187 Kent Pty. Ltd.	2	NSW	100.0%
62. Oaks Hotels and Resorts (Cable Beach) Pty. Ltd. ("CB")	10	NSW	100.0%
63. 361 Kent Pty. Ltd.	10	CB	100.0%
64. Hunter Valley (CL) Management Pty. Ltd. ("CLMa")	100	HV	100.0%
Included shares held by OaksQ			
65. Hunter Valley (CL) Leases Pty. Ltd.	100	HV	100.0%
66. Hunter Valley (CL) Memberships Pty. Ltd.	100	CLMa	100.0%
67. Pacific Hotel Market Street Pty. Ltd.	2	VIC	100.0%
68. Cable Beach Management Pty. Ltd.	100	VIC	100.0%
Included shares held by CB			
69. MH Residential (Leasing) Pty. Ltd.	100	VIC	100.0%
70. Oaks Hotels & Resorts (Pinnacle) Pty. Ltd. ("Pinnacle")	100	VIC	100.0%
71. Oaks Hotels & Resorts Operator (VIC) Pty. Ltd.	100	VIC	100.0%
72. Oaks Hotels & Resorts (VIC) Letting Pty. Ltd. ("VIC Letting")	100	VIC	100.0%
73. Oaks Hotels & Resorts Leasing (VIC) Pty. Ltd. ("Leasing VIC")	100	VIC	100.0%
74. Exclusive Pinnacle Management Pty. Ltd.	100	Pinnacle	100.0%
Included shares held by OaksQ			
75. 187 Cashel Management Limited	100	NZ	100.0%
76. 187 Cashel Apartments Ltd.	100	NZ	100.0%
77. Oaks Cashel Management Ltd.	100	NZ	100.0%
78. Housekeepers (NZ) Ltd.	100	NZ	100.0%
79. Tidal Swell Pty. Ltd.	4	Inv	100.0%
80. Grand (Gladstone) Management Pty. Ltd.	100	NO. 4	100.0%
81. Accom (VIC) Pty. Ltd. ("Accom VIC")	10	Leasing VIC	100.0%
82. Accom Melbourne Pty. Ltd.	10	Accom VIC	100.0%
83. Wrap Management Pty. Ltd.	10	Wrap No. 1	100.0%
84. Wrap No. 2 Pty. Ltd. ("Wrap No. 2")	10	VIC Letting	100.0%
85. Wrap Letting Pty. Ltd.	10	Wrap No. 2	100.0%
86. Harbour Residences Oaks Ltd.	960,000	NZ	50.0%*

\* shown as interest portion

## Minor Food

Country of Incorporation and Nature of Business are advised in Note No. 13 of the Company's Financial Statement.

Company	Number of Issued Shares (Shares)	Held by	% Held
1. The Minor Food Group Public Company Limited ("MFG")	32,730,684	MINT	99.7%
2. Swensen's (Thai) Limited	1,000,000	MFG	100.0%
3. Minor Cheese Limited	600,000	MFG	100.0%
4. Minor Dairy Limited	600,000	MFG	100.0%
5. Minor DQ Limited	160,000	MFG	100.0%
6. Burger (Thailand) Limited	3,700,000	MFG	97.0%
7. SLRT Limited	4,000,000	MFG	100.0%
8. The Coffee Club (Thailand) Limited	1,220,000	MFG	100.0%
9. Catering Associates Limited	50,000	MFG	51.0%
10. Pecan Deluxe (Thailand) Limited	1,050,000	MFG	49.9%*
11. BTM (Thailand) Ltd.	2,532,614	MFG	50.0%*
12. Select Service Partner Limited	450,000	MFG	51.0%*
13. MSC Thai Cuisine Co., Ltd.	800,000	MFG	43.8%*
14. International Franchise Holding (Labuan) Limited ("IFH")	1,800,000	MFG	100.0%
15. Primacy Investment Limited ("Primacy")	79,972,745	MFG	100.0%
16. The Pizza Company Ltd.	1	MFG	100.0%
17. Franchise Investment Corporation of Asia Ltd. ("FICA")	6,494,250	IFH	100.0%
18. The Minor (Beijing) Restaurant Management Co., Ltd.	RMB 135,000,000	FICA	100.0%
19. Sizzler China Pte. Ltd.	2	IFH	50.0%*
20. Delicious Food Holding (Singapore) Pte. Ltd. ("DFHS")	9,201,000	Primacy	100.0%
21. MFG International Holding (Singapore) Pte. Ltd. ("MFGIHS")	55,753,745	Primacy	100.0%
22. Minor Food Group (Singapore) Pte. Ltd. ("MFGS")	300,000	Primacy	100.0%
23. Liwa Minor Food & Beverage LLC	3,000	Primacy	49.0%*
24. BreadTalk Group Limited	281,890,148	Primacy	14.1%*
25. Minor Food (Seychelles) Limited	1,500,000	Primacy	100.0%
26. Delicious Food Australia Finance Pty. Ltd.	59,000,100	DFHS	100.0%
27. MHG Hotel Holding Australia Pty. Ltd. ("MHH")	15,300,100	DFHS	100.0%
28. Oaks Hotels & Resorts Limited ("OAKS")	189,131,898	MHH	100.0%
29. Delicious Food Holding (Australia) Pty. Ltd. ("DFHA")	10	DFHS	100.0%
30. Minor DKL Food Group Pty. Ltd. ("DKL")	46,000,000	DFHA	70.0%

