

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

1 General information

Minor International Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The addresses of the Company’s registered offices are as follows:

Bangkok: 16th 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, Thailand.

The Company is listed on the Stock Exchange of Thailand in October 1988. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

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, Republic of Maldives, The United Arab Emirates, Sri Lanka, and Australia, etc.

These consolidated and Company financial statements were authorised for issue by the Board of Directors on 21 February 2013.

2 Accounting policies

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

2.1 Basis for preparation

The consolidated and Company 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 Company financial statements have been prepared under the 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 Company financial statements are disclosed in Note 4.

Comparative figures have been adjusted to conform with adjustments from the completion of the measurement period for a business combination as mentioned in Note 5 - Restatement and in Note 8 - Trade account receivables. The restatement does not impact the consolidated statement of financial position at 1 January 2011 therefore the Group does not present the comparative consolidated statement of financial position.

An English version of the consolidated and Company 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 New accounting standards, new financial reporting standards, new interpretations and amendments to accounting standards

- a) New accounting standards, new financial reporting standards, new interpretations and amendments to accounting standards that are not yet effective and have not been early adopted by the Group:

Effective for the periods beginning on or after 1 January 2013

TAS 12	Income taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

TAS 12 deals only with taxes on income, comprising current and deferred tax. Current tax expense for a period is based on the taxable and deductible amounts that will be shown on the tax return for the current year. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax accounting is based on the temporary differences between the tax base of an asset or liability and its carrying amount in the financial statements. The Group is assessing the impact of deferred tax.

TAS 21 (Revised 2009) requires an entity to determine its functional currency which is the currency of the primary economic environment in which the entity operates. Currency other than functional currency of an entity is foreign currency. Foreign currency transactions are required to be translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rate of monetary items denominated in foreign currency are recognised in profit or loss. The standard permits the presentation currency of a reporting entity to be any currencies. The results and financial positions of all the Group entities that have a functional currency different from the presentation currency are translated in the presentation currency as follows: (a) assets and liabilities are translated at the closing rate at the date of that statement of financial position; (b) income and expenses are translated at the exchange rate at the date of the transactions; and (c) all resulting exchange differences are recognised in the statement of comprehensive income. The management is currently assessing the impact of applying this standard.

TFRS 8 requires a management approach under which segment information is presented on the same basis that used for internal reporting purpose as provided to the chief operating decision makers. The new standard will have an impact on disclosure.

Effective for the periods beginning on or after 1 January 2014

TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TSIC 29	Service Concession Arrangements: Disclosure

The above TFRIC and TSIC are not relevant to the Groups operations except for TFRIC 13 which clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. The management is currently assessing the impact of applying this interpretation.

2 Accounting policies (Cont'd)

2.3 Investments in subsidiaries, associates and interests in joint ventures

(1) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible, are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred 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.

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.

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 this 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 losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

(2) Transactions and 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 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 Investments in subsidiaries, associates and interests in joint ventures

(3) Associates and joint ventures

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. Joint ventures are the entities which the Group has interests in jointly control.

Investments in associates and joint ventures are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates and joint ventures includes goodwill identified on acquisition, net of any accumulated impairment loss. See Note 2.14 for the impairment of assets including goodwill.

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 an associate and joint venture equals or exceeds its interest in the associate and joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

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. Dilution gains and losses arising in investments in associates and joint ventures are recognised in the income statement.

In the Company's separate financial statements, investments in associates and joint venture are accounted for using the cost method.

A list of the Group's principal associates and joint ventures is set out in Note 13b) - 13c).

2.4 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using its local currency. The consolidated financial statements are presented in Thai Baht.

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht 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 income statement.

The statements of comprehensive income and cash flows of foreign entities are translated into the 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 other component of 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.

2 Accounting policies (Cont'd)

2.5 Segment reporting

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

2.6 Cash and cash equivalents

In the consolidated and Company statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less and bank overdrafts.

In the consolidated and Company 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 income statement 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, finished goods and raw materials 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.

2.9 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 Accounting policies (Cont'd)

2.10 Other investments

Investments other than investments in subsidiaries, associates and joint ventures are classified into the following three categories: 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. 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; these are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
2. Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
3. 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.

Available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand.

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 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.

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 and 40 years
Building improvement	lease period and 10 years
Machinery and equipment	5 - 15 years
Furniture, fixtures and office equipment	4 years, 5 years, 10 years and 15 years
Other equipment	4 years, 5 years and 10 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.

2 Accounting policies (Cont'd)

2.12 Property, plant and equipment (Cont'd)

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 and 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.

2.13 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 rights is amortised over the life of the building with which it is associated not less than 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 property is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is measured by assessing the recoverable amount of the cash generating unit to which the intellectual property relates and where the recoverable amount of the cash generating unit is less than the carrying amount, an impairment loss is recognised. Such losses are not subsequently reversed.

Intellectual property is considered to have an indefinite life and is therefore not subject to amortisation.

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 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 has achieved consumer awareness and recognition through continuous use in commerce is not subject to amortisation; however, its carrying amount is annually tested for impairment where it is considered necessary.

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 asset in a subsequent period.

Computer software development costs are recognised as assets 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 - 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.

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 property, plant and equipment 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 Accounting policies (Cont'd)

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.

2.18 Employee benefits

The Group has both defined benefit and defined contribution plans. 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.

A defined contribution plan, the Group operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and by the relevant Group companies. Contributions to the provident fund are charged to the statement of income in the year to which they relate.

2.19 Income taxes

The Group does not recognise income taxes payable or receivable in future periods in respect of temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. The principal temporary differences arise from depreciation on plant and equipment, provision for impairment of receivables, allowance for inventory obsolescence, provision for impairment loss, provision for employee benefits, tax losses carried forward and the difference between the fair values of the net assets acquired and their tax base.

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 transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

2 Accounting policies (Cont'd)

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.

Warrants to subscribe for ordinary shares by the directors and employees of the Company and/or its subsidiaries

Certain employees and executive management of the Group are rewarded through entitlement to receive warrants to subscribe for ordinary shares. When such warrants are granted, no compensation cost is recognised in the statement of income. When the warrants are exercised the proceeds received net of any transaction costs are credited to share capital.

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 rights revenue is recognised on a pro rata basis over the course of the management rights agreement. The variable portion of income arising from management 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 property business is recognised as revenue at the amount as specified under the related lease agreements. 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 spa services is recognised upon delivery and service rendered, and presented net of sales taxes and discounts.

Revenue from sales of real estate under finance lease contracts 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.

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

2 Accounting policies (Cont'd)

2.22 Revenue recognition (Cont'd)

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 Company 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 Company financial statements in the period in which they are approved by the board of directors meetings of the Company and subsidiaries.

3 Risk management

3.1 Financial risk management

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.

3.1.1 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 Risk management (Cont'd)

3.1 Financial risk management (Cont'd)

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 do not oblige to pay any fee upon entering forward foreign exchange contract.

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.

3.3 The seasonality of the tourism industry risk management

Hotel business has unpredictable and uncontrollable risks on tourism industry such as political situation, terrorism, epidemic concern, natural disaster including unrest situation in the country. The Group has strategy in coping with seasonality of tourism industry by the geographical diversification of its hotels throughout the country, the policy in optimising revenues between the hotel room and hotel food and beverages, the policy to increase number of domestic customers and expand foreign customer base to cover more countries. Moreover, the Group has a strategy to expand the food business to reduce the risk of seasonality of hotel business which is generally more certainty and less seasonality than hotel business.

4 Critical accounting estimates and judgments

Estimates and judgments 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.

4.1 Impairment of receivable

The Group maintains an allowance for doubtful accounts to reflect impairment of trade receivables relating to estimated losses resulting from the inability of customers to make required payments. The allowance for doubtful accounts is significantly impacted by the Group's assessment of future cash flows, such assessment being based on consideration of historical collection experience, known and identified instances of default and consideration of market trends.

4.2 Impairment of goodwill and investments in subsidiaries

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

4.3 Plant and equipment and intangible assets

Management determines the estimated useful lives for the Group's plant and equipment and intangible assets. Management will revise the depreciation charge where useful lives are different to previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

4.4 Employee benefits obligations

The present value of employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefits obligations. In determining the appropriate discount rate, the Group considers the interest rate of government bond that is denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms at the related employee benefits liability.

Other key assumptions for the provision for employee benefits are based in part on current market conditions.

5 Restatements

As described in Note 35 regarding the acquisition of OAKS in May 2011, during the second quarter of 2012, the Group remeasured the fair value of identifiable assets acquired and liabilities assumed of Oaks Hotels & Resorts Limited to comply with the measurement period for a business combination referred in TFRS 3 (Revised 2009) that the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date and the measurement period shall not exceed one year from the acquisition date.

The effect to the statement of financial position as at 31 December 2011 was presented as follows:

	Consolidated Baht
Statement of financial position as at 31 December 2011	
Decrease in other non-current assets (Note 20)	(176,885,045)
Decrease investment properties, net (Note 16)	(4,683,714)
Decrease in property, plant and equipment, net (Note 17)	(223,436,554)
Increase in intangible assets, net (Note 18) (including goodwill of Baht 619,791,454)	1,162,445,647
Increase in other non-current liabilities (Note 25)	757,440,334

The Group did not retrospectively adjust the comparative figure of the income statements and statements of comprehensive income since the impact approximately of Baht 0.1 million was not material.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

6 Segment information

6.1 Financial information by business segments

The Group operates in several business segments. Financial information by segment for the consolidated financial statements is as follows:

For the years ended 31 December (Baht Million)

	Hotel and related services operations		Property rental business		Entertainment operations		Spa services		Food and beverage operations		Real estates for sales		Distribution		Manufacturing		Management operations		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
External	11,583	8,135	440	423	150	148	323	298	12,266	11,056	2,899	2,821	2,196	1,902	1,098	1,024	355	330	31,310	26,137
Related parties	59	47	115	97	-	-	7	5	-	-	747	309	-	-	-	-	1,978	1,096	2,906	1,554
Eliminated	(59)	(47)	(115)	(97)	-	-	(7)	(5)	-	-	(747)	(309)	-	-	-	-	(1,978)	(1,096)	(2,906)	(1,554)
Net revenues	11,583	8,135	440	423	150	148	323	298	12,266	11,056	2,899	2,821	2,196	1,902	1,098	1,024	355	330	31,310	26,137
Segment results	5,490	4,021	317	286	62	71	80	81	8,381	7,482	1,674	1,462	1,111	1,059	73	88	2,333	1,426	19,521	15,976
Eliminated	(36)	(27)	(99)	(82)	39	38	43	33	-	-	30	27	-	-	-	-	(1,978)	(1,096)	(2,001)	(1,107)
Net segment results	5,454	3,994	218	204	101	109	123	114	8,381	7,482	1,704	1,489	1,111	1,059	73	88	355	330	17,520	14,869
Unallocated costs																			(14,315)	(12,843)
Operating profit																			3,205	2,025
Other income																			1,156	1,888
Interest income																			81	43
Interest expenses																			(1,085)	(879)
Financial cost, net																			(1,004)	(836)
Share of associates and joint ventures																			446	264
Profit before tax																			3,803	3,342
Tax																			(393)	(415)
Profit for the year																			3,410	2,927

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

6 Segment information

6.1 Financial information by business segments (Cont'd)

As at 31 December (Baht Million)

	Hotel and related services operations		Property rental business		Entertainment operations		Spa services		Food and beverage for sales		Real estates for sales		Distribution		Manufacturing		Management operations		Investing in other companies		Eliminated		Total		
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	
Projects under development	-	-	-	-	-	-	-	-	-	-	1,304	33	-	-	-	-	-	-	-	-	-	-	-	1,304	33
Property, plant and equipment	14,855	13,409	50	22	194	142	19	26	2,677	2,371	43	424	268	236	175	127	30	21	73	80	(195)	56	18,189	16,914	
Other assets	12,385	12,106	1,066	1,272	22	29	396	343	9,127	6,323	5,287	3,204	1,030	955	354	123	7,680	6,581	37,647	34,015	(43,512)	(40,275)	31,482	24,676	
Total assets	27,240	25,515	1,116	1,294	216	171	415	369	11,804	8,694	6,634	3,661	1,298	1,191	529	250	7,710	6,602	37,720	34,095	(43,707)	(40,219)	50,975	41,623	

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

6 Segment information (Cont'd)

6.2 Financial information by geographical segments

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

Thailand is the home country of the parent company which is also the main operation. The areas of operation are principally hotel operations, entertainment operations, food and beverage operations, real estates for sales, distribution, manufacturing, property rental business, spa services and management operations.

Australia - The Group operates hotel operations and food and beverage operations.

Singapore - The Group operates food and beverage operations.

Republic of Maldives - The main activities are hotel operations and spa.

People's Republic of China - The predominant activity is food and beverage operations and spa services.

Others - The main activities are hotel operations and spa. Other countries in which the Group operates are Sri Lanka, The United Arab Emirates, etc.

	Baht Million					
	Revenues		Segment results		Total assets	
	2012	2011	2012	2011	2012	2011
Thailand	25,207	21,423	14,554	11,984	56,445	49,591
Australia	4,908	2,601	1,743	1,374	14,180	12,622
Singapore	2,321	2,200	2,031	1,657	8,952	7,377
Republic of Maldives	1,105	749	719	473	2,356	2,435
People's Republic of China	449	495	296	330	420	292
Sri Lanka	62	104	38	62	414	200
The United Arab Emirates	46	26	46	23	-	-
Others	118	93	94	73	11,915	9,325
Eliminated	(2,906)	(1,554)	(2,001)	(1,107)	(43,707)	(40,219)
	31,310	26,137	17,520	14,869	50,975	41,623

7 Cash and cash equivalents

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Cash on hand	123,000,764	112,955,845	10,727,442	7,279,953
Cash at bank	3,579,392,793	1,032,826,282	2,204,203,460	153,104,253
Total cash and cash equivalents	3,702,393,557	1,145,782,127	2,214,930,902	160,384,206

The average effective interest rate of deposits with banks was 0.1% to 3.3% per annum (2011: 0.1% to 3.5% per annum).

