

# Independent Auditor's Report

To the shareholders of Minor International Public Company Limited

## My opinion

In my opinion, the consolidated financial statements of Minor International Public Company Limited ("the Company") and its subsidiaries ("the Group") and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2016, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

## What I have audited

I have audited the accompanying consolidated and separate financial statements of the Group and the Company, which comprise the consolidated and separate statements of financial position as at 31 December 2016, and the related consolidated and separate income statement, the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

## Basis for opinion

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

## Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
<p><b>Business combination</b></p> <p>Refer to note 13 to the financial statements related to investment in subsidiaries, associates and interest in joint venture and Note 35 to the financial statements related to acquisition of subsidiaries.</p> <p>During the year ended 31 December 2016, the Group acquired subsidiaries as detailed in Note 35. Management assessed that the acquisitions are qualified as business combination.</p> <p>Following the transactions, management determined gain on bargain purchase of Baht 2,511.84 million and goodwill of Baht 56.42 million. The valuations of</p>	<p>The audit procedures included the followings;</p> <p>I reviewed management's assessment whether the acquisition should be accounted for as a business combination.</p> <p>I assessed the appropriateness of the net assets acquired and the liabilities assumed at the acquisition date. I also challenged management's procedure for determining the fair value of the net assets acquired by comparing management's assumptions to data from other independent sources. I also engaged auditor's valuation specialist to assess appropriateness of key financial assumptions applied in purchase price allocation.</p>

Key audit matter	How my audit addressed the key audit matter
identifiable net assets acquired were performed as part of the Purchase Price Allocation.	

Key audit matter	How my audit addressed the key audit matter
<p><b>Business combination</b></p> <p>I focused on this area due to significance of gain on bargain purchase and goodwill balance, and due to its nature of transactions that involves valuation of the fair value of net assets acquired on the acquisition date. In addition, the valuation methodology involves significant area of judgement, which is based on the inputs and assumptions in the model, such as business growth rate and discount rate will affect the valuation of gain on bargain purchase and goodwill.</p>	<p>I tested the calculation of the gain on bargain purchase and goodwill arising from the acquisition, being the difference between the total net consideration paid and the fair value of the net assets acquired.</p> <p>I evaluated the adequacy of the disclosures made in notes of the financial statements.</p> <p>I have not identified any significant issues with the allocation of assets from acquisitions.</p>
<p><b>Assessment of goodwill impairment</b></p> <p>Refer to Note 4 to the financial statements for critical accounting estimates and judgements related to goodwill.</p> <p>The Group has goodwill of Baht 7,649.45 million as at 31 December 2016, which mainly relates to 2 business segments which are Hotel &amp; Spa and Restaurant. The Group is required to, at least annually, test goodwill for impairment.</p> <p>I focused on this area due to the size of goodwill balance of around 7% of total assets and the annual assessment process involves significant management judgement, which is based on assumptions that are affected by expected future market and economic conditions.</p> <p>For the year ended 31 December 2016, the management have performed an impairment assessment over the goodwill balance by:</p> <ol style="list-style-type: none"> <li>1. Calculating the value in use for each Cash Generating Unit ("CGU") using a discounted cash flow model. These models used cash flows (revenues, expenses and capital expenditure) for each CGU for 5 years, with constant terminal growth rate applied to the 5<sup>th</sup> year. These cash flows were then discounted to net present value using the weighted average cost of capital (WACC); and</li> <li>2. Comparing the resulting value in use of each CGU to their respective book values.</li> </ol> <p>Based on the annual goodwill impairment test, the management concluded goodwill impairment of Baht 153.78 million as at 31 December 2016. The key assumptions is disclosed in Note 18 to the financial statements.</p>	<p>The audit procedures included the followings;</p> <p>I obtained, understood, evaluated and challenged the composition of management's cash flow forecasts and the process by which they were developed, including test the mathematical accuracy of the underlying calculations.</p> <p>I compared the cash flow forecast to the approved budgets and business plans and other evidence of future intentions.</p> <p>I compared current year actual results with the figures included in the prior year forecast to consider whether any forecasts included assumptions that, with hindsight, had been optimistic.</p> <p>I assessed management's key assumptions by comparing them to historical results and economic and industry outlook.</p> <p>I tested the parameters used to determine the discount rate applied and re-performed the calculations.</p> <p>I challenged management on the adequacy of their sensitivity calculations over all their CGUs. The valuation of goodwill are sensitive to changes in key assumptions such as revenue growth and discount rate, in case they are not achieved, could reasonably be expected to give rise to impairment charge in the future.</p> <p>I evaluated the adequacy of the disclosures made in notes of the financial statements, including those regarding the key assumptions.</p> <p>I have not identified any significant issues based on our work performed.</p>

## **Other information**

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.