\* shown as interest portion

Company	Number of Issued Shares (Shares)	Held by	% Held
31. Espresso Pty. Ltd.	100	DKL	70.0%
32. The Coffee Club Investment Pty. Ltd.	28,616,600	DKL	70.0%
33. The Coffee Club Franchising Company Pty. Ltd.	17,282,200	DKL	70.0%
34. The Coffee Club (NSW) Pty. Ltd.	2	DKL	70.0%
35. The Coffee Club (Vic) Pty. Ltd.	2	DKL	70.0%
36. The Coffee Club (Properties) Pty. Ltd.	100	DKL	70.0%
37. The Coffee Club Properties (NSW) Pty. Ltd.	2	DKL	70.0%
38. The Coffee Club Pty. Ltd.	2	DKL	70.0%
39. The Coffee Club (International) Pty. Ltd.	100	DKL	70.0%
40. The Coffee Club (Korea) Pty. Ltd.	100	DKL	70.0%
41. The Coffee Club (Mena) Pty. Ltd.	100	DKL	70.0%
42. The Coffee Club (NZ) Pty. Ltd.	100	DKL	70.0%
43. First Avenue Company Pty. Ltd.	100	DKL	70.0%
44. Ribs and Rumps Holding Pty. Ltd. ("R&R")	1	DKL	70.0%
45. Ribs and Rumps Operating Company Pty. Ltd.	1	R&R	70.0%
46. Ribs and Rumps Properties Pty. Ltd.	1	R&R	70.0%
47. Ribs and Rumps International Pty. Ltd.	1	R&R	70.0%
48. Ribs and Rumps System Pty. Ltd.	100	R&R	70.0%
49. Minor DKL Construction Pty. Ltd.	100	DKL	70.0%
50. Minor DKL Management Pty. Ltd.	100	DKL	70.0%
51. Minor DKL Stores Pty. Ltd.	100	DKL	70.0%
52. TCC Operations Pty. Ltd.	100	DKL	70.0%
53. TGT Operations Pty. Ltd.	100	DKL	70.0%
54. The Coffee Club (Technology) Pty. Ltd.	100	DKL	70.0%
55. VGC Food Group Pty. Ltd. ("VGC")	13,200,000	DKL	49.0%*
56. Veneziano Coffee Roasters Holdings Pty. Ltd. ("VCRH")	8,900,000	VGC	49.0%*
57. Groove Train Holdings Pty. Ltd. ("GTH")	2,100,000	VGC	49.0%*
58. Coffee Hit Holdings Pty. Ltd. ("CHH")	700,000	VGC	49.0%*
59. VGC Management Pty. Ltd.	1	VGC	49.0%*
60. Veneziano Coffee Roasters Pty. Ltd.	3	VCRH	49.0%*
61. Groove Train System Pty. Ltd.	1	GTH	49.0%*
62. Veneziano Coffee Assets Pty. Ltd.	100	VCRH	49.0%*
63. Groove Train Properties Pty. Ltd.	1	GTH	49.0%*