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

8 Trade and other receivables

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
<u>Current</u>				
Trade receivables - third parties, gross	1,447,130,149	1,289,892,466	23,041,315	18,801,728
<u>Less</u> Provision for impairment of trade receivables	(92,779,969)	(88,811,024)	(12,567)	(260)
Trade receivables - third parties, net	1,354,350,180	1,201,081,442	23,028,748	18,801,468
Prepayments	479,464,220	380,583,358	12,427,732	7,995,801
Receivables from others	878,761,353	540,315,564	14,602,817	5,178,129
Receivables from related parties (Note 14)	242,243,252	222,342,378	449,310,546	711,157,062
Total trade and other receivables	<u>2,954,819,005</u>	<u>2,344,322,742</u>	<u>499,369,843</u>	<u>743,132,460</u>

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

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Not yet due	1,047,754,600	887,571,050	22,333,756	16,254,018
Overdue				
Under 90 days	213,001,216	211,078,013	644,723	2,543,682
91 days to 180 days	125,260,866	88,921,121	62,836	2,726
181 days to 365 days	29,024,469	70,011,610	-	1,302
Over 365 days	32,088,998	32,310,672	-	-
Trade receivables - third parties	1,447,130,149	1,289,892,466	23,041,315	18,801,728
<u>Less</u> Provision for impairment of trade receivables	(92,779,969)	(88,811,024)	(12,567)	(260)
Trade receivables - third parties, net	<u>1,354,350,180</u>	<u>1,201,081,442</u>	<u>23,028,748</u>	<u>18,801,468</u>

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
<u>Non-current</u>				
Trade receivables long-term contracts	1,402,507,902	399,278,697	-	-
<u>Less</u> Unearned interest income	(329,753,768)	(142,784,164)	-	-
<u>Less</u> Provision for impairment of trade receivables	(8,849,557)	(7,974,413)	-	-
Trade receivables long-term contracts, net	<u>1,063,904,577</u>	<u>248,520,120</u>	<u>-</u>	<u>-</u>

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

9 Inventories

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Food and beverage	102,764,034	97,448,205	2,751,100	2,978,666
Finished goods (net with allowance)	465,933,656	350,588,967	-	-
Raw materials (net with allowance)	661,149,736	694,406,774	-	-
Work in process	50,016,864	16,005,115	-	-
Goods in transit	98,989,264	99,803,200	-	-
Supplies and others	237,257,354	207,701,234	3,589,190	3,441,704
Total inventories	1,616,110,908	1,465,953,495	6,340,290	6,420,370

The cost of inventories recognised as expense and included in cost of sales amounted to Baht 8,056 million (2011: Baht 6,920 million).

During 2012, Baht 60 million was reversed from the income statement for allowance for obsolete and damaged inventories (2011: Expense of Baht 66 million).

10 Land and real estates project for sales

Land and real estates project for sales comprise:

	Consolidated	
	2012 Baht	2011 Baht
Residential units		
Land	31,633,736	31,633,736
Land under lease agreement	454,313,183	455,214,701
Construction cost	2,042,991,539	1,828,114,044
Furniture and fixtures	577,603,902	685,010,777
Interest capitalised	158,731,872	158,736,008
Others	50,159,055	38,530,650
Sub-total	3,315,433,287	3,197,239,916
<u>Less</u> Cost of sales - accumulated	<u>(2,412,732,107)</u>	<u>(1,623,143,927)</u>
Residential units	902,701,180	1,574,095,989
Time sharing resort	143,871,819	21,722,282
Total land and real estates project for sales	1,046,572,999	1,595,818,271

As at 31 December 2012, the Group has commitment relating to the construction contracts of real estates project for sales of Baht 1.1 million (2011: Baht 0.9 million).

11 Other current assets

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Prepaid income tax	240,724,748	144,980,057	15,494,976	17,493,362
Advance for construction	6,329,721	118,589,611	2,211,626	20,614,005
Current portion of loans to other companies	11,656,651	13,139,237	-	-
Others	682,349,682	529,579,300	60,558,715	45,779,433
Total other current assets	941,060,802	806,288,205	78,265,317	83,886,800

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

12 Long-term investments

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Available-for-sale investments				
Other companies	238,504,987	133,849	160,604	121,849
Related companies	116,913,436	159,853,851	-	-
Total available-for-sale investments	355,418,423	159,987,700	160,604	121,849
Held-to-maturity investment	100,000,000	-	100,000,000	-
General investments, net	14,176	13,224	-	-
Total other long-term investments	100,014,176	13,224	100,000,000	-
Total long-term investments	455,432,599	160,000,924	100,160,604	121,849

a) Available-for-sale investments in other companies

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Opening net book amount	133,849	656,315	121,849	24,765
Additions	200,562,298	97,898	-	97,898
Disposals	-	(625,000)	-	-
Changes in fair value of investments	37,808,840	4,636	38,755	(814)
Ending net book amount	238,504,987	133,849	160,604	121,849

Available-for-sale investments in other companies as at 31 December comprises:

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Available-for-sale investment in other companies, cost	200,669,830	107,532	105,933	105,933
Changes in fair value of investments	37,835,157	26,317	54,671	15,916
Available-for-sale investments in other companies, net	238,504,987	133,849	160,604	121,849

12 Long-term investments (Cont'd)

b) Available-for-sale investments in related companies

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Opening net book amount	159,853,851	1,914,936,740	-	1,804,523,000
Additions	-	27,699,316	-	-
Transfer to investment in associate	-	(1,804,523,000)	-	(1,804,523,000)
Change in fair value of investments	(42,940,415)	21,740,795	-	-
Ending net book amount	<u>116,913,436</u>	<u>159,853,851</u>	<u>-</u>	<u>-</u>

Available-for-sale investments in related companies as at 31 December comprises:

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Available-for-sale investment in related companies, cost	71,658,763	71,658,763	-	-
Changes in fair value of investments	45,254,673	88,195,088	-	-
Available-for-sale investments in related companies, net	<u>116,913,436</u>	<u>159,853,851</u>	<u>-</u>	<u>-</u>

c) Held-to-maturity investments

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Opening net book amount	-	-	-	-
Additions	100,000,000	-	100,000,000	-
Ending net book amount	<u>100,000,000</u>	<u>-</u>	<u>100,000,000</u>	<u>-</u>

Held-to-maturity investment at 31 December 2012 represented investment in subordinated debenture with fixed interest rate and is due for maturity within 2022.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

12 Long-term investments (Cont'd)

d) General investments

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Opening net book amount	13,224	13,224	-	-
Additions	952	-	-	-
Ending net book amount	<u>14,176</u>	<u>13,224</u>	<u>-</u>	<u>-</u>

General investments as at 31 December comprise:

	Consolidated	
	2012 Baht	2011 Baht
General investments, cost	2,164,526	2,163,574
<u>Less</u> Provision for impairment	<u>(2,150,350)</u>	<u>(2,150,350)</u>
General investments, net	<u>14,176</u>	<u>13,224</u>

13 Investments in subsidiaries, associates and interests in joint ventures

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Subsidiaries	-	-	5,808,901,033	5,658,569,135
Associates	4,013,919,808	3,829,126,710	2,150,195,880	2,150,195,880
Interests in joint ventures	197,120,062	96,003,822	24,284,460	24,284,460
Total investments in subsidiaries, associates and interests in joint ventures	<u>4,211,039,870</u>	<u>3,925,130,532</u>	<u>7,983,381,373</u>	<u>7,833,049,475</u>

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

a) Investments in subsidiaries

	Company	
	2012	2011
	Baht	Baht
At 1 January	5,658,569,135	6,629,390,044
Additions	205,955,288	1,063,491
Disposal	(3,570,000)	-
Capital returned from subsidiary	-	(928,262,396)
Decapitalisation in property fund	(52,053,390)	(43,622,004)
At 31 December	<u>5,808,901,033</u>	<u>5,658,569,135</u>

All investments in subsidiaries included in the consolidated financial statements are investments in ordinary shares of subsidiaries and units in property funds as follows:

Company	Company - 31 December			
	Nature of business	Country of incorporation	Investment portion (%)	
			2012	2011
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	81.24	81.24
Hua Hin Resort Limited	Hotel operation	Thailand	100	100
Maerim Terrace Resort Limited	Hotel operation	Thailand	45.30 ⁽¹⁾	45.30 ⁽¹⁾
Royal Garden Development Limited	In liquidation process	Thailand	100	100
Samui Resort and Spa Limited	Hotel operation	Thailand	100	100
Rajadamri Hotel Public Company Limited	Hotel operation	Thailand	99.22	98.91
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	99.72	99.72
Royal Garden Plaza Limited	Shopping mall	Thailand	100	100
M Spa International Limited ("MST")	Spa services	Thailand	51 ⁽²⁾	51 ⁽²⁾
Samui Beach Residence Limited	Sales of property	Thailand	100	100
Coco Residence Limited	Sales of property	Thailand	100	100
Minor Hotel Group Limited	Hotel management	Thailand	100	100
RNS Holding Limited	Management	Thailand	100	100
Minor Global Solutions Limited	Management	Thailand	100	100
Chao Phaya Resort and Residence Limited	Hotel operation & sales of property	Thailand	100	100
Minor Corporation Public Company Limited ("MINOR")	Distribution	Thailand	91.35 ⁽³⁾	91.35 ⁽³⁾
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	Sales of point for right-to-use in time sharing resort	Republic of Mauritius	100	100
AVC Vacation Club Limited	Sales of point for right-to-use in time sharing resort	Republic of Mauritius	100	100

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

a) Investments in subsidiaries (Cont'd)

Company	Company - 31 December			
	Nature of business	Country of incorporation	Investment portion (%)	
			2012	2011
Thai Project Property Fund	Property investment	Thailand	99.90	99.90
Sub Thawee Property Fund	Property investment	Thailand	-	99.86
Thai Assets Management Property Fund	Property investment	Thailand	-	100
Phuket Beach Club Owner Limited	Management	Thailand	100	100
MHG Phuket Limited	Hotel operation	Thailand	100	-
Minor Sky Rider Limited	Entertainment operation	Thailand	49 ⁽⁴⁾	-

- (1) Investment portion of 45.30% represents direct holding in Maerim Terrace Resort Limited. Another 25.84% indirect holding is invested through subsidiary.
- (2) Investment portion of 51% represents direct holding in MST. Another 49% indirect holding is invested through subsidiary.
- (3) Investment portion of 91.35% represents direct holding in MINOR. Another 8.57% indirect holding is invested through subsidiary.
- (4) Investment portion in Minor Sky Rider Limited is 49% but the Company has voting right at 66.67%.

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2012	31 December 2011
<u>MFG's subsidiaries</u>				
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	95	95
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

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

a) Investments in subsidiaries (Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2012	31 December 2011
<u>International Franchise Holding (Labuan) Limited's subsidiaries</u>				
Franchise Investment Corporation of Asia Ltd.	Franchise owner	British Virgin Islands	100	100
The Minor Food Group (China) Limited	Sales of food and beverage	People's Republic of China	100	100
<u>Primacy Investment Limited's subsidiaries</u>				
Delicious Foodstuff (Labuan) Limited	Holding investment	Malaysia	100	100
Delicious Beverage (Labuan) Limited	Holding investment	Malaysia	100	100
Delicious Food Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
ThaiExpress Concepts Pte. Ltd.	Holding investment	Singapore	100	100
MFG International Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	-
<u>MFG International Holding (Singapore) Pte. Ltd.'s subsidiary</u>				
Over Success Enterprise Pte. Ltd.	Holding investment	Singapore	49*	-
*Investment portion in Over Success Enterprise Pte. Ltd. is 49% but the Group has voting right at 66.67%.				
<u>Delicious Food Holding (Singapore) Pte. Ltd.'s subsidiaries</u>				
Delicious Food Holding (Australia) Pte. 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
<u>MHG Hotel Holding Australia Pty. Ltd.'s subsidiary</u>				
Oaks Hotels & Resorts Limited ("OAKS")	Providing services for accommodation	Australia	100	100
<u>M Spa International Limited's subsidiaries</u>				
MSpa Ventures Limited	Spa services	British Virgin Islands	100	100
MSpa Enterprise Management (Shanghai) Limited	Spa services	People's Republic of China	100	100
<u>Minor Hotel Group Limited's subsidiaries</u>				
Hospitality Investment International Limited	Holding investment	British Virgin Islands	100	100
MHG International Holding (Singapore) Pte. Ltd.	Management	Singapore	100	-
MHG IP Holding (Singapore) Pte. Ltd.	Management	Singapore	100	-

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

a) Investments in subsidiaries (Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2012	31 December 2011
<u>Hospitality Investment International Limited's subsidiaries</u>				
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	Indonesia	93.3	93.3
Jada Resort and Spa (Private) Limited	Hotel operation	Sri Lanka	80.1	80.1
Elewana Investment Limited	Holding investment	Republic of Mauritius	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
<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	-
<u>AVC Club Developer Limited's subsidiaries</u>				
PT MHG Indonesia Limited	Sales & marketing services	Indonesia	-*	-
PT MHG Bali Limited	Hotel and property development	Indonesia	-*	-
* 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.				
<u>Jada Resort and Spa (Private) Limited's subsidiary</u>				
Paradise Island Resorts (Private) Limited	Hotel operation	Sri Lanka	80.1	-
<u>Anantara Vacation Club (HK) Limited's subsidiaries</u>				
Sanya Anantara Consulting Limited	Consulting services	People's Republic of China	100	-
Sanya Anantara Real Estate Limited	Hotel operation	People's Republic of China	100	-

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

a) Investments in subsidiaries (Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2012	31 December 2011
<u>ThaiExpress Concepts Pte. Ltd.'s subsidiaries</u>				
BBZ Design International Pte. Ltd.	Sales of food and beverage	Singapore	100	100
NYS 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
The Bund Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Lotus Sky Sdn Bhd.	Sales of food and beverage	Malaysia	100	100
Thai Express Malaysia Sdn Bhd.	Sales of food and beverage	Malaysia	100	100
<u>BBZ Design International Pte. Ltd.'s subsidiary</u>				
Element Spice Cafe Pte. Ltd.	Sales of food and beverage	Singapore	100	100
<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 - cosmetics and luggage	Thailand	100	100
Red Earth Thai Limited	Distribution - cosmetics and perfume	Thailand	100	100
Esmido Fashions Limited	Distribution - garments	Thailand	90.8	90.8
Amore Pacific (Thailand) Limited	Distribution - cosmetics and perfume	Thailand	-	51
Marvelous Wealth Limited	Holding investment	British Virgin Islands	100	100
MCL International Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	-
<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
Goldsborough Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
IMPROPERTY Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Qld) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (NSW) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (NSW) No. 1 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (NSW) No. 2 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (SA) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (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

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

a) Investments in subsidiaries (Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2012	31 December 2011
<u>OAKS's subsidiaries</u> (Cont'd)				
183 on Kent Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
187 Kent Pty. Ltd.	Providing services for accommodation	Australia	100	100
361 Kent Pty. Ltd.	Providing services for accommodation	Australia	100	100
Pacific Hotel Market Street Pty. Ltd.	Providing services for accommodation	Australia	100	100
Pacific Blue Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Queen Street Property Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
The Oaks Resort & Hotel Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
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
Kent Street Sydney Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts NZ Ltd.	Providing services for accommodation	New Zealand	100	100
187 Cashel Apartments Ltd.	Providing services for accommodation	New Zealand	100	100
Cashel Management Ltd.	Providing services for accommodation	New Zealand	100	100
Oaks Hotels & Resorts JLT Ltd.	Providing services for accommodation	The United Arab Emirates	100	100
Oaks Hotels & Resorts Investments Pty. Ltd.	Investment Holding	Australia	100	100
The Grand Hotel, Gladstone (Note 35)	Hotel operation	Australia	80	-
Oaks Broome Sanctuary Resort Pty. Ltd. (Note 35)	Providing services for accommodation	Australia	80	-
Mon Komo Management Pty. Ltd.	Providing services for accommodation	Australia	80	-
Oaks Oasis, Caloundra	Providing services for accommodation	Australia	80	-
Regis Tower, Sydney (Note 35)	Providing services for accommodation	Australia	80	-
<u>Over Success Enterprise's subsidiaries</u>				
Beijing Qian Bai Ye Investment Counsultation Ltd.	Holding investment	People's Republic of China	49	-
Beijing Riverside & Courtyard Investment Management Ltd.	Holding investment	People's Republic of China	49	-
Beijing Riverside & Courtyard Ltd.	Sales of food and beverage	People's Republic of China	49	-
Beijing Longkai Catering Ltd.	Sales of food and beverage	People's Republic of China	49	-
Beijing Three Two One Fastfood Ltd.	Sales of food and beverage	People's Republic of China	49	-
Beijing JiangShang Catering Ltd.	Sales of food and beverage	People's Republic of China	49	-

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

a) Investments in subsidiaries (Cont'd)

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2012	31 December 2011
Over Success Enterprise's subsidiaries (Cont'd)				
Beijing Red Matches Catering Ltd.	Sales of food and beverage	People's Republic of China	49	-
Beijing Yunyu Catering Ltd.	Sales of food and beverage	People's Republic of China	49	-
Beijing Jianshan Rundai Catering Ltd.	Sales of food and beverage	People's Republic of China	49	-
Beijing Xiejia Catering Ltd.	Sales of food and beverage	People's Republic of China	49	-
Beijing Dejianhua Catering Ltd.	Sales of food and beverage	People's Republic of China	49	-
Beijing Sanrenxing Huixin Restaurant	Sales of food and beverage	People's Republic of China	49	-
Shanghai Riverside& Courtyard Ltd.	Sales of food and beverage	People's Republic of China	49	-
Shanghai Riverside& Courtyard & Gongning Catering Ltd.	Sales of food and beverage	People's Republic of China	49	-

Changes in investments in subsidiaries for the year ended 31 December 2012 comprise:

Amore Pacific (Thailand) Limited

During the first quarter of 2012, a subsidiary of the Group disposed its entire investment in Amore Pacific (Thailand) Limited amounting to Baht 12.05 million, with the net liabilities of Baht 3.52 million, to Amore Pacific Global Operations Limited. Consequently, the Group recognised gain on sale of investment of Baht 15.57 million.