**Anothai Leekitwattana**  
Certified Public Accountant (Thailand) No. 3442  
Bangkok  
20 February 2017

**MINOR INTERNATIONAL PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2016**

**Minor International Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2016**

	Notes	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		Baht	Restated Baht	Baht	Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	4,398,761,426	4,002,801,115	101,512,128	448,866,262
Trade and other receivables	8	5,058,818,894	4,960,243,693	909,469,072	1,143,639,608
Inventories	9	2,762,633,585	2,388,673,614	5,800,010	6,787,642
Land and real estates project for sales	10	2,548,643,885	7,506,997,419	-	-
Other current assets	11	1,247,134,896	964,548,851	116,171,053	85,003,049
<b>Total current assets</b>		<b>16,015,992,686</b>	<b>19,823,264,692</b>	<b>1,132,952,263</b>	<b>1,684,296,561</b>
<b>Non-current assets</b>					
Trade receivables long-term contracts	8	4,708,882,536	4,931,211,271	-	-
Available-for-sale investments	12	24,765,904	1,113,284,999	23,040,895	20,245,238
Investments in subsidiaries	13	-	-	6,073,492,298	5,733,492,298
Investments in associates	13	6,692,163,068	5,417,529,960	2,767,066,898	2,736,116,097
Interests in joint ventures	13	2,693,888,953	3,531,420,395	5,484,460	24,284,460
Other long-term investments	12	100,044,306	100,027,695	100,000,000	100,000,000
Long-term loans to related parties	14	5,738,633,698	5,152,960,421	39,243,653,377	34,221,547,173
Land and projects under development	15	-	-	-	-
Investment properties	16	923,035,620	629,181,430	-	-
Property, plant and equipment	17	48,698,892,599	35,013,837,199	269,486,629	247,012,217
Intangible assets	18	18,483,497,332	17,893,493,100	40,194,053	28,843,657
Prepaid rents	19	1,984,700,325	1,964,434,866	1,245,867	1,868,884
Deferred tax assets	32	1,005,428,063	767,621,347	-	-
Other non-current assets	20	1,383,221,401	2,043,287,644	42,410,648	47,702,238
<b>Total non-current assets</b>		<b>92,437,153,805</b>	<b>78,558,290,327</b>	<b>48,566,075,125</b>	<b>43,161,112,262</b>
<b>Total assets</b>		<b>108,453,146,491</b>	<b>98,381,555,019</b>	<b>49,699,027,388</b>	<b>44,845,408,823</b>

Director \_\_\_\_\_

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

**Minor International Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2016**

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Restated Baht	2016 Baht	2015 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term borrowings					
from financial institutions	21	1,123,537,522	2,587,773,533	430,000,000	1,330,000,000
Trade and other payables	22	7,575,457,052	7,752,557,631	450,505,438	410,564,593
Short-term borrowings from related parties	21	-	18,795,000	2,317,923,667	1,542,893,032
Current portion of finance lease liabilities	21	8,442,935	8,239,474	-	-
Current portion of long-term borrowings	21	2,389,121,022	1,504,786,523	-	-
Current portion of debentures	21	4,300,000,000	-	4,300,000,000	-
Current portion of deferred income		142,559,913	85,055,325	944,263	912,523
Income tax payable		496,304,869	338,129,322	7,665,700	8,088,063
Other current liabilities	23	1,973,735,281	1,284,520,575	68,669,233	69,896,864
<b>Total current liabilities</b>		<b>18,009,158,594</b>	<b>13,579,857,383</b>	<b>7,575,708,301</b>	<b>3,362,355,075</b>
<b>Non-current liabilities</b>					
Finance lease liabilities	21	11,575,476	22,270,053	-	-
Long-term borrowings	21	20,498,861,507	19,550,400,837	3,818,902,500	3,182,762,000
Debentures	21	21,500,000,000	21,800,000,000	21,500,000,000	21,800,000,000
Employee benefits obligations	24	222,770,643	258,023,797	16,387,683	15,531,774
Deferred tax liabilities	32	6,050,821,453	4,690,086,554	154,480,840	202,908,846
Other non-current liabilities	25	1,363,132,558	1,769,759,856	187,379,864	443,337,148
<b>Total non-current liabilities</b>		<b>49,647,161,637</b>	<b>48,090,541,097</b>	<b>25,677,150,887</b>	<b>25,644,539,768</b>
<b>Total liabilities</b>		<b>67,656,320,231</b>	<b>61,670,398,480</b>	<b>33,252,859,188</b>	<b>29,006,894,843</b>