\* shown as interest portion

Company	Number of Issued Shares (Shares)	Held by	% Held
64. Coffee Hit System Pty. Ltd.	100	CHH	49.0%*
65. Coffee Hit Properties Pty. Ltd.	1	CHH	49.0%*
66. Black Bag Roasters Pty. Ltd.	100	VCRH	49.0%*
67. Veneziano (SA) Pty. Ltd.	1,000	VCRH	28.2%*
68. The Minor Food Group (India) Private Limited	24,077,144	MFGIHS	70.0%
69. The Food Theory Group Pte. Ltd. ("Food Theory")	300,000	MFGIHS	50.0%*
70. Over Success Enterprise Pte. Ltd. ("Over Success")	10,000	MFGIHS	85.9%
71. Patara Fine Thai Cuisine Limited ("PFTC")	12,300,000	MFGIHS	50.0%*
72. Suda Limited	4,100,000	PFTC	50.0%*
73. The Minor Food Group (Myanmar) Limited	2,000,000	MFGIHS	100.0%
74. Beijing Qian Bai Ye Investment Consultation Ltd.	USD 100,000	Over Success	85.9%
75. Beijing Riverside & Courtyard Investment Management Ltd.	RMB 7,000,000	Over Success	85.9%
76. Beijing Riverside & Courtyard Catering Management Co., Ltd.	RMB 2,030,000	Over Success	85.9%
77. Beijing Longkai Catering Ltd.	RMB 100,000	Over Success	85.9%
78. Beijing Three Two One Fastfood Ltd.	RMB 100,000	Over Success	85.9%
79. Beijing JiangShang Catering Ltd.	RMB 100,000	Over Success	85.9%
80. Beijing Yunyu Catering Ltd.	RMB 1,000,000	Over Success	85.9%
81. Beijing Jiangshan Rundai Catering Ltd.	RMB 500,000	Over Success	85.9%
82. Beijing Xielejia Catering Ltd.	RMB 500,000	Over Success	85.9%
83. Beijing Dejianhua Catering Ltd.	RMB 100,000	Over Success	85.9%
84. Beijing Bashu Chun Qiu Restaurant	-	Over Success	85.9%
85. Feng Sheng Ge Restaurant	-	Over Success	85.9%
86. Beijing Tiankong Catering Co., Ltd.	RMB 100,000	Over Success	85.9%
87. Shanghai Riverside & Courtyard Ltd.	RMB 2,000,000	Over Success	85.9%
88. Shanghai Riverside & Courtyard & Gongning Catering Ltd.	RMB 100,000	Over Success	85.9%
89. Shanghai Yi Ye Qing Zhou Catering Co., Ltd.	RMB 100,000	Over Success	85.9%
90. Shanghai Riverside & Courtyard Zhenbai Catering Co., Ltd.	RMB 100,000	Over Success	85.9%
91. Beijing Yangguang Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
92. Jinan Riverside & Courtyard Catering Co., Ltd.	RMB 100,000	Over Success	85.9%
93. Tianjin Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
94. Suzhon Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
95. Nanjing Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
96. Shenyang Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%

\* shown as interest portion

Company	Number of Issued Shares (Shares)	Held by	% Held
97. Wuhan Riverside & Courtyard Catering Management Co., Ltd.	RMB 30,000	Over Success	85.9%
98. Nantong Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
99. Yangzhou Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
100. Red Matches Catering Ltd.	RMB 100,000	Over Success	85.9%
101. Hangzhou Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
102. Dalian Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
103. Zhenjiang Riverside & Courtyard Catering Management Co., Ltd.	RMB 100,000	Over Success	85.9%
104. BBZ Design International Pte. Ltd.	400,000	MFGS	100.0%
105. Element Spice Café Pte. Ltd.	400,000	MFGS	100.0%
106. YTF Pte. Ltd.	400,000	MFGS	100.0%
107. PS07 Pte. Ltd.	100,000	MFGS	100.0%
108. TES07 Pte. Ltd.	500,000	MFGS	100.0%
109. XWS Pte. Ltd.	441,000	MFGS	100.0%
110. Shokudo Concepts Pte. Ltd.	100,000	MFGS	100.0%
111. Shokudo Heeren Pte. Ltd.	100,000	MFGS	100.0%
112. TEC Malaysia Sdn Bhd	RM 500,000	MFGS	100.0%
113. Riverside & Courtyard (International) Pte. Ltd.	350,000	MFGS	100.0%
114. Grab Food Ltd.	1,572,500	MFGIHS	70.0%



## Minor Lifestyle

Country of Incorporation and Nature of Business are advised in Note No. 13 of the Company's Financial Statement.