Sub Thawee Property Fund

On 5 April 2012, Sub Thawee Property Fund, a subsidiary of the Company, registered to liquidate according to terms and conditions of Announcement No. Tor Nor 23/2009 from Capital Market Supervisory Board. The closure of this fund did not have the impact to the financial statements because the Company recorded it as secured borrowing (Note 17 and 21).

Rajadamri Hotel Public Company Limited

During the second quarter and the third quarter of 2012, the Company acquired additional shares of 138,721 shares and 1,200 shares, respectively, totalling amounting to Baht 8,955,288 from minority shareholders of Rajadamri Hotel Public Company Limited. The investment portion increased from 98.91% to 99.22% and recognised discount from additional investment in this subsidiary amounting to Baht 943,957 in the shareholders' equity in consolidated financial statements.

MHG Phuket Limited

During the second quarter of 2012, the Company acquired ordinary shares of MHG Phuket Limited, a new established company, of 1,900,000 ordinary shares with a par value of Baht 100, totalling Baht 190 million, representing 100% of this company's paid-up shares.

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

a) Investments in subsidiaries (Cont'd)

Minor Sky Rider Limited

During the second quarter of 2012, the Company acquired ordinary shares of Minor Sky Rider Limited, a new established company, of 70,000 ordinary shares with a par value of Baht 100, totalling Baht 7 million, representing 100% of this company's paid-up shares.

During the fourth quarter of 2012, the Company sold ordinary shares in Minor Sky Rider Limited of 35,700 shares with a par value of Baht 100, totalling Baht 3.6 million. The investment portion then decreased to 49% but the Company had voting right at 66.67%.

MHG International Holding (Singapore) Pte. Ltd.

During the second quarter of 2012, a subsidiary of the Group acquired ordinary shares of MHG International Holding (Singapore) Pte. Ltd., a new established company, of 1 ordinary share with a par value of SGD 1, representing 100% of this company's paid-up shares.

MHG IP Holding (Singapore) Pte. Ltd.

During the second quarter of 2012, a subsidiary of the Group acquired ordinary shares of MHG IP Holding (Singapore) Pte. Ltd., a new established company, of 1 ordinary share with a par value of SGD 1, representing 100% of this company's paid-up shares.

MCL International Holding (Singapore) Pte. Ltd.

During the second quarter of 2012, a subsidiary of the Group acquired ordinary shares of MCL International Holding (Singapore) Pte. Ltd., a new established company, of 1 ordinary share with a par value of SGD 1, representing 100% of this company's paid-up shares.

MFG International Holding (Singapore) Pte. Ltd.

During the third quarter of 2012, a subsidiary of the Group acquired ordinary shares of MFG International Holding (Singapore) Pte. Ltd., a new established company, of 1,000 ordinary shares with a par value of SGD 1, representing 100% of this company's paid-up shares.

AVC Vacation Club (Singapore) Pte. Ltd.

During the third quarter of 2012, a subsidiary of the Group acquired ordinary shares of AVC Vacation Club (Singapore) Pte. Ltd., a new established company, of 1,000 ordinary shares with a par value of SGD 1, representing 100% of this company's paid-up shares.

Sanya Anantara Consulting Limited

During the third quarter of 2012, a subsidiary of the Group acquired ordinary shares of Sanya Anantara Consulting Limited, a new established company, of USD 500,000, representing 100% of this company's paid-up shares. The Group paid 20% of registered shares.

Sanya Anantara Real Estate Limited

During the fourth quarter of 2012, a subsidiary of the Group acquired ordinary shares of Sanya Anantara Real Estate Limited, a new established company, of USD 2,400,000, representing 100% of this company's paid-up shares. The Group paid 20% of registered shares.

Thai Assets Management Property Fund

On 25 December 2012, Thai Assets Management Property Fund, a subsidiary of the Company, registered to liquidate according to terms and conditions of Announcement No. Tor Nor 23/2009 from Capital Market Supervisory Board. The closure of this fund did not have the impact to the financial statements because the Company recorded it as secured borrowing (Note 17 and 21).

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

b) Investments in associates

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
At 1 January	3,829,126,710	1,521,253,975	2,150,195,880	-
Additions	-	353,832,580	-	345,672,880
Transfer from other long-term investment	-	1,804,523,000	-	1,804,523,000
Share of profit of investments in associates	441,698,473	263,715,181	-	-
Dividends received	(256,905,375)	(114,198,026)	-	-
At 31 December	<u>4,013,919,808</u>	<u>3,829,126,710</u>	<u>2,150,195,880</u>	<u>2,150,195,880</u>

Companies under associates comprise:

Company	Nature of business	Country of incorporation	Consolidated - 31 December	
			Investment portion (%)	
			2012	2011
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
The Coffee Club Holdings Pty. Ltd.	Holding investment	Australia	50	50
Sizzler China Pte. Limited	Franchise owner	Singapore	50	50
Select Service Partner Limited	Sales of food and beverage	Thailand	51	51
Harbour View Corporation Limited	Hotel operation	Vietnam	30.4	30.4
Zuma Bangkok Limited	Sales of food and beverage	Thailand	51 ⁽¹⁾	51 ⁽¹⁾
S&P Syndicate Public Company Limited	Sales of food and beverage	Thailand	31.3	31.3

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

Company	Nature of business	Country of incorporation	Company - 31 December	
			Investment portion (%)	
			2012	2011
S&P Syndicate Public Company Limited	Sales of food and beverage	Thailand	31.3	31.3

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

b) Investments in associates (Cont'd)

The Group's share of the results of its principal associates and its share of the assets and liabilities are as follows:

	Assets Baht	Liabilities Baht	Revenues Baht	Profit/(loss) Baht
Year ended 31 December 2012				
Hotel operation and related services	1,164,721,633	821,728,777	697,828,754	45,305,789
Sales of food and beverage	1,947,813,486	1,012,504,000	3,780,794,201	396,392,684
	<u>3,112,535,119</u>	<u>1,834,232,777</u>	<u>4,478,622,955</u>	<u>441,698,473</u>
	Assets Baht	Liabilities Baht	Revenues Baht	Profit/(loss) Baht
Year ended 31 December 2011				
Hotel operation and related services	1,380,404,419	1,177,445,749	801,122,313	58,227,960
Sales of food and beverage	1,620,439,494	827,985,669	2,996,094,424	205,437,221
	<u>3,000,843,913</u>	<u>2,005,431,418</u>	<u>3,797,216,737</u>	<u>263,715,181</u>

Companies under associates comprise:

Company	Nature of business	Country of incorporation	Consolidated - 31 December	
			Interests portion as a Group (%)	
			2012	2011
<u>Tanzania Tourism and Hospitality Investment Limited's subsidiaries</u>				
Elewana Afrika (T) Limited	Hotel operation	United Republic of Tanzania	50	50
Elewana Afrika Limited	Holding Investment	Kenya	50	50
<u>Zanzibar Tourism and Hospitality Investment Limited's subsidiaries</u>				
Elewana Afrika (Z) Limited	Hotel operation	United Republic of Tanzania	50	50
The Grande Stone Town Limited	Holding Investment	United Republic of Tanzania	50	50
<u>Elewana Afrika Limited's subsidiaries</u>				
Flora Holding Limited	Holding Investment	Kenya	50	50
Rocky Hill Limited	Hotel operation	Kenya	50	50
Sand River Eco Camp Limited	Hotel operation	Kenya	50	50
<u>Flora Holding Limited's subsidiary</u>				
Parrots Limited	Hotel operation	Kenya	50	50
<u>The Grande Stone Town Limited's subsidiary</u>				
Parachichi Limited	Hotel operation	United Republic of Tanzania	50	50

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

b) Investments in associates (Cont'd)

Company	Nature of business	Country of incorporation	Consolidated - 31 December	
			Interests portion as a Group (%)	
			2012	2011
<u>Select Service Partner Limited's subsidiary</u>				
Select Service Partner (Cambodia) Limited	Sale of food and beverage	The Kingdom of Cambodia	51	51
<u>The Coffee Club Holdings Pty. Ltd.'s subsidiaries</u>				
Espresso Pty. Ltd.	Property investment	Australia	50	50
The Coffee Club Investment Pty. Ltd.	Franchise owner	Australia	50	50
The Coffee Club Franchising Company Pty. Ltd.	Franchise business	Australia	50	50
The Coffee Club (NSW) Pty. Ltd.	Property investment	Australia	50	50
The Coffee Club (Vic) Pty. Ltd.	Property investment	Australia	50	50
The Coffee Club (Properties) Pty. Ltd.	Property investment	Australia	50	50
The Coffee Club Properties (NSW) Pty. Ltd.	Property investment	Australia	50	50
The Coffee Club Pty. Ltd. (as trustee for The Coffee Club Unit Trust)	Franchise owner	Australia	50	50
The Coffee Club (International) Pty. Ltd.	Franchise owner	Australia	50	50
The Coffee Club (Korea) Pty. Ltd.	Franchise owner	Australia	50	50
The Coffee Club (Mena) Pty. Ltd.	Franchise owner	Australia	50	50
The Coffee Club (NZ) Pty. Ltd.	Franchise owner	Australia	50	50
First Avenue Company Pty. Ltd.	Sale of food and beverage	Australia	50	50
Ribs and Rumps Holding Pty. Ltd.	Sale of food and beverage	Australia	50	50
<u>Ribs and Rumps Holding Pty. Ltd.'s subsidiaries</u>				
Ribs and Rumps Operating Company Pty. Ltd.	Sales of food and beverage	Australia	50	-
Ribs and Rumps Property Pty. Ltd.	Sales of food and beverage	Australia	50	-
Ribs and Rumps International Pty. Ltd.	Sales of food and beverage	Australia	50	-

Select Service Partner Limited

Investment in Select Service Partner Limited is classified as associated company in the consolidated financial statements because the Group does not have control over this company although the Group holds equity interest of 51%. The equity method of accounting is applied to this investment in the consolidated financial statements.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

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

c) Interests in joint ventures

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
At 1 January	96,003,822	14,605,306	24,284,460	24,284,460
Additions	114,530,647	81,298,782	-	-
Share of profit of interests in joint ventures	4,597,793	99,734	-	-
Dividends received	(18,012,200)	-	-	-
At 31 December	<u>197,120,062</u>	<u>96,003,822</u>	<u>24,284,460</u>	<u>24,284,460</u>

The jointly controlled entities are:

Consolidated - 31 December				
Company	Nature of business	Country of incorporation	Investment portion (%)	
			2012	2011
Maikhao Vocation Villas Limited	Sales of right-to-use in time sharing resort	Thailand	50	50
Thaisale.co.th Limited	Distribution	Thailand	50.1	50.1
Harbour Residences Oaks Ltd.	Providing services for accommodation	New Zealand	50	-
Tidal Swell Pty. Ltd	Providing services for accommodation	Australia	50	25

Company - 31 December				
Company	Nature of business	Country of incorporation	Investment portion (%)	
			2012	2011
Maikhao Vocation Villas Limited	Sales of right-to-use in time sharing resort	Thailand	50	50

The following amounts represent the Group's share of the assets and liabilities and sales and results of the joint ventures and are included in the statement of financial position and income statements:

	Consolidated	
	2012 Baht	2011 Baht
Non-current assets	349,384,258	161,324,559
Current assets	138,513,408	23,136,256
Total assets	<u>487,900,666</u>	<u>184,460,815</u>
Non-current liabilities	(220,466,464)	-
Current liabilities	(46,357,973)	(123,779,495)
Total liabilities	<u>(266,824,437)</u>	<u>(123,779,495)</u>
Net assets	221,076,229	60,681,320
Revenues	77,337,278	13,205,635
Expenses	(72,739,485)	(13,105,901)

There are no contingent liabilities relating to the Group's interest in the joint ventures.

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

c) Interests in joint ventures (Cont'd)

Changes in interests in joint ventures for the year ended 31 December 2012 comprises:

Harbour Residences Oaks Ltd.

During the first quarter of 2012, a subsidiary of the Group acquired 50% ordinary shares of Harbour Residences Oaks Ltd., a new established company, totalling AUD 0.4 million or Baht 12.1 million.

Thaisale.co.th Limited

During the third quarter of 2011, a subsidiary of the Group acquired ordinary shares of Thaisale.co.th Limited of 150,298 shares with a par value of Baht 100. As at 31 December 2011, the ordinary shares were paid-up 50%.

During the second quarter of 2012, this company called for the remaining share capital of 50% ordinary shares. Total investment for this company was Baht 15 million.

Tidal Swell Pty. Ltd.

During the fourth quarter of 2012, a subsidiary of the Group acquired additional 25% interest in Tidal Swell Pty. Ltd. The investment portion increased from 25% to 50% and the Group continues to have joint control.

d) Provision for investment in associate

As at 31 December 2012, the Group had provision for investment in associate amounting to USD 0.75 million (2011: USD 0.75 million).