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

**Minor International Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2016**

	Notes	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		Baht	Restated Baht	Baht	Baht
<b>Liabilities and equity (Cont'd)</b>					
<b>Equity</b>					
Share capital	26				
Authorised share capital					
4,621,828,347 ordinary shares of Baht 1 each					
(2015: 4,641,789,065 ordinary shares					
of Baht 1 each)		4,621,828,347	4,641,789,065	4,621,828,347	4,641,789,065
Issued and paid-up share capital					
4,410,368,436 ordinary shares of Baht 1 each					
(2015: 4,402,311,611 ordinary shares					
of Baht 1 each)	26	4,410,368,436	4,402,311,611	4,410,368,436	4,402,311,611
Share premium					
Ordinary shares	26	7,639,594,103	7,354,672,555	7,613,941,727	7,329,020,179
Expired warrants in a subsidiary		104,788,723	104,788,723	-	-
Retained earnings					
Appropriated - legal reserve	28	464,178,907	464,178,907	464,178,907	464,178,907
Unappropriated		27,190,682,429	22,140,776,139	4,542,659,138	4,230,276,304
Other components of equity	29	(2,407,887,023)	(1,664,204,923)	(584,980,008)	(587,273,021)
Equity attributable to owners of the parent		37,401,725,575	32,802,523,012	16,446,168,200	15,838,513,980
Non-controlling interests		3,395,100,685	3,908,633,527	-	-
<b>Total equity</b>		<b>40,796,826,260</b>	<b>36,711,156,539</b>	<b>16,446,168,200</b>	<b>15,838,513,980</b>
<b>Total liabilities and equity</b>		<b>108,453,146,491</b>	<b>98,381,555,019</b>	<b>49,699,027,388</b>	<b>44,845,408,823</b>

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

**Minor International Public Company Limited**  
**Income Statement**  
**For the year ended 31 December 2016**

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Revenues</b>	14				
Revenues from hotel and related services operations		21,371,382,029	16,284,433,723	504,469,200	532,393,527
Sales of real estates		3,137,819,105	3,687,354,534	-	-
Rental income from property business		363,716,284	380,021,866	-	-
Revenues from entertainment operations		113,311,355	134,892,795	113,311,355	133,791,780
Sales of food and beverage		19,971,890,313	16,667,070,297	-	-
Sales from distribution and manufacturing		3,474,300,686	3,420,558,256	-	-
Revenues from management services		1,102,820,089	983,845,896	287,270,156	277,194,746
Franchise fee income		1,616,392,248	786,869,703	-	-
Dividends income		7,992,324	11,667,755	1,774,531,532	1,464,234,009
Interest income		480,260,515	442,866,527	1,433,168,701	1,394,318,842
Other income	30	4,741,037,999	3,960,694,970	63,013,554	153,864,007
<b>Total revenues</b>		<b>56,380,922,947</b>	<b>46,760,276,322</b>	<b>4,175,764,498</b>	<b>3,955,796,911</b>
<b>Expenses</b>	31				
Direct cost of hotel and related services operations		11,891,003,702	8,825,122,057	270,218,623	270,047,693
Cost of sales of real estates	10	959,859,208	1,216,028,418	-	-
Direct cost of rental from property business		249,641,248	186,800,156	-	-
Direct cost of entertainment operations		44,834,021	46,879,535	79,152,280	83,714,664
Cost of sales of food and beverage		6,545,208,819	5,440,184,704	-	-
Cost of sales from distribution and manufacturing		2,070,626,222	2,066,388,634	-	-
Selling expenses		15,899,913,860	14,306,922,215	586,582,570	515,656,781
Administrative expenses		9,864,619,226	7,079,351,652	413,622,472	434,780,532
Financial costs		1,605,814,932	1,300,940,797	1,014,963,095	927,932,495
<b>Total expenses</b>		<b>49,131,521,238</b>	<b>40,468,618,168</b>	<b>2,364,539,040</b>	<b>2,232,132,165</b>
<b>Operating profit</b>		<b>7,249,401,709</b>	<b>6,291,658,154</b>	<b>1,811,225,458</b>	<b>1,723,664,746</b>
Share of profit of investments in associates and interests in joint ventures	13	591,855,162	1,253,508,924	-	-
<b>Profit before income tax</b>		<b>7,841,256,871</b>	<b>7,545,167,078</b>	<b>1,811,225,458</b>	<b>1,723,664,746</b>
Income tax (expense) income	32	(1,032,049,748)	(410,788,424)	41,246,951	(38,291,965)
<b>Profit for the year</b>		<b>6,809,207,123</b>	<b>7,134,378,654</b>	<b>1,852,472,409</b>	<b>1,685,372,781</b>