Company	Number of Issued Shares (Shares)	Held by	% Held
1. Minor Corporation Public Company Limited ("MCL")	489,770,722	MINT	91.4%
2. Armin Systems Limited	1,100,000	MCL	100.0%
3. NMT Limited	100,000	MCL	100.0%
4. Minor Development Limited	40,000	MCL	100.0%
5. Minor Consultants & Services Limited	700,000	MCL	100.0%
Included shares held by MLL			
6. Minor Lifestyle Limited ("MLL")	350,000	MCL	100.0%
7. Esmido Fashions Limited	13,000,000	MCL	90.8%
8. Marvelous Wealth Limited	1	MCL	100.0%
9. Mysale.co.th Limited	300,000	MCL	50.1%

## Corporate Information

### Principal Activities

Food and Beverages, Hotel and Mixed-use including Residential Development, Point-Based Vacation Club and Plaza and Entertainment Business, together with Retail Trading.

### Registered Office

Company Register Number: 0107536000919  
(Previous number: Bor Mor Jor 165)  
99 Berli Jucker Building, 16<sup>th</sup> Floor,  
Soi Rubia, Sukhumvit 42 Road,  
Prakanong Sub District, Klongtoey District,  
Bangkok 10110  
Tel.: +66 (0) 2381 5151  
Fax: +66 (0) 2381 5777-8  
Website: <http://www.minor.com>

### Share Capital as of 31 December 2017

#### Registered:

Baht 4,621,828,347 divided to 4,621,828,347  
ordinary shares at par value of Baht 1 each

#### Issued and fully paid:

Baht 4,618,914,291 divided to 4,618,914,291  
ordinary shares of Baht 1 each

### Company Registrar

#### Common Share

#### Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand  
93 Rachadapisek Road, Dindaeng, Bangkok 10400  
Tel.: +66 (0) 2009 9000  
Fax: +66 (0) 2009 9991  
E-mail: [SETContactCenter@set.or.th](mailto:SETContactCenter@set.or.th)  
Website: <http://www.set.or.th>

### Debentures

MINT No. 1/2011, No. 1/2012 tranche 2  
Kasikorn Bank PCL,  
Securities Services Department  
Head Office Phaholyothin, 11<sup>th</sup> Floor,  
400/22 Phaholyothin Road, Samsaennai,  
Phayathai, Bangkok 10400

MINT No. 2/2011 tranche 1 and 2 No. 1/2017  
Bank of Ayudhya PCL  
1222 Rama III Road, Bang Phongphang,  
Yannawa, Bangkok 10120

#### MINT No. 1/2014

No. 1/2015 tranche 1 and 2

No. 1/2016 tranche 1 and 2

No. 1/2017 tranche 1 and 2

#### The Siam Commercial Bank PCL

9 Ratchadapisek Road, Chatuchak,  
Bangkok 10900

### Auditor

#### PricewaterhouseCoopers ABAS Limited

By Mrs. Anothai Leekitwattana  
and/or Mr. Kajornkiet Aroonpirodkul  
and/or Mr. Chanchai Chaiprasit  
Certified Public Accountant (Thailand)  
No. 3442, 3445 and 3760 respectively  
15<sup>th</sup> Floor, Bangkok City Tower,  
179/74-80 South Sathorn Road, Bangkok 10120  
Tel.: +66 (0) 2286 9999  
Fax: +66 (0) 2286 5050

### Legal Adviser

#### Siam City Law Offices Limited

Rajanakam Building, 20<sup>th</sup> Floor,  
183 South Sathorn Road, Yannawa,  
Sathorn, Bangkok 10120  
Tel.: +66 (0) 2676 6667-8  
Fax: +66 (0) 2676 6188







# MINOR INTERNATIONAL

Minor International Public Company Limited

99 Berli Jucker House, 16<sup>th</sup> Floor, Soi Rubia, Sukhumvit 42 Rd., Bangkok 10110, Thailand

Tel.: +66 (0) 2365 7500 Fax: +66 (0) 2365 7799

[www.minorinternational.com](http://www.minorinternational.com)