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.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

14 Related party transactions (Cont'd)

The following transactions were carried out with related parties:

14.1 Sales of goods and services

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Sales of food and beverage				
Associates	106,974,275	84,228,626	-	-
Total sales	<u>106,974,275</u>	<u>84,228,626</u>	<u>-</u>	<u>-</u>
Sales of real estates				
Related parties	-	136,457,250	-	-
Total sale of real estates	<u>-</u>	<u>136,457,250</u>	<u>-</u>	<u>-</u>
Rental income				
Subsidiaries	-	-	43,733,664	43,049,477
Joint ventures	66,826	-	-	-
Related parties	558,547	462,977	-	-
Total rental income	<u>625,373</u>	<u>462,977</u>	<u>43,733,664</u>	<u>43,049,477</u>
Management fee income				
Subsidiaries	-	-	184,225,428	206,805,183
Associates	152,217,301	148,589,614	832,000	-
Joint ventures	2,653,577	648,150	-	-
Related parties	3,501,345	7,343,444	-	600,000
Total management fee income	<u>158,372,223</u>	<u>156,581,208</u>	<u>185,057,428</u>	<u>207,405,183</u>
Management fee income is mainly from hotel, information system and finance management.				
Dividends income				
Subsidiaries	-	-	1,076,593,632	409,147,880
Associates	256,905,375	114,198,026	130,547,607	-
Joint ventures	18,012,200	-	-	-
Related parties	-	83,784,050	-	83,784,050
Total dividends income	<u>274,917,575</u>	<u>197,982,076</u>	<u>1,207,141,239</u>	<u>492,931,930</u>
Interest income				
Subsidiaries	-	-	711,950,861	647,232,838
Associates	15,272,205	13,048,268	-	-
Total interest income	<u>15,272,205</u>	<u>13,048,268</u>	<u>711,950,861</u>	<u>647,232,838</u>
Other income				
Subsidiaries	-	-	4,204,208	7,263,814
Associates	4,834,919	6,434,340	29,925	180,536
Total other income	<u>4,834,919</u>	<u>6,434,340</u>	<u>4,234,133</u>	<u>7,444,350</u>
Gain from capital return				
Subsidiary	-	-	-	418,150,898
Total gain from capital return	<u>-</u>	<u>-</u>	<u>-</u>	<u>418,150,898</u>

14 Related party transactions (Cont'd)

14.2 Purchase of goods and services

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Purchases				
Associates	50,341,839	11,586,630	-	-
Related parties	-	37,170,477	-	-
Total purchases	50,341,839	48,757,107	-	-
Rental expenses				
Subsidiaries	-	-	77,130,648	65,631,410
Related parties	15,536,808	13,683,088	-	-
Total rental expenses	15,536,808	13,683,088	77,130,648	65,631,410
Management fee expenses				
Subsidiaries	-	-	56,832,838	66,879,391
Related parties	2,818,717	-	-	-
Associates	-	-	-	157,433
Total management fee expenses	2,818,717	-	56,832,838	67,036,824
Royalty fee				
Subsidiaries	-	-	987,333	646,456
Total royalty fee expenses	-	-	987,333	646,456
Interest expenses				
Subsidiaries	-	-	35,015,262	27,028,995
Total interest expenses	-	-	35,015,262	27,028,995
Other expenses				
Subsidiaries	-	-	193,424	55,819
Related parties	25,399,886	23,561,198	12,134,645	8,094,123
Total other expenses	25,399,886	23,561,198	12,328,069	8,149,942

Management remuneration

Management benefit expenses of the Group and the Company for the year ended 31 December 2012 Baht 171,481,171 and Baht 77,439,762, respectively (2011: Baht 148,049,646 and Baht 81,208,366, respectively). Management remuneration comprised short-term benefits such as salaries, bonus and other allowances.

14 Related party transactions (Cont'd)

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

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Receivables from:				
Subsidiaries	-	-	424,190,223	640,911,198
Associates	239,866,221	213,278,135	24,912,726	70,236,720
Joint ventures	400,946	8,307,106	-	-
Related parties	1,976,085	757,137	207,597	9,144
Total receivables from related parties	<u>242,243,252</u>	<u>222,342,378</u>	<u>449,310,546</u>	<u>711,157,062</u>
Payables to:				
Subsidiaries	-	-	24,461,615	4,588,935
Associates	7,122,417	19,748,474	52,025	5,172
Joint ventures	-	610,858	-	-
Related parties	18,258,837	11,088,121	183,741	1,994,714
Total payables to related parties	<u>25,381,254</u>	<u>31,447,453</u>	<u>24,697,381</u>	<u>6,588,821</u>

14.4 Loans to related parties

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Long-term loans to related parties:				
Subsidiaries	-	-	17,724,254,808	14,833,186,192
Associates	627,571,218	507,373,802	-	-
Joint ventures	1,963,938	-	-	-
Total long-term loans to related parties	<u>629,535,156</u>	<u>507,373,802</u>	<u>17,724,254,808</u>	<u>14,833,186,192</u>

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

14 Related party transactions (Cont'd)

14.4 Loans to related parties (Cont'd)

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Subsidiaries				
At 1 January	-	-	14,833,186,192	13,068,542,277
Additions	-	-	2,891,068,616	1,764,643,915
At 31 December	-	-	17,724,254,808	14,833,186,192
Associates				
At 1 January	507,373,802	384,728,630	-	-
Additions	160,111,785	138,987,900	-	-
Settlements	(23,282,475)	(37,497,375)	-	-
Translation adjustment	(16,631,894)	21,154,647	-	-
At 31 December	627,571,218	507,373,802	-	-
Joint ventures				
At 1 January	-	-	-	-
Additions	15,266,097	-	-	-
Settlement	(13,302,169)	-	-	-
At 31 December	1,963,938	-	-	-

Long-term loans to related parties are unsecured and denominated in Thai Baht and foreign currency. They 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.

14.5 Borrowings from related parties

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Short-term loans from related parties:				
Subsidiaries	-	-	1,448,554,317	1,549,601,374
Subsidiaries				
At 1 January	-	-	1,549,601,374	1,376,380,033
Additions	-	-	-	173,221,341
Settlement	-	-	(101,047,057)	-
At 31 December	-	-	1,448,554,317	1,549,601,374

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.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

15 Land and projects under development

	Consolidated	
	2012	2011
	Baht	Baht
Opening net book amount	33,097,764	2,390,494
Additions:		
Construction and other related costs	1,239,294,462	24,626,975
Borrowing cost	31,201,583	6,080,295
Total land and projects under development	<u>1,303,593,809</u>	<u>33,097,764</u>
		Consolidated
		Baht Million
Commitments in respect of construction contracts and purchases of assets as at 31 December 2012		165.2
Commitments in respect of construction contracts and purchases of assets as at 31 December 2011		1

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

16 Investment properties

	Consolidated		
	Land and land improvement Baht	Buildings and building improvement Baht	Total Baht
At 1 January 2011			
Cost	356,642,414	1,452,978,101	1,809,620,515
<u>Less</u> Accumulated depreciation	(1,453,900)	(858,037,560)	(859,491,460)
Net book amount	<u>355,188,514</u>	<u>594,940,541</u>	<u>950,129,055</u>
For the year ended 31 December 2011			
Opening net book amount	355,188,514	594,940,541	950,129,055
Additions	-	10,246,529	10,246,529
Acquisition from investment in OAKS - as previously reported	-	57,412,511	57,412,511
Adjustment of fair value of assets from investment in OAKS (Note 5)	-	(4,683,714)	(4,683,714)
Depreciation	(115,647)	(84,796,432)	(84,912,079)
Translation adjustment	-	596,459	596,459
Closing net book amount	<u>355,072,867</u>	<u>573,715,894</u>	<u>928,788,761</u>
As at 31 December 2011			
Cost	356,642,414	1,516,560,343	1,873,202,757
<u>Less</u> Accumulated depreciation	(1,569,547)	(942,844,449)	(944,413,996)
Net book amount	<u>355,072,867</u>	<u>573,715,894</u>	<u>928,788,761</u>
Fair value			<u>1,824,186,050</u>
For the year ended 31 December 2012			
Opening net book amount	355,072,867	573,715,894	928,788,761
Additions	-	115,059,776	115,059,776
Disposals, net	-	(281,841)	(281,841)
Transfer to other accounts	-	(3,740,294)	(3,740,294)
Depreciation	(115,647)	(79,558,989)	(79,674,636)
Impairment charge	-	(54,615,805)	(54,615,805)
Translation adjustment	-	(739,952)	(739,952)
Closing net book amount	<u>354,957,220</u>	<u>549,838,789</u>	<u>904,796,009</u>
As at 31 December 2012			
Cost	356,642,414	1,626,736,460	1,983,378,874
<u>Less</u> Accumulated depreciation	(1,685,194)	(1,022,281,866)	(1,023,967,060)
<u>Less</u> Provision for impairment	-	(54,615,805)	(54,615,805)
Net book amount	<u>354,957,220</u>	<u>549,838,789</u>	<u>904,796,009</u>
Fair value			<u>1,499,186,050</u>

16 Investment properties (Cont'd)

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

A subsidiary of the Group has mortgaged freehold apartment amounting to AUD 5.4 million or equivalent to Baht 172 million (2011: AUD 1.8 million or equivalent to Baht 58 million) to secure loans with foreign banks (Note 21).

Amount recognised in profit and loss which relates to investment property is as follows:

	2012	2011
	Baht	Baht
Rental income	370,894,088	350,601,220
Direct operating expense arise from investment property that generated rental income	81,535,854	87,078,697

Capital commitments

As at 31 December 2012, the Group has no commitment for purchase of investment property (2011: AUD 0.7 million or equivalent to Baht 23 million).

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

17 Property, plant and equipment

	Consolidated - Baht								
	Land and land improvement	Building and fitting equipment	Building and leasehold improvement	Furniture, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 1 January 2011									
Cost	1,249,128,558	9,021,349,107	4,198,934,735	4,830,483,675	2,043,930,747	231,154,941	507,479,517	58,311,535	22,140,772,815
<u>Less</u> Accumulated depreciation	(150,884,195)	(3,939,025,633)	(2,312,530,204)	(3,563,885,926)	(1,509,736,401)	(156,813,351)	(231,359,183)	-	(11,864,234,893)
<u>Less</u> Provision for impairment	-	-	(150,058)	(29,313,333)	(14,543,463)	-	-	-	(44,006,854)
Net book amount	<u>1,098,244,363</u>	<u>5,082,323,474</u>	<u>1,886,254,473</u>	<u>1,237,284,416</u>	<u>519,650,883</u>	<u>74,341,590</u>	<u>276,120,334</u>	<u>58,311,535</u>	<u>10,232,531,068</u>
For the year ended 31 December 2011									
Opening net book amount	1,098,244,363	5,082,323,474	1,886,254,473	1,237,284,416	519,650,883	74,341,590	276,120,334	58,311,535	10,232,531,068
Additions	256,221,518	111,835,091	192,183,293	313,215,534	148,343,655	26,506,181	93,704,145	1,196,098,349	2,338,107,766
Adjustment of fair value of assets from investment in subsidiary	121,075,203	(20,297,175)	-	-	-	-	-	-	100,778,028
Acquisition from investment in OAKS - as previously reported	-	684,344,296	145,013,371	620,296,440	-	-	132,260,161	40,374,667	1,622,288,935
Adjustment of fair value of assets from investment in OAKS (Note 5)	-	(223,436,554)	-	-	-	-	-	-	(223,436,554)
Disposals, net	-	(5,841)	(37,733,055)	(21,039,533)	(705,533)	(3)	(18,381,613)	(1,275,700)	(79,141,278)
Write-offs, net	-	(10,128,238)	(24,045,084)	(8,809,446)	(522,233)	(75,513)	(461,196)	(306,449)	(44,348,159)
Reclassification	85,000	74,537,641	388,233,840	444,857,893	35,140,444	14,649,493	(27,356,159)	(930,148,152)	-
Transferred from project under development	1,529,341,065	2,676,349,857	-	381,370,832	-	-	-	-	4,587,061,754
Transfer from (to) other accounts	(32,060,866)	-	1,782,946	8,426,345	(14,022)	-	(40,156,431)	(1,826)	(62,023,854)
Depreciation charge	(78,825,983)	(452,151,335)	(408,990,953)	(523,062,685)	(123,513,078)	(27,526,902)	(46,346,617)	-	(1,660,417,553)
Impairment reversal (charge)	-	(21,943,535)	(11,797,945)	(576,563)	14,454,886	-	(574,522)	-	(20,437,679)
Translation adjustment	75,079,400	6,837,831	17,167,893	17,457,444	3,458,280	31,276	2,514,720	426,806	122,973,650
Closing net book amount	<u>2,969,159,700</u>	<u>7,908,265,512</u>	<u>2,148,068,779</u>	<u>2,469,420,677</u>	<u>596,293,282</u>	<u>87,926,122</u>	<u>371,322,822</u>	<u>363,479,230</u>	<u>16,913,936,124</u>
At 31 December 2011									
Cost	3,201,388,531	12,300,825,434	4,612,340,496	6,658,868,569	2,202,728,885	271,052,899	802,555,922	363,479,230	30,413,239,966
<u>Less</u> Accumulated depreciation	(232,228,831)	(4,370,616,387)	(2,452,323,714)	(4,159,557,996)	(1,606,347,025)	(183,126,777)	(430,658,578)	-	(13,434,859,308)
<u>Less</u> Provision for impairment	-	(21,943,535)	(11,948,003)	(29,889,896)	(88,578)	-	(574,522)	-	(64,444,534)
Net book amount	<u>2,969,159,700</u>	<u>7,908,265,512</u>	<u>2,148,068,779</u>	<u>2,469,420,677</u>	<u>596,293,282</u>	<u>87,926,122</u>	<u>371,322,822</u>	<u>363,479,230</u>	<u>16,913,936,124</u>

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

17 Property, plant and equipment (Cont'd)

	Consolidated - Baht								
	Land and land improvement	Building and fitting equipment	Building and leasehold improvement	Furniture, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
For the year ended 31 December 2012									
Opening net book amount	2,969,159,700	7,908,265,512	2,148,068,779	2,469,420,677	596,293,282	87,926,122	371,322,822	363,479,230	16,913,936,124
Additions	338,579,154	206,694,505	250,636,728	219,779,770	113,006,437	19,321,590	165,176,845	2,044,482,553	3,357,677,582
Acquisition from investment in subsidiary (Note 35)	185,360,550	220,439,953	18,277,079	-	-	2,881,715	23,213,159	10,294,453	460,466,909
Disposals, net	-	(19,966,735)	(27,487,750)	(50,375,031)	(1,344,464)	(2,272,221)	(14,034,442)	(17,960,962)	(133,441,605)
Write-offs, net	(8,302)	(3,862,285)	(54,348,369)	(6,238,386)	(4,290,595)	(217,130)	(1,514,366)	(2,073,541)	(72,552,974)
Disposals of investment in subsidiaries	-	-	(814,781)	(1,463,328)	274,309	-	-	(295,300)	(2,299,100)
Reclassification	(1,445,275,721)	1,568,288,222	579,588,581	371,591,815	125,606,951	2,730,283	75,351,696	(1,277,881,827)	-
Transfer from (to) other accounts	(240,484,815)	(168,232,642)	7,265,229	347,309	4,520,503	-	(2,536,772)	(16,820,836)	(419,601,175)
Depreciation charge	(17,792,293)	(560,712,692)	(444,342,431)	(584,351,907)	(110,585,685)	(23,514,318)	(78,646,272)	-	(1,819,945,598)
Impairment reversal (charge)	-	21,118,422	(25,476,430)	11,660,055	(714,580)	-	(378,209)	(5)	6,209,253
Translation adjustment	(58,723,510)	(7,453,014)	(14,512,422)	(20,444,206)	(1,651,812)	(344,024)	(1,037,203)	(910,799)	(105,076,991)
Closing net book amount	<u>1,730,814,763</u>	<u>9,164,579,246</u>	<u>2,436,854,213</u>	<u>2,409,926,768</u>	<u>721,114,346</u>	<u>86,512,017</u>	<u>536,917,258</u>	<u>1,102,312,966</u>	<u>18,189,031,577</u>
At 31 December 2012									
Cost	1,901,245,361	13,897,825,612	5,118,462,542	6,855,722,237	2,372,407,005	284,999,504	1,060,620,400	1,102,312,971	32,593,595,622
Less Accumulated depreciation	(170,430,598)	(4,732,421,252)	(2,637,525,338)	(4,382,691,091)	(1,650,489,502)	(198,487,487)	(510,024,236)	-	(14,282,069,504)
Less Provision for impairment	-	(825,114)	(44,082,991)	(63,104,378)	(803,157)	-	(13,678,906)	(5)	(122,494,551)
Net book amount	<u>1,730,814,763</u>	<u>9,164,579,246</u>	<u>2,436,854,213</u>	<u>2,409,926,768</u>	<u>721,114,346</u>	<u>86,512,017</u>	<u>536,917,258</u>	<u>1,102,312,966</u>	<u>18,189,031,577</u>