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

**Minor International Public Company Limited****Income Statement**

For the year ended 31 December 2016

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<u>Note</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>	<u>Baht</u>
<b>Profit attributable to:</b>				
Owners of the parent	6,589,995,865	7,040,164,749	1,852,472,409	1,685,372,781
Non-controlling interests	219,211,258	94,213,905	-	-
	<u>6,809,207,123</u>	<u>7,134,378,654</u>	<u>1,852,472,409</u>	<u>1,685,372,781</u>
<b>Earnings per share</b>	33			
Basic earnings per share	1.4955	1.5992	0.4204	0.3829
Diluted earnings per share	1.4935	1.5992	0.4198	0.3829

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

**Minor International Public Company Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2016**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Profit for the year	6,809,207,123	7,134,378,654	1,852,472,409	1,685,372,781
<b>Other comprehensive income:</b>				
Item that will be reclassified subsequently to income statement				
(Loss) gain on remeasuring of available-for-sale investments, net of tax	(89,337,453)	(377,286,485)	2,293,013	28,800
Exchange differences on translating financial statements, net of tax	(333,087,480)	(715,565,929)	-	-
<b>Other comprehensive (expense) income for the year, net of tax</b>	<b>(422,424,933)</b>	<b>(1,092,852,414)</b>	<b>2,293,013</b>	<b>28,800</b>
<b>Total comprehensive income for the year</b>	<b>6,386,782,190</b>	<b>6,041,526,240</b>	<b>1,854,765,422</b>	<b>1,685,401,581</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	6,108,357,598	5,944,760,830	1,854,765,422	1,685,401,581
Non-controlling interests	278,424,592	96,765,410	-	-
	<b>6,386,782,190</b>	<b>6,041,526,240</b>	<b>1,854,765,422</b>	<b>1,685,401,581</b>

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

Minor International Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2016

Consolidated financial statements (Baht)														
Attributable to owners of the parent														
Notes	Attributable to owners of the parent					Other components of equity								
	Issued and paid-up share capital	Share premium	Expired warrants in a subsidiary	Legal reserve	Unappropriated retained earnings	Other comprehensive income			Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity		
						Discount on business combination under common control	Discount on investment in subsidiary	Remeasuring of available-for-sale investments						
<b>Beginning balance as at 1 January 2015</b>	4,001,556,661	7,333,139,702	104,788,723	420,169,113	16,545,330,801	(755,412,590)	(53,278,442)	605,592,598	(145,174,959)	(348,273,393)	28,056,711,607	1,967,751,779	30,024,463,386	
<b>Changes in equity for the year</b>														
Additional ordinary shares	26	400,754,950	21,532,853	-	-	-	-	-	-	-	422,287,803	-	422,287,803	
Legal reserve	28	-	-	44,009,794	(44,009,794)	-	-	-	-	-	-	-	-	
Additional investment in subsidiary		-	-	-	-	-	(220,527,611)	-	-	(220,527,611)	(220,527,611)	(129,927,285)	(350,454,896)	
Business combination		-	-	-	-	-	-	-	-	-	-	1,984,507,293	1,984,507,293	
Dividend paid	34	-	-	-	(1,400,709,617)	-	-	-	-	-	(1,400,709,617)	(10,463,670)	(1,411,173,287)	
Total comprehensive income for the year		-	-	-	7,040,164,749	-	-	(377,286,485)	(718,117,434)	(1,095,403,919)	5,944,760,830	96,765,410	6,041,526,240	
<b>Ending balance as at 31 December 2015</b>		<b>4,402,311,611</b>	<b>7,354,672,555</b>	<b>104,788,723</b>	<b>464,178,907</b>	<b>22,140,776,139</b>	<b>(755,412,590)</b>	<b>(273,806,053)</b>	<b>228,306,113</b>	<b>(863,292,393)</b>	<b>(1,664,204,923)</b>	<b>32,802,523,012</b>	<b>3,908,633,527</b>	<b>36,711,156,539</b>