Depreciation expense of Baht 1,120,512,299 (2011: Baht 1,021,798,968) has been charged in cost of sales and services, Baht 650,115,764 (2011: Baht 606,114,287) in selling expenses and Baht 49,317,535 (2011: Baht 32,504,298) in administrative expenses.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

17 Property, plant and equipment (Cont'd)

	Company - Baht								
	Land and land improvement	Buildings and fitting equipment	Building and leasehold improvement	Furniture, fixtures and office equipment	Other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 1 January 2011									
Cost	10,011,983	615,303,393	73,041,687	383,040,595	30,833,006	25,284,874	16,803,540	11,355,864	1,165,674,942
<u>Less</u> Accumulated depreciation	(181,064)	(366,993,368)	(33,874,949)	(252,813,387)	(17,843,769)	(19,660,274)	(11,375,527)	-	(702,742,338)
Net book amount	<u>9,830,919</u>	<u>248,310,025</u>	<u>39,166,738</u>	<u>130,227,208</u>	<u>12,989,237</u>	<u>5,624,600</u>	<u>5,428,013</u>	<u>11,355,864</u>	<u>462,932,604</u>
For the year ended 31 December 2011									
Opening net book amount	9,830,919	248,310,025	39,166,738	130,227,208	12,989,237	5,624,600	5,428,013	11,355,864	462,932,604
Additions	-	225,000	1,345,836	8,999,474	1,242,254	14,000,000	293,841	71,282,419	97,388,824
Disposals, net	-	-	-	(93,965)	-	-	-	-	(93,965)
Reclassification	-	3,166,715	21,596,440	13,145,127	42,005,459	-	144,720	(80,058,461)	-
Depreciation charge	(71,655)	(34,210,271)	(9,987,823)	(27,889,263)	(5,392,072)	(4,296,395)	(856,584)	-	(82,704,063)
Closing net book amount	<u>9,759,264</u>	<u>217,491,469</u>	<u>52,121,191</u>	<u>124,388,581</u>	<u>50,844,878</u>	<u>15,328,205</u>	<u>5,009,990</u>	<u>2,579,822</u>	<u>477,523,400</u>
At 31 December 2011									
Cost	10,011,983	618,695,065	95,984,006	404,421,096	74,080,720	39,284,874	17,242,101	2,579,822	1,262,299,667
<u>Less</u> Accumulated depreciation	(252,719)	(401,203,596)	(43,862,815)	(280,032,515)	(23,235,842)	(23,956,669)	(12,232,111)	-	(784,776,267)
Net book amount	<u>9,759,264</u>	<u>217,491,469</u>	<u>52,121,191</u>	<u>124,388,581</u>	<u>50,844,878</u>	<u>15,328,205</u>	<u>5,009,990</u>	<u>2,579,822</u>	<u>477,523,400</u>
For the year ended 31 December 2012									
Opening net book amount	9,759,264	217,491,469	52,121,191	124,388,581	50,844,878	15,328,205	5,009,990	2,579,822	477,523,400
Additions	-	-	3,743,299	9,912,592	9,649,872	-	30,919	66,888,441	90,225,123
Disposals, net	-	-	-	(37,330)	-	(1,547,492)	-	-	(1,584,822)
Depreciation charge	(66,113)	(34,206,955)	(9,768,383)	(25,267,993)	(10,685,310)	(3,958,953)	(462,972)	-	(84,416,679)
Closing net book amount	<u>9,693,151</u>	<u>183,284,514</u>	<u>46,096,107</u>	<u>108,995,850</u>	<u>49,809,440</u>	<u>9,821,760</u>	<u>4,577,937</u>	<u>69,468,263</u>	<u>481,747,022</u>
At 31 December 2012									
Cost	10,011,983	618,695,066	99,727,305	414,156,030	83,658,543	33,630,668	17,273,021	69,468,263	1,346,620,879
<u>Less</u> Accumulated depreciation	(318,832)	(435,410,552)	(53,631,198)	(305,160,180)	(33,849,103)	(23,808,908)	(12,695,084)	-	(864,873,857)
Net book amount	<u>9,693,151</u>	<u>183,284,514</u>	<u>46,096,107</u>	<u>108,995,850</u>	<u>49,809,440</u>	<u>9,821,760</u>	<u>4,577,937</u>	<u>69,468,263</u>	<u>481,747,022</u>

17 Property, plant and equipment (Cont'd)

During 2002 to 2003, certain subsidiaries have entered into sale and leaseback agreements with the Thai Assets Management Property Fund and Sub Thawee Property Fund with the first right of repurchase. The Property Funds are consolidated in the consolidated financial statements of the Group. The sale and leaseback transactions have been accounted for as secured borrowings (Note 21). There is no accounting entries relating to property, plant and equipment required to record in the consolidated financial statements. As at 31 December 2012, there was no outstanding borrowing secured by fixed assets of these subsidiaries (2011: Baht 841 million) due to the closure of those two property funds.

A subsidiary of the Group has mortgaged building amounting to AUD 40.5 million or equivalent to Baht 1,286 million (2011: AUD 21 million or equivalent to Baht 687 million) to secure loans with foreign banks (Note 21).

Capital commitments

	Consolidated		Company
	Baht Million	AUD Million	Baht Million
Commitments in respect of building renovation contracts and purchases of equipment as at 31 December 2012	45.6	23.3	-
Commitments in respect of building renovation contracts and purchases of equipment as at 31 December 2011	145.8	16.0	4.6

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

18 Intangible assets

	Consolidated - Baht								
	Management letting rights	Intellectual property right	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Computer software under installation	Total
At 1 January 2011									
Cost	-	-	164,727,049	140,643,090	3,640,255,553	560,030,233	451,922,456	133,668,735	5,091,247,116
Less Accumulated amortisation	-	-	(161,527,416)	(97,441,547)	(391,808,039)	-	(140,453,053)	-	(791,230,055)
Less Provision for impairment	-	-	-	-	-	-	(1,250,130)	-	(1,250,130)
Net book amount	-	-	3,199,633	43,201,543	3,248,447,514	560,030,233	310,219,273	133,668,735	4,298,766,931
For the year ended 31 December 2011									
Opening net book amount	-	-	3,199,633	43,201,543	3,248,447,514	560,030,233	310,219,273	133,668,735	4,298,766,931
Additions	38,637	-	-	3,368,054	-	-	41,810,863	114,834,066	160,051,620
Adjustment of fair value of assets from investment in subsidiary	-	-	-	-	(80,723,201)	-	-	-	(80,723,201)
Acquisition from investment in OAKS - as previously reported	2,683,739,077	16,329,234	-	-	645,924,770	-	11,819,716	-	3,357,812,797
Adjustment of fair value of assets from investment in OAKS (Note 5)	224,051,193	-	-	-	619,791,454	318,603,000	-	-	1,162,445,647
Disposals, net	-	-	-	-	-	-	(136,568)	-	(136,568)
Write-offs, net	-	-	-	-	-	-	(729,241)	(323,951)	(1,053,192)
Reclassification	-	-	-	-	-	-	112,108,452	(112,108,452)	-
Transfer from other account	-	-	-	-	-	-	4,271,402	41,516,411	45,787,813
Amortisation charge	(43,869,558)	-	(250,538)	(4,971,339)	-	-	(77,967,395)	-	(127,058,830)
Impairment charge	-	-	-	-	(115,808,680)	-	(101,834)	-	(115,910,514)
Translation adjustment	25,696,178	172,619	59,279	547,370	320,971	-	1,714,200	-	28,510,617
Closing net book amount	2,889,655,527	16,501,853	3,008,374	42,145,628	4,317,952,828	878,633,233	403,008,868	177,586,809	8,728,493,120
At 31 December 2011									
Cost	3,421,315,140	16,501,853	164,727,049	144,079,938	4,825,569,547	878,633,233	723,978,225	177,586,809	10,352,391,794
Less Accumulated amortisation	(444,790,202)	-	(161,718,675)	(101,934,310)	(391,808,039)	-	(319,617,393)	-	(1,419,868,619)
Less Provision for impairment	(86,869,411)	-	-	-	(115,808,680)	-	(1,351,964)	-	(204,030,055)
Net book amount	2,889,655,527	16,501,853	3,008,374	42,145,628	4,317,952,828	878,633,233	403,008,868	177,586,809	8,728,493,120

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

18 Intangible assets (Cont'd)

	Consolidated - Baht								
	Management letting rights	Intellectual property right	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Computer software under installation	Total
For the year ended 31 December 2012									
Opening net book amount	2,889,655,527	16,501,853	3,008,374	42,145,628	4,317,952,828	878,633,233	403,008,868	177,586,809	8,728,493,120
Additions	87,501,322	4,649,071	70,180	2,161,815	-	-	32,032,152	110,950,096	237,364,636
Acquisition from investment in subsidiary (Note 35)	147,432,721	452,454,360	-	-	494,306,539	357,250,011	-	-	1,451,443,631
Disposal of subsidiary	-	-	-	-	-	-	134,027	-	134,027
Disposals, net	-	-	-	(8,456,544)	-	-	(906,296)	-	(9,362,840)
Write-offs, net	(39,809,052)	-	-	-	-	-	(362,145)	(4,585,361)	(44,756,558)
Reclassification	-	-	-	-	-	-	99,387,170	(99,387,170)	-
Transfer from (to) other account	-	-	-	-	-	-	(252,211)	1,563,374	1,311,163
Amortisation charge	(78,713,492)	(385,496)	(192,182)	(3,852,906)	-	-	(84,729,991)	-	(167,874,067)
Impairment reversal (charge)	-	-	-	(1,855,372)	(13,174,397)	-	491,962	-	(14,537,807)
Translation adjustment	(30,344,770)	(194,187)	(28,429)	(371,526)	(3,073,157)	-	275,678	-	(33,736,391)
Closing net book amount	<u>2,975,722,256</u>	<u>473,025,601</u>	<u>2,857,943</u>	<u>29,771,095</u>	<u>4,796,011,813</u>	<u>1,235,883,244</u>	<u>449,079,214</u>	<u>186,127,748</u>	<u>10,148,478,914</u>
At 31 December 2012									
Cost	3,569,431,456	473,025,601	165,120,576	138,535,821	5,316,802,929	1,235,883,244	845,264,612	186,127,748	11,930,191,987
Less Accumulated amortisation	(510,401,744)	-	(162,262,633)	(106,909,354)	(391,808,039)	-	(395,325,396)	-	(1,566,707,166)
Less Provision for impairment	(83,307,456)	-	-	(1,855,372)	(128,983,077)	-	(860,002)	-	(215,005,907)
Net book amount	<u>2,975,722,256</u>	<u>473,025,601</u>	<u>2,857,943</u>	<u>29,771,095</u>	<u>4,796,011,813</u>	<u>1,235,883,244</u>	<u>449,079,214</u>	<u>186,127,748</u>	<u>10,148,478,914</u>

Amortisation of Baht 100,604,816 (2011: Baht 63,605,018) has been charged in the cost of sales and services, Baht 19,703,018 (2011: Baht 20,115,932) in selling expenses and Baht 47,566,233 (2011: Baht 43,337,880) in administrative expenses.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

18 Intangible assets (Cont'd)

	Company - Baht		
	Computer software	Computer software under installation	Total
At 1 January 2011			
Cost	30,814,505	-	30,814,505
<u>Less</u> Accumulated amortisation	(20,930,911)	-	(20,930,911)
Net book amount	<u>9,883,594</u>	<u>-</u>	<u>9,883,594</u>
For the year ended 31 December 2011			
Opening net book amount	9,883,594	-	9,883,594
Additions	3,176,267	3,209,296	6,385,563
Write-offs, net	(77,280)	-	(77,280)
Amortisation charge	(4,500,305)	-	(4,500,305)
Closing net book amount	<u>8,482,276</u>	<u>3,209,296</u>	<u>11,691,572</u>
At 31 December 2011			
Cost	33,913,492	3,209,296	37,122,788
<u>Less</u> Accumulated amortisation	(25,431,216)	-	(25,431,216)
Net book amount	<u>8,482,276</u>	<u>3,209,296</u>	<u>11,691,572</u>
For the year ended 31 December 2012			
Opening net book amount	8,482,276	3,209,296	11,691,572
Additions	78,290	12,968,022	13,046,312
Reclassification	5,110,027	(5,110,027)	-
Amortisation charge	(4,550,374)	-	(4,550,374)
Closing net book amount	<u>9,120,219</u>	<u>11,067,291</u>	<u>20,187,510</u>
At 31 December 2012			
Cost	39,101,809	11,067,291	50,169,100
<u>Less</u> Accumulated amortisation	(29,981,590)	-	(29,981,590)
Net book amount	<u>9,120,219</u>	<u>11,067,291</u>	<u>20,187,510</u>

A subsidiary of the Group has mortgaged management letting rights amounting to AUD 86.6 million or equivalent to Baht 2,752 million (2011: AUD 83 million or equivalent to Baht 2,666 million) to secure loans with foreign banks (Note 21).

As at 31 December 2012, the Group has commitments for acquisition of management lettering rights amounting to AUD 5.1 million or equivalent to Baht 161.2 million (2011: AUD 1.91 million or equivalent to Baht 61.5 million).

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.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

18 Intangible assets (Cont'd)

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

	Hotel and related services operation	Spa services	Food and beverage	Management operations
Gross margin ¹	50% - 64%	71% - 75%	56%	100%
Growth rate ²	3% - 33%	9% - 15%	5%	9%
Discount rate ³	10.00%	9.93%	10.00%	9.46%

¹ Budgeted gross margin.

² Weighted average growth rate used to extrapolate cash flows beyond the budget period.

³ 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.

19 Prepaid rents

	Consolidated Baht	Company Baht
At 1 January 2011		
Cost	3,646,284,291	18,690,531
<u>Less</u> Accumulated amortisation	<u>(1,798,526,085)</u>	<u>(13,706,558)</u>
Net book amount	<u>1,847,758,206</u>	<u>4,983,973</u>
For the year ended 31 December 2011		
Opening net book amount	1,847,758,206	4,983,973
Additions	70,444,611	-
Write-offs, net	(20,127)	-
Transfer from other account	31,803,447	-
Amortisation charge	(125,204,832)	(623,017)
Translation adjustment	16,052,603	-
Closing net book amount	<u>1,840,833,908</u>	<u>4,360,956</u>
At 31 December 2011		
Cost	3,728,549,255	18,690,531
<u>Less</u> Accumulated amortisation	<u>(1,887,715,347)</u>	<u>(14,329,575)</u>
Net book amount	<u>1,840,833,908</u>	<u>4,360,956</u>

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

19 Prepaid rents (Cont'd)

	Consolidated Baht	Company Baht
For the year ended 31 December 2012		
Opening net book amount	1,840,833,908	4,360,956
Acquisition from investment in subsidiary (Note 35)	28,389,100	-
Additions	427,438,055	-
Write-offs, net	(272,653)	-
Amortisation charge	(133,598,127)	(623,019)
Translation adjustment	(11,981,566)	-
	<u>2,150,808,717</u>	<u>3,737,937</u>
At 31 December 2012		
Cost	4,067,476,445	18,690,531
<u>Less</u> Accumulated amortisation	<u>(1,916,667,728)</u>	<u>(14,952,594)</u>
Net book amount	<u>2,150,808,717</u>	<u>3,737,937</u>

Amortisation of Baht 55,438,471 (2011: Baht 55,784,697) has been charged in the cost of sales and services, Baht 65,945,282 (2011: Baht 57,068,881) in selling expenses and Baht 12,214,374 (2011: Baht 12,351,254) in administrative expenses.

20 Other non-current assets

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Loans to other companies	749,867,501	73,442,573	-	-
Deposits	706,213,426	685,021,679	7,889,855	7,549,462
Deferred charges	162,495,600	187,107,037	31,235,624	39,505,774
Others - as restated (Note 5)	38,828,124	32,733,486	-	-
Total other non-current assets	<u>1,657,404,651</u>	<u>978,304,775</u>	<u>39,125,479</u>	<u>47,055,236</u>

Loans to other companies carry interest at Minimum Lending Rate.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

21 Borrowings

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Current				
Bank overdrafts	11,635,335	7,133,919	-	-
Short-term borrowings from banks	898,743,760	1,090,213,600	-	580,000,000
Sub-total	910,379,095	1,097,347,519	-	580,000,000
Borrowing from related parties (Note 14)	-	-	1,448,554,317	1,549,601,374
Current portion of long-term borrowings				
Finance lease liabilities	64,867,334	141,235,490	-	-
Borrowing from financial institutions	295,311,214	218,453,609	-	60,000,000
Other borrowings	-	163,710,640	-	-
Sub-total	360,178,548	523,399,739	-	60,000,000
Current portion of debentures	2,000,000,000	1,840,000,000	2,000,000,000	1,840,000,000
Total current borrowings	3,270,557,643	3,460,747,258	3,448,554,317	4,029,601,374
Non-current				
Finance lease liabilities	34,911,743	80,061,460	-	-
Borrowing from financial institutions	6,497,324,691	5,898,400,380	-	-
Other borrowings	-	24,900,000	-	-
Debentures	14,360,000,000	10,360,000,000	14,360,000,000	10,360,000,000
Total non-current borrowings	20,892,236,434	16,363,361,840	14,360,000,000	10,360,000,000
Total borrowings	24,162,794,077	19,824,109,098	17,808,554,317	14,389,601,374

The movement in borrowings (excluded bank overdraft and finance lease liabilities) can be analysed as below:

	Consolidated	Company
	Baht	Baht
For the year ended 31 December 2012		
Opening amount	19,595,678,229	14,389,601,374
Addition	16,116,111,696	11,960,000,000
Repayments	(11,584,022,804)	(8,541,047,057)
Amortisation of underwriting fees	9,670,708	-
Disposal of subsidiary	(3,000,000)	-
Translation adjustment	(83,058,164)	-
Closing amount	24,051,379,665	17,808,554,317

21 Borrowings (Cont'd)

Borrowing from financial institutions (Cont'd)

As at 31 December 2012, long-term borrowings from banks in the consolidated financial statements information totalling Baht 6,793 million comprise:

- a) The Company had unsecured loan from a local bank of Baht 60 million. The borrowing carried interest rate of 12 months fixed deposit rate of a local bank plus a margin and was due for repayment in 10 semi-annual installments of Baht 60 million per installment with the first repayment from November 2007. The loan was subject to certain conditions which the Company had to comply throughout the loan period.

During the second quarter of 2012, the Company fully repaid this loan of Baht 60 million.

- b) A subsidiary has unsecured loan from a foreign bank (Thailand Branch) of USD 2.24 million. The loan carries interest rate of LIBOR plus a margin and is due for repayment in 9 semi-annual installments of USD 2.22 million per installment with the first repayment in May 2009. The loan is subject to certain conditions which the subsidiary has to comply throughout the loan period.

As at 31 December 2012, the Group has outstanding cross currency swap and interest rate swap contracts which convert the above loan of USD 2.24 million into of AUD 2.56 million with a fixed interest rate. Moreover, the Group also entered into a foreign currency forward contract to convert the AUD payment obligation into THB which has outstanding of Baht 63.67 million.

- c) A subsidiary has unsecured loan from local bank of USD 26.5 million. The loan carries interest rate of 6 months SIBOR plus a margin and is due for repayment between 2012 and 2016. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.

As at 31 December 2012, the Group has outstanding interest rate swap contracts with a financial institution for the above loan of USD 19.3 million which converts floated interest rates of SIBOR to fixed rate and which is effective from 15 June 2010 to 15 December 2016.

- d) A subsidiary has unsecured loan from local bank AUD 59.4 million. The loan carries interest rate of LIBOR plus a margin and is due for repayment in 2013. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.

During the third quarter of 2012, a subsidiary fully repaid loans of AUD 59.4 million.

- e) A subsidiary has secured loan from local bank (Singapore Branch) of AUD 104.5 million. The loan carries interest rate of Bank Bill Swap Reference Rate plus a margin and is due for repayment between 2012 and 2019. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.

- f) A subsidiary has secured loans from a foreign bank of AUD 77.6 million. The loans carry interest rates of Bank Bill Swap Reference Rate plus a margin and are due for repayment in the limit of AUD 2 million per quarter for 5 years. The loans are subject to certain conditions which the subsidiary has to comply with throughout the loans period and use the subsidiary's investment properties, building and management letting rights as collateral (Note 16 to 18).

As at 31 December 2012, the Group has outstanding interest rate swap contract for the above loan from the foreign bank of AUD 28.5 million which converts Bank Bill Swap Reference Rate to fixed interest rate which is effective from 3 January 2012 to 30 August 2016.

- g) A subsidiary's secured loans from foreign bank of USD 4.8 million. The loans carry interest rates of 3 month LIBOR plus a margin and is due for repayment in 18 quarterly installments of USD 0.27 million per installment with the first repayment in June 2013. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

21 Borrowings (Cont'd)

Other borrowings

As at 31 December 2012, the Group has no outstanding other borrowing while prior year balance amounting to Baht 189 million represented borrowings by the two property funds. These two property funds held sub-lease rights and legal titles in the Group's property with the book value of Baht 841 million as collateral. These two property funds were due for maturity in 2012 (Note 13).

Debentures

Debentures comprise:

Issued date	Due date	Period (Years)	Consolidated and Company		Interest rate	Condition
			2012 Baht Million	2011 Baht Million		
Sep 2007	Sep 2012	5	-	1,840	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2007	Sep 2014	7	2,060	2,060	Fixed	Unsecured, senior and without a debenture holders' representative
Jul 2009	Jul 2013	4	2,000	2,000	Fixed	Unsecured, senior and with a debenture holders' representative
May 2010	May 2015	5	2,500	2,500	Fixed	Unsecured, senior and with a debenture holders' representative
Dec 2010	Dec 2015	5	500	500	Fixed	Unsecured, senior and with a debenture holders' representative
Dec 2010	Dec 2017	7	1,000	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	-	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
Total debenture			<u>16,360</u>	<u>12,200</u>		

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 25 April 2008, the shareholders passed a resolution to approve issuance of no more than fifteen-year unsubordinated debentures not exceeding Baht 15,000 million, to be used for working capital, business expansion and/or refinance of existing loans and debentures of the Company. As at 31 December 2012, all debentures have been issued under this shareholders' resolution.

At the annual general meeting of the shareholders of the Company held on 1 April 2011, the shareholders passed a resolution to approve issuance of non more than fifteen-year unsubordinated debentures not exceeding Baht 15,000 million to be used for working capital business expansion and/or refinance of existing loans and debentures of the Company. As at 31 December 2012, a total of Baht 300 million debentures have been issued under this shareholders' resolution.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

21 Borrowings (Cont'd)

The carrying amounts of long-term bank borrowings as of 31 December 2012 approximate to their fair values.

The carrying amounts and fair values of debentures of the Group as at 31 December are as follows:

	Carrying amounts		Fair values	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Debentures	16,360,000,000	12,200,000,000	16,588,812,956	12,382,350,744

The fair values are based on 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 interest rate exposure on the borrowings of the Group and the Company is as follows:

	Consolidated		Company	
	2012 Baht Billion	2011 Baht Billion	2012 Baht Billion	2011 Baht Billion
Borrowings:				
- at fixed rates	18	13	16	12
- at floating rates	6	7	2	1
Total borrowings	24	20	18	13

The effective interest rates at the statement of financial position date were as follows:

	Consolidated		Company	
	2012 %	2011 %	2012 %	2011 %
Bank borrowings	5.75	6.13	-	3.94
Debentures	4.51	4.58	4.51	4.58

The fair values are based on 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 carrying amounts of short-term borrowings and lease obligations approximate their fair values.

Maturity of long-term borrowings can be analysed as follows:

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Next year	295,311,214	382,164,249	-	60,000,000
Between 2 and 5 years	4,421,735,950	5,923,300,380	-	-
After 5 years	2,075,588,741	-	-	-
Total long-term borrowings	6,792,635,905	6,305,464,629	-	60,000,000

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

21 Borrowings (Cont'd)

Borrowing facilities

The Group and the Company have the following undrawn committed long-term borrowing facilities:

	31 December 2012		
	Consolidated		Company
	Baht Million	AUD Million	Baht Million
Floating interest rate			
- expiring within one year	-	4	-
- expiring beyond one year	3,000	-	3,000
	<u>3,000</u>	<u>4</u>	<u>3,000</u>
	31 December 2011		
	Consolidated		Company
	Baht Million	AUD Million	Baht Million
Floating interest rate			
- expiring within one year	6,515	23	5,000
- expiring beyond one year	3,000	-	3,000
	<u>9,515</u>	<u>23</u>	<u>8,000</u>

22 Trade and other payables

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Trade payables - third parties	1,549,780,615	1,265,804,693	8,774,537	7,825,829
Trade payables - related parties (Note 14)	14,568,712	5,762,571	17,668,014	3,426,684
Amounts due to related parties (Note 14)	10,812,542	25,684,882	7,029,367	3,162,137
Accrued expenses	2,057,671,498	1,818,974,429	289,292,179	235,081,559
Account payable - contractor	227,727,248	194,578,748	199,045	3,131,522
Other payables	779,304,355	681,559,164	28,572,359	23,431,172
Total trade and other payables	<u>4,639,864,970</u>	<u>3,992,364,487</u>	<u>351,535,501</u>	<u>276,058,903</u>

23 Other current liabilities

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Booking deposits	283,873,759	261,660,104	3,853,306	6,151,862
Provision for onerous contracts	64,666,287	94,950,874	-	-
Sales of residence received in advance	42,100,000	129,390,853	-	-
Provisions for contingent considerations	22,973,700	23,768,400	-	-
Payable from purchase of investment	31,775,700	5,170,784	-	-
Others	331,379,785	365,839,938	10,495,451	10,646,041
Total other current liabilities	<u>776,769,231</u>	<u>880,780,953</u>	<u>14,348,757</u>	<u>16,797,903</u>

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

24 Provision for employee benefits

The amounts recognised in the statement of financial position are determined as follows:

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Present value of funded obligations	-	-	-	-
Present value of unfunded obligations	182,392,957	154,000,043	23,492,062	20,976,066
Unrecognised actuarial gains	(2,613,337)	(2,613,337)	(9,438,377)	(9,438,377)
Liability in the statement of financial position	<u>179,779,620</u>	<u>151,386,706</u>	<u>14,053,685</u>	<u>11,537,689</u>

The movement in the defined obligation over the year is as follows:

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
At 1 January	151,386,706	117,336,321	11,537,689	18,007,894
Current service cost	27,829,767	23,841,832	2,172,198	2,559,501
Interest cost	5,278,989	2,124,594	439,831	725,111
Actuarial gains	-	(2,613,337)	-	(9,438,377)
Acquisition from investment in subsidiary	-	12,355,416	-	-
Benefits paid	(4,715,842)	(1,658,120)	(96,033)	(316,440)
At 31 December	<u>179,779,620</u>	<u>151,386,706</u>	<u>14,053,685</u>	<u>11,537,689</u>

The amount recognised in income is as follows

Current service cost	27,829,767	23,841,832	2,172,198	2,559,501
Interest cost	5,278,989	2,124,594	439,831	725,111
Total (included in staff costs)	<u>33,108,756</u>	<u>25,966,426</u>	<u>2,612,029</u>	<u>3,284,612</u>

Of the total charge, Baht 33,108,756 (2011: Baht 25,966,426) were included in administrative expenses.

The principal actuarial assumptions used were as follows:

	Consolidated and Company	
	2012	2011
Discount rate	4%	4%
Inflation rate	3%	3%
Retirement age	60	60
Future salary increases	3.5% - 9%	3.5% - 9%
Mortality table	TMO08	TMO08

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

25 Other non-current liabilities

	Consolidated		Company	
	2012	2011	2012	2011
	Baht	Baht	Baht	Baht
Deferred income	144,506,264	132,929,268	-	4,976
Rental deposits	126,671,791	135,808,985	875,435	505,435
Accrued land rental	430,677,735	398,372,385	-	-
Accrued decommissioning	73,357,941	71,355,189	-	-
Others	841,895,894	848,194,245	5,690,195	1,876,936
Total other non-current liabilities	1,617,109,625	1,586,660,072	6,565,630	2,387,347

26 Share capital and premium on share capital

	Consolidated			
	Number of ordinary shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2011	3,262,339,373	3,262,339,373	3,133,793,954	6,396,133,327
Issue of shares	12,885,207	12,885,207	81,531,962	94,417,169
At 31 December 2011	3,275,224,580	3,275,224,580	3,215,325,916	6,490,550,496
Issue of shares (Note 27)	82,716,994	82,716,994	780,572,081	863,289,075
Issue of dividend (Note 34)	328,825,114	328,825,114	-	328,825,114
At 31 December 2012	3,686,766,688	3,686,766,688	3,995,897,997	7,682,664,685

	Company			
	Number of ordinary shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2011	3,262,339,373	3,262,339,373	3,108,141,578	6,370,480,951
Issue of shares	12,885,207	12,885,207	81,531,962	94,417,169
At 31 December 2011	3,275,224,580	3,275,224,580	3,189,673,540	6,464,898,120
Issue of shares (Note 27)	82,716,994	82,716,994	780,572,081	863,289,075
Issue of stock dividend (Note 34)	328,825,114	328,825,114	-	328,825,114
At 31 December 2012	3,686,766,688	3,686,766,688	3,970,245,621	7,657,012,309

As at 31 December 2012, the registered shares comprise 4,063,046,327 ordinary shares with par value of Baht 1 per share (2011: 3,666,519,673 shares). The issued and fully paid-up shares comprise 3,686,766,688 ordinary shares (2011: 3,275,224,580 shares).