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

Minor International Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2016

Consolidated financial statements (Baht)														
Attributable to owners of the parent														
Notes	Other components of equity										Total owners of the parent	Non-controlling interests	Total equity	
	Issued and paid-up share capital	Share premium	Expired warrants in a subsidiary	Legal reserve	Unappropriated retained earnings	Discount on business combination under common control	Discount on additional investment in subsidiary	Other comprehensive income						Total other components of equity
								Remeasuring of available-for-sale investments	Translation adjustment	Total				
<b>Beginning balance as at 1 January 2016 (as previously reported)</b>	4,402,311,611	7,354,672,555	104,788,723	464,178,907	22,140,776,139	(755,412,590)	(273,806,053)	228,306,113	(863,292,393)	(1,664,204,923)	32,802,523,012	3,112,869,148	35,915,392,160	
Retrospective adjustment from completion of fair value measurement	36	-	-	-	-	-	-	-	-	-	-	795,764,379	795,764,379	
<b>Beginning balance after adjustment (restated)</b>	4,402,311,611	7,354,672,555	104,788,723	464,178,907	22,140,776,139	(755,412,590)	(273,806,053)	228,306,113	(863,292,393)	(1,664,204,923)	32,802,523,012	3,908,633,527	36,711,156,539	
<b>Changes in equity for the year</b>														
Additional ordinary shares	26	8,056,825	284,921,548	-	-	-	-	-	-	-	292,978,373	-	292,978,373	
Additional investment in subsidiary		-	-	-	-	-	-	(135,607,727)	-	(135,607,727)	(135,607,727)	-	(135,607,727)	
Business combination		-	-	-	-	-	(126,436,106)	-	-	(126,436,106)	(126,436,106)	(722,687,945)	(849,124,051)	
Dividend paid	34	-	-	-	(1,540,089,575)	-	-	-	-	-	(1,540,089,575)	(69,269,489)	(1,609,359,064)	
Total comprehensive income for the year		-	-	-	6,589,995,865	-	-	(89,337,453)	(392,300,814)	(481,638,267)	6,108,357,598	278,424,592	6,386,782,190	
<b>Ending balance as at 31 December 2016</b>		4,410,368,436	7,639,594,103	104,788,723	464,178,907	27,190,682,429	(755,412,590)	(400,242,159)	3,360,933	(1,255,593,207)	(2,407,887,023)	37,401,725,575	40,796,826,260	

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

Minor International Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2016

Separate financial statements (Baht)

Notes	Other components of equity							Total equity	
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated retained earnings	Discount on business combination under common control	Other comprehensive income			
						Remeasuring of available-for-sale investments	Total other components of equity		
<b>Beginning balance as at 1 January 2015</b>	4,001,556,661	7,307,487,326	420,169,113	3,989,622,934	(587,397,515)	95,694	(587,301,821)	15,131,534,213	
<b>Changes in equity for the year</b>									
Additional ordinary shares	26	400,754,950	21,532,853	-	-	-	-	422,287,803	
Legal reserve	28	-	-	44,009,794	(44,009,794)	-	-	-	
Dividend paid	34	-	-	-	(1,400,709,617)	-	-	(1,400,709,617)	
Total comprehensive income for the year		-	-	-	1,685,372,781	-	28,800	1,685,401,581	
<b>Ending balance as at 31 December 2015</b>		<u>4,402,311,611</u>	<u>7,329,020,179</u>	<u>464,178,907</u>	<u>4,230,276,304</u>	<u>(587,397,515)</u>	<u>124,494</u>	<u>(587,273,021)</u>	<u>15,838,513,980</u>

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

Minor International Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2016

Separate financial statements (Baht)

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

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

Minor International Public Company