At the Annual General Meeting of the Shareholders of the Company held on 2 April 2012, the shareholders passed a resolution to approve the increment of the Company's share capital from 396,526,654 shares with a par value of Baht 1 each, totalling Baht 396,526,654 to be paid out as stock dividend of up to 362,717,849 shares and to be a reserve of up to 33,808,805 shares for the adjustment of exercise ratio that results from the issue of stock dividend. The authorised share capital after this increment is Baht 4,063,046,327 which are common shares of 4,063,046,327 shares.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

27 Warrants

The Group had issued warrants to subscribe for ordinary shares to existing shareholders, directors and employees of the Company and its subsidiaries, which have been approved by shareholders' meeting.

The Group does not recognise warrant compensation costs for the fair value or intrinsic value of the warrant granted in these financial statements (Note 2.21).

Issued by	Allotted to	Approval date	Determined exercising date		As at	Decrease during the year						As at
			First exercise	Last exercise	31 December	Exercise	Exercise	Exercise	Issue of	Exercise price*	Amount	31 December
					2011							
Outstanding	Expire	Unit	for ordinary	shares during	Outstanding	Unit	1 warrant*	the period	Amount	Unit		
The Company	Directors and employees of the Company and its subsidiary No. 3	14 November 2007	31 January 2008	17 December 2012	6,392,347	(3,031,187)	(1,873,720)	1.10	2,060,500	8.918	18,375,539	-
							-	(1,487,440)	1.21	1,793,300	8.107	14,578,818
	Directors and employees of the Company and its subsidiary No. 5	6 March 2009	30 October 2009	21 October 2013	44,801,650	-	(11,298,600)	1.00	11,298,600	7.650	86,434,290	23,587,050
						-	(9,916,000)	1.10	10,902,500	6.955	75,826,887	
	Directors and employees of the Company and its subsidiary (MINT - W)	6 March 2009	30 June 2009	12 June 2014	1,522,777	-	(185,000)	1.00	185,000	8.080	1,494,800	1,109,355
						-	(228,422)	1.10	251,100	7.346	1,844,581	
	Former shareholders (MINT - W4)	26 April 2010	30 June 2010	18 May 2013	325,379,540	-	(265,358)	1.00	265,358	13.000	3,449,654	274,245,419
						-	(50,868,763)	1.10	55,955,636	11.818	661,284,506	
	Total issue by the Company				378,096,314	(3,031,187)	(76,123,303)		82,716,994		863,289,075	298,941,824

* Exercise ratio and exercise price of warrants are revised according to the stock dividend payment at the ratio of 10 existing shares to 1 new share as described in Note 33.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

28 Legal reserve

	Consolidated and Company	
	2012	2011
	Baht	Baht
At 1 January	367,799,113	367,799,113
Appropriation during the year	38,510,000	-
At 31 December	<u>406,309,113</u>	<u>367,799,113</u>

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.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

29 Other component of equity

	Consolidated						Total Baht
	Discount on business combination under common control Baht	Unrealised gain on dilution of investment Baht	Discount on additional in investment in subsidiary Baht	Remeasuring available-for-sale investment Baht	Translation Adjustment Baht	Actuarial gain Baht	
At 1 January 2011	(755,412,590)	4,992,405	-	1,120,285,109	(339,219,687)	-	30,645,237
Discount on addition in investment in subsidiary	-	-	(32,750,744)	-	-	-	(32,750,744)
Revaluation	-	-	-	21,746,245	-	-	21,746,245
Transfer due to changing status of investment	-	-	-	(1,053,812,318)	-	-	(1,053,812,318)
Actuarial gains	-	-	-	-	-	2,613,337	2,613,337
Currency translation difference	-	-	-	-	75,398,741	-	75,398,741
At 31 December 2011	<u>(755,412,590)</u>	<u>4,992,405</u>	<u>(32,750,744)</u>	<u>88,219,036</u>	<u>(263,820,946)</u>	<u>2,613,337</u>	<u>(956,159,502)</u>
At 1 January 2012	(755,412,590)	4,992,405	(32,750,744)	88,219,036	(263,820,946)	2,613,337	(956,159,502)
Sales of investment in subsidiary	-	(4,992,405)	-	-	-	-	(4,992,405)
Decrease in non-controlling interests as a result of investment in subsidiary	-	-	(943,957)	-	-	-	(943,957)
Revaluation	-	-	-	(5,131,575)	-	-	(5,131,575)
Currency translation difference	-	-	-	-	(50,294,074)	-	(50,294,074)
At 31 December 2012	<u>(755,412,590)</u>	<u>-</u>	<u>(33,694,701)</u>	<u>83,087,461</u>	<u>(314,115,020)</u>	<u>2,613,337</u>	<u>(1,017,521,513)</u>

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

29 Other component of equity (Cont'd)

	Company			
	Discount on business combination under common control Baht	Remeasuring of available-for- sale investment Baht	Actuarial gains Baht	Total Baht
At 1 January 2011	(587,397,515)	1,053,828,236	-	466,430,721
Revaluation	-	(2)	-	(2)
Transfer due to changing status of investment	-	(1,053,812,318)	-	(1,053,812,318)
Actuarial gains	-	-	9,438,377	9,438,377
At 31 December 2011	<u>(587,397,515)</u>	<u>15,916</u>	<u>9,438,377</u>	<u>(577,943,222)</u>
At 1 January 2012	(587,397,515)	15,916	9,438,377	(577,943,222)
Revaluation	-	38,755	-	38,755
At 31 December 2012	<u>(587,397,515)</u>	<u>54,671</u>	<u>9,438,377</u>	<u>(577,904,467)</u>

30 Other income

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Compensation for insurance claim	149,722,127	-	-	-
Management income	123,324,258	27,832,119	-	-
Premium sales income	95,330,088	110,948,280	-	-
Freight charges	90,255,616	90,221,975	-	-
Rental income	59,800,802	21,447,644	40,373,664	39,689,477
Subsidy income	49,156,957	48,444,026	-	-
Sales of raw material to franchisees	4,235,845	3,761,217	-	-
Gain from fair value adjustment of investments	-	1,257,036,173	-	1,053,811,504
Gain on capital returned from subsidiary	15,572,662	-	-	418,150,898
Others	568,557,723	245,033,438	8,762,534	22,677,429
Total other income	<u>1,155,956,078</u>	<u>1,804,724,872</u>	<u>49,136,198</u>	<u>1,534,329,308</u>

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

31 Expenses by nature

The following expenditure items, classified by nature, have been charged in arriving at operating profit:

	Consolidated		Company	
	2012 Baht	2011 Baht	2012 Baht	2011 Baht
Depreciation on investment properties (Note 16)	79,674,636	84,912,079	-	-
Impairment of investment property	54,615,805	-	-	-
Depreciation on property, plant and equipment (Note 17)	1,819,945,598	1,660,417,553	84,416,679	82,704,063
Impairment of property, plant and equipment (Reversal) (Note 17)	(6,209,253)	20,437,679	-	-
Impairment charge and loss (gain) on disposals and write-off of property, plant and equipment	4,802,831	45,376,083	(1,556,318)	47,890
Amortisation of intangible assets (Note 18)	167,874,067	127,058,830	4,550,374	4,500,305
Amortisation of prepaid rents (Note 19)	133,598,127	125,204,832	623,019	623,017
Doubtful account (Reversal)	12,425,424	7,706,314	12,306	(187,901)
Staff costs	7,174,695,110	5,809,196,729	488,827,704	407,459,832
Damaged inventories and tangible assets from flood	-	237,828,024	-	-

Flooding in Thailand in 2011

The flooding in Thailand impacted the operations of the Group. The retail trading business had some inventories stocked at a third-party warehouse located in Ayutthaya. A few retail trading outlets had also been closed due to the floods. The restaurant business was experiencing impact from the flooding including the relocation of one main distribution center and the flooding of a few outlets. In our hotel business the floods had minimum impact on our properties outside Bangkok. Our three Bangkok properties were not flooded; however, the drop in Thai tourism impacted their revenues. Finally, a subsidiary of the Group temporarily suspended its household consumer product manufacturing activities due to the flooding situation in the area. Some of the factory equipment, raw materials, finished goods and office equipment in the aforementioned facility were damaged by the flood. In all instances highlighted, the Group had the damage from this event approximately of Baht 238 million.

Part of the above exposure will be covered by several insurance policies, including Industrial All Risk Insurance and Business Interruption Insurance. The Group will not recognise the insurance recovery until it is virtually certain that the future economic benefits will flow to the Group.

During 2012, the Group received the compensation for insurance claim of Baht 149.7 million (Note 30).

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

32 Income tax

	Consolidated		Company	
	2012 %	2011 %	2012 %	2011 %
Income tax rate	0 - 30	0 - 30	23	30

The new corporate income tax rate of 20% will be effective from 2013 to 2014.

Reconciliation of income tax expense and the result of the accounting profit multiplied by the income tax rate of the country where the Group is domiciled are presented due to

Company financial statements

- Revenues which are not subject to income tax, which is mainly dividends income, gain from fair value adjustment of investment in associate and gain on capital returned from subsidiary
- Non-deductible tax expenses

Consolidated financial statements

- Effect of the different tax rates
- Free income tax in some countries
- Revenues and expenses incurred within the Group which are subject to income tax but are eliminated in preparation of consolidated financial statements
- Revenues which are not subject to income tax
- Non-deductible tax expenses
- Use of accumulated tax losses

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.

For the calculation of the diluted earnings per share, the weighted average number of shares assuming conversion of all dilutive potential ordinary shares as at 31 December 2012 is 89,079,985 shares (2011: 17,540,971 shares).

	Consolidated and Company	
	For the years ended 31 December	
	2012 Shares	2011 Shares
Weighted average number of ordinary shares in issue, net	3,635,390,058	3,599,704,185
Effect of dilutive potential ordinary shares		
Warrants	89,079,985	17,540,971
Dilutive potential ordinary shares	89,079,985	17,540,971
Weighted average number of ordinary shares for diluted earnings per share	3,724,470,043	3,617,245,156

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

33 Earnings per share (Cont'd)

	Consolidated	
	For the years ended 31 December	
	2012	2011
	Baht	Baht
Profit attributable to ordinary shareholders of the Company	3,408,551,666	2,880,142,740
Basic earnings per share	0.9376	0.8001
Diluted earnings per share	0.9152	0.7962
	Company	
	For the years ended 31 December	
	2012	2011
	Baht	Baht
Profit attributable to ordinary shareholders of the Company	1,033,121,130	1,899,270,392
Basic earnings per share	0.2842	0.5276
Diluted earnings per share	0.2774	0.5251

34 Dividend

From the Annual General Meeting of the Shareholders of the Company held on 2 April 2012, it was resolved to approve the dividend payment as follows:

- 34.1 Cash dividend of Baht 0.15 per share (2011: Baht 0.15 per share) to existing shareholders and shareholders who convert the convertible securities, totalling not exceeding Baht 544.1 million (2011: Baht 542.5 million).
- 34.2 Stock dividend at the ratio of 10 existing shares to 1 new ordinary share at the price of Baht 1 per share to existing shareholders and shareholders who convert the convertible securities not exceeding, 362.7 million shares or Baht 362.7 million.

Those dividends totalling Baht 822 million which comprised cash dividend and stock dividend amounting to Baht 493 million and Baht 329 million, respectively, were paid to shareholders on 30 April 2012. An increase in the authorised capital and an adjustment of exercise ratio were a result of share dividend (Note 26).

35 New acquisition

Current period

The Grand Hotel, Gladstone

On 16 January 2012, OAKS acquired the business of The Grand Hotel, Gladstone in the total investment amount of AUD 12.2 million or equivalent to Baht 400 million.

During the fourth quarter of 2012, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of The Grand Hotel, Gladstone. In consideration of fair value of asset, the Group determined the measurement of the identifiable asset and considered the possibility that the Group received economic benefit reasonably.

Details of the acquisition are as follows:

	<u>Baht</u>
Purchase price considerations	400,346,625
Net carrying value of net assets under interest acquired	<u>(348,859,919)</u>
Goodwill	<u>51,486,706</u>

Carrying value of assets and liabilities acquired as part of The Grand Hotel, Gladstone acquisition is as follows:

	<u>Baht</u>
Land	130,116,750
Property and equipment, net	<u>218,743,169</u>
Net carrying value of net assets	<u>348,859,919</u>

Oaks Broome Sanctuary Resort Pty. Ltd.

On 22 February 2012, OAKS acquired the business of Oaks Broome Sanctuary Resort Pty. Ltd. in the total investment amount of AUD 2.4 million or equivalent to Baht 80 million, representing 80% interest.

Details of the acquisition are as follows:

	<u>Baht</u>
Purchase price considerations	79,524,288
Net carrying value of net assets under interest acquired	<u>(60,558,554)</u>
Purchase price over net assets (presented in goodwill)	<u>18,965,734</u>

Carrying value at 80% interest of assets and liabilities acquired as part of Oaks Broome Sanctuary Resort Pty. Ltd. acquisition is as follows:

	<u>Baht</u>
Property, plant and equipment, net	20,381,469
Management letting rights	79,023,890
Other liability	<u>(23,707,167)</u>
Net carrying value of net assets	<u>75,698,192</u>
Interest acquired	80%
Net carrying value of net assets under interest acquired	<u>60,558,554</u>

35 New acquisition (Cont'd)

Current period (Cont'd)

Regis Towers, Sydney

On 1 August 2012, OAKS acquired the business of Regis Towers, Sydney in the total investment amount of AUD 2.4 million or equivalent to Baht 79 million, representing 80% interest.

Details of the acquisition are as follows:

	<u>Baht</u>
Purchase price considerations	79,315,200
Net carrying value of net assets under interest acquired	<u>(62,897,086)</u>
Purchase price over net assets (presented in goodwill)	<u>16,418,114</u>

Carrying value at 80% interest of assets and liabilities acquired as part of Regis Towers, Sydney acquisition is as follows:

	<u>Baht</u>
Property, plant and equipment, net	30,734,640
Management letting rights	68,408,831
Other liability	<u>(20,522,114)</u>
Net carrying value of net assets	<u>78,621,357</u>
Interest acquired	80%
Net carrying value of net assets under interest acquired	<u>62,897,086</u>

Paradise Island Resorts (Private) Limited

On 12 September 2012, Jada Resort and Spa (Private) Limited, a subsidiary of the Group at 80.1% interest, acquired the business of Paradise Island Resorts (Private) Limited in the total investment amount of LKR 161 million or equivalent to Baht 38.3 million.

Details of the acquisition are as follows:

	<u>Baht</u>
Purchase price considerations	38,302,138
Net carrying value of net assets under interest acquired	<u>(31,487,317)</u>
Purchase price over net assets (presented in goodwill)	<u>6,814,821</u>

Carrying value at 80.1% interest of assets and liabilities acquired as part of Paradise Island Resorts (Private) Limited acquisition is as follows:

	<u>Baht</u>
Land	29,023,800
Construction in progress	10,294,452
Other liabilities	<u>(8,243)</u>
Net carrying value of net assets	<u>39,310,009</u>
Interest acquired	80.1%
Net carrying value of net assets under interest acquired	<u>31,487,317</u>

35 New acquisition (Cont'd)

Current period (Cont'd)

Over Success Enterprise Pte. Ltd.

On 17 December 2012, MFG International Holding (Singapore) Pte. Ltd. acquired the business of Over Success Enterprise Pte. Ltd. in the total investment of RMB 159 million or equivalent to Baht 781 million, representing 49% of this company's paid-up shares.

Details of the acquisition are as follows:

	<u>Baht</u>
Purchase price considerations	780,700,256
Net carrying value of net assets under interest acquired	<u>(413,593,421)</u>
Purchase price over net assets (presented in goodwill)	<u>367,106,835</u>

Carrying value at 49% interest of assets and liabilities acquired as part of Over Success Enterprise Pte. Ltd. acquisition is as follows:

	<u>Baht</u>
Cash and cash equivalents	66,755,996
Property, plant and equipment, net	21,172,629
Intangible assets, net	843,218,700
Other assets	36,034,917
Other liabilities	<u>(123,114,036)</u>
Net carrying value of net assets	<u>844,068,206</u>
Interest acquired	49%
Net carrying value of net assets under interest acquired	<u>413,593,421</u>

Net assets from these acquisitions are recognised according to the book value as of the acquisition date. The Group is currently in the process of identifying fair value of tangible assets and intangible assets which will result in an adjustment of the assets to fair value. The difference between the carrying value and fair value will lead to the adjustment of goodwill.

The goodwill is attributable to the above companies' strong position and profitability in hotel and accommodation business, and synergies expected to arise after the Group's acquisition of the new subsidiaries. None of the goodwill is expected to be deductible for tax purposes.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

35 New acquisition (Cont'd)

Prior period

Fair value allocation of OAKS

During May 2011, a subsidiary of the Group acquired ordinary shares of Oaks Hotels & Resorts Limited (“OAKS”) of 173,831,898 ordinary shares with AUD 0.52 per share, totalling AUD 90,392,587 or Baht 2,880 million, representing 100% of OAKS paid-up shares.

As described in Note 5, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of OAKS during the second quarter of 2012. 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.

Details of the acquisition are as follows:

	<u>Baht</u>
Cash paid	2,692,045,419
Fair value of previously held equity interest	<u>187,889,520</u>
Sub-total	2,879,934,939
100% of identifiable net assets acquired and liabilities assumed	<u>(1,614,218,715)</u>
Goodwill - as restated	1,265,716,224
Goodwill - as previously reported	<u>(645,924,770)</u>
Restatement (Note 5)	<u>619,791,454</u>

On acquisition date, the fair value of identifiable assets acquired and liabilities assumed in Oaks Hotels & Resorts Limited are as follows:

	<u>Baht</u>
Cash and cash equivalents	150,989,989
Trade and other receivables	577,267,841
Inventories	84,989,301
Other current assets	58,539,596
Investment properties	52,728,797
Property, plant and equipment	1,398,852,382
Intangible assets	3,254,542,220
Trade and other payables	(653,386,278)
Long-term borrowing	(1,897,986,000)
Finance lease liabilities	(350,510,782)
Accrued expenses and other liabilities	<u>(1,061,808,351)</u>
Fair value of net assets acquired	<u>1,614,218,715</u>

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.

Interest rate risk

The interest rate risks arise from the volatility of market interest rates, which may have a negative impact on the Group's cashflow. The Group manages such risks in accordance with its policy to reduce the Group's exposure to adverse changes in interest rates and the prevailing financial market condition. The Group generally maintains the majority of debt borrowings in fixed interest rate. Interest rate swap is one of the key financial derivatives that the Group uses to manage interest rates volatility by converting floating interest rate borrowing to fixed rate borrowings.

As at 31 December 2012, 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 2.24 million, which will swap interest at a float interest rate to a fixed interest rate. The contract will expire on 2 May 2013.
- b) Interest rate swap contract for loan from financial institution in USD currency with principal amount of USD 9.5 million, which swap floating interest rate to fixed interest rate. The contract will expire in 2015.
- c) Interest rate swap contract for loan from financial institution in USD currency with principal amount of USD 9.75 million, which swap floating interest rate to fixed interest rate. The contract will expire in 2016.
- d) Interest rate swap contract for loan from financial institution in AUD currency with principal amount of AUD 28.5 million, which swap floating interest rate to fixed interest rate. The contract will expire in 2016.

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 and associates. 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 2012, the Group has outstanding cross currency swaps contracts as follows;

- a) Loan from financial institution (Note 21) converting a fixed USD loan amount of USD 2.24 million to an equivalent fixed AUD loan amount of AUD 2.56 million. Moreover, the Group has subsequently entered into a services of foreign exchange forward contracts converting AUD loan amount of AUD 2.56 million to Baht loan at exchange rate of (1) Baht 26.75 per AUD for the amount of AUD 1.28 million and (2) Baht 22.95 per AUD for the amount of AUD 1.28 million. All above contracts will expire on 1 May 2013.
- b) Debenture of Baht 1,500 million with fixed interest rate converting to an equivalent fixed amount of USD 48.88 million with fixed interest rate.

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 2012, the Group has outstanding foreign exchange forward contracts, with maturity less than 6 months as follows (2011: Nil):

	Consolidated	
	2012	2011
	Baht	Baht
USD 145,248 (Baht 30.681 - 30.810/1 USD)	4,467,052	-
EUR 59,796 (Baht 40.63 - 40.665 /1 EUR)	2,429,765	-
SGD 298,890 (Baht 25.12/1 SGD)	7,508,117	-

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 foreign exchange forward contracts for loan as at 31 December 2012 is unfavourable amounting to Baht 96,657,868 (2011: favourable amounting to Baht 531,052).

The fair value of the open foreign exchange forward contracts for the purchase of goods as at 31 December 2012 is favourable amounting to Baht 62,449 (2011: Nil).

37 Commitments

As at 31 December 2012, the Group has commitments as follows:

The Company

- The Company has entered into a franchise agreement with an overseas company. The Company is committed to pay a franchise fee and an international marketing fee based on a percentage of gross room revenues, as specified in the agreement. The agreement will expire in June 2013.
- The Company has entered into an agreement to lease the land on which its hotel building is built for 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 a minimum rental fees stipulated in the agreement, whichever is higher. As at 31 December 2012, the Company's future payment commitments according to the minimal rental fees stipulated in the agreement is approximately Baht 30 million.
- The Company has entered into rental and service agreements with a subsidiary relating to its opening of restaurant. The Company is committed to pay rental and service fees under the agreements of approximately Baht 7.3 million. In addition, the Company is committed to pay fees for the area used in the sale of food and beverages to this subsidiary, at a percentage of the Company's food and beverage revenues stipulated in the agreements, ending in 2014.

37 Commitments

The Company (Cont'd)

- The Company has entered into a trademark agreement with a subsidiary. The Company has obligation to pay trademark fee at certain percentages of revenue generated as indicated in the agreement. The agreement is valid for 10 years and will be terminated in 2017.
- The Company has entered into a hotel management agreement with a subsidiary who will manage the Company's hotel. The Company is committed to pay fees at a certain percentage of revenue as stipulated in the agreement. The agreement is valid for 10 years and will be terminated in 2016.
- Under two agreements for technical assistance and the use of trademarks and trade names which the Company has entered into with an overseas company, fees are payable calculated at a percentage of gross sales as specified in the agreements. One of them was for four years up to 1998, but is automatically renewed at its expiry date for three times, five years each. The other will be terminated during December 2014.

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 20 years up to 2021 and can be renewed at its expiry date for 10 years.
- A subsidiary entered into service agreements with three companies with regards to the hotel operations, whereby the subsidiary has been provided services and granted the license. The subsidiary is 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.
- A subsidiary has entered into a hotel management agreement with an overseas company including international management and right of trademark use. The subsidiaries are committed to pay fees at a certain percentage of total room revenue as stipulated in the agreement. The agreement will expire in June 2013.
- Under advertising, licensing and restaurant management agreements with overseas companies, a subsidiary is committed to pay fees at a percentage of the gross sales of each restaurant in the hotel as stipulated in the agreements, ending in 2015.
- A subsidiary entered into service agreements with three companies with regards to the hotel operations, whereby the subsidiary has been provided services and granted the license. The subsidiary is 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 entered into service agreements with three companies with regards to the hotel operations, whereby the subsidiary has been provided services and granted the license. 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 February 2007 to January 2027 and are renewable after expiry date for another two periods of 20 years and 10 years, respectively.
- A subsidiary entered into service agreements with three companies with regards to the hotel operations, whereby the subsidiary has been provided services and granted the license. 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 22 December 2005 to 25 June 2013 and are renewable after expiry date for another two periods of 15 years each.

37 Commitments (Cont'd)

Subsidiaries (Cont'd)

Management and services agreements (Cont'd)

- A subsidiary has entered into consulting agreement regarding hotel operation with two companies, whereby the subsidiary has been provided hotel operating and marketing services, right of trademark use, technical knowledge, and other related right. 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 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 related right. 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. All agreement is effective from June 2007 to May 2037.
- A subsidiary entered into the service agreements with a company with regards to consultation, installation, repair and maintenance of computer system, computer software and information technology system. The subsidiary is committed to pay the fees following the rates, terms and basis as specified in the agreements. The agreements are for the period of 10 years and effective from December 2007.

Rental agreements

- Four subsidiaries have entered into separate land lease agreements for periods between 30 to 42 years, effective on 1 August 1982, 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 2012, the subsidiaries' future payment commitments in accordance with the minimal rental fees stipulated in the agreements are approximately Baht 114 million (2011: Baht 127 million).

In 2010, a subsidiary has extended land lease agreements for periods of 30 years, effective on 25 January 2010. 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 2012, 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 (2011: Baht 1,182 million).

- A subsidiary has entered into the sublease land agreement of Kihavah Huravluh Island for 23 years from 23 October 2007 for the construction of a new hotel. As at 31 December 2012, a subsidiary has commitment to pay rental fee as stipulated in the lease agreement approximately of USD 17.3 million.

37 Commitments (Cont'd)

Subsidiaries (Cont'd)

Rental agreements (Cont'd)

- A subsidiary has entered into lease agreements covering the land where the hotel is situated. Under the lease agreement, the subsidiary has transferred the ownership of the hotel buildings and improvements to the landlord. The subsidiary is committed to pay rental at the rates specified in the lease agreements. The lease agreement are for a period of thirty years up to the year 2013 and are renewable after the expiry date for another two periods of fifteen years each. As at 31 December 2012, the subsidiary has commitment to pay minimal rental fees as stipulated in the agreement as follows:

<u>Year</u>	<u>Baht Million</u>
Next year	18.20
Between 2 and 5 years	159.04
After 5 years	<u>2,214.75</u>
	<u><u>2,391.99</u></u>

- On 3 July 2007, a subsidiary entered into an agreement to construct and lease the land and completed building with the Privy Purse Bureau. Under this agreement, the Privy Purse Bureau agrees and permits the subsidiary to undertake building construction, and the subsidiary agrees to construct a residential and hotel building situated on the land owned by the Privy Purse Bureau. The building construction permit is to be under the name of the Privy Purse Bureau and the ownership of the building and other constructions on this land are to be transferred to the landlord. In addition, the subsidiary is to pay all expenses with respect to the construction of the building until its completion. The construction period is 4 years from the date of receipt of the permit to construct the building from the Bangkok Metropolitan Authority. As the construction of building is completed, the Privy Purse has agreed with the subsidiary to lease the land and building which is constructed for the residential, hotel and related commerce for the period of 30 years as from 1 March 2011. As at 31 December 2012, the subsidiary has commitment to pay land and building rental fee to the Privy Purse Bureau at the rates stipulated in the agreement amounting to Baht 512 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 265 million.

As at 31 December 2012, the subsidiary has commitments with regard to the agreement as the construction is completed, the subsidiary is obliged to pay a monthly rental fee and related expenses to the Privy Purse Bureau at the rate specified in this agreement. The rental payable as from 1 January 2013 to the end of this agreement amounts to approximately Baht 503.6 million.

- One of the subsidiaries has entered into a land rental agreement of which the location is on timeshare residence. The particular subsidiary has a commitment to pay the rental fees as stated in the agreement. The agreement lasts 30 years and will end in January 2039. As at 31 December 2012, the subsidiary has commitment to pay Baht 133 million as stipulated, by which Baht 43 million has been included as accrued project cost in the statement of financial position.

37 Commitments (Cont'd)

Subsidiaries (Cont'd)

Rental agreements (Cont'd)

- As at 31 December 2012 and 2011, 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 the period ranging from 1 year to 30 years payable as follows:

	2012	2011
	Baht Million	Baht Million
Next year	928	807
Between 2 and 5 years	871	1,066
After 5 years	81	107
Total	<u>1,880</u>	<u>1,980</u>

In addition to these sums, restaurant rental fees are payable based on a percentage of either gross or net sales as specified in the relevant agreements.

- The Group has entered into lease agreement for period ranging from 5 years to 10 years. As at 31 December 2012, the Group has committed to pay for rental in respect of the agreement as follows:

	AUD Million
Payment due - within 1 year	17
- between 2 - 5 years	49
- over 5 years	3
Total operating lease commitments	<u>69</u>

Trademark, franchise and license agreements

- Four 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.
- During 1999 to 2007, six subsidiaries of distribution and manufacturing business have entered into distribution agreement, franchise agreement 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 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.
- A subsidiary has entered into the license agreement with an overseas company in order to obtain rights to sell the residences. According to the agreement, a subsidiary must pay franchise fees based on a percentage of sales and must comply with certain terms and conditions.

Minor International Public Company Limited
Notes to the Consolidated and Company Financial Statements
For the years ended 31 December 2012 and 2011

38 Guarantees

Guarantees in the normal courses of business are as follows:

	31 December 2012						
	Consolidated				Company		
	Baht Million	US\$ Million	AUD Million	Yuan Million	Baht Million	US\$ Million	AUD Million
Letters of guarantees issued by bank on behalf of the Group	494.7	8.2	10.9	63.0	161.3	0.6	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	3,763.1	86.1	108.0	250.0	2,189.5	85.6	108.0
	31 December 2011						
	Consolidated				Company		
	Baht Million	US\$ Million	AUD Million	Yuan Million	Baht Million	US\$ Million	AUD Million
Letters of guarantees issued by bank on behalf of the Group	224.5	6.9	9.5	63.0	152.0	-	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	4,372.9	116.9	188.0	200.0	1,720.1	115.5	188.0

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.

40 Post statement of financial position event

40.1 Acquisition

In February 2013, a subsidiary of the Group had the acquisition of Vietnam Hotel Project B.V. in the total investment amount of USD 16 million or equivalent to Baht 480 million.

40.2 Dividends and decrease in share capital

At the Board of Director's Meeting of the Company held on 21 February 2013, the board passed a resolution to approve the following matters:

- a) Approved to propose that the Shareholders' Annual General Meeting consider and approve a dividend payment for the year 2012 performance as cash dividend in the amount of 0.30 Baht per share for existing shareholders and shareholders who convert the convertible securities to no more than 4,000,895,908 common shares, thus totalling the cash dividend to be paid in the amount of not exceeding Baht 1,200.27 million.
- b) Approved to propose that the Shareholders' Annual General Meeting consider and approve the reduction of the registered capital from Baht 4,063,046,327 to Baht 4,018,326,091 divided into 4,018,326,091 shares each at a par value of Baht 1, through reduction of unpaid registered capital of Baht 44,720,236 divided into 44,720,236 ordinary shares each at a par value of Baht 1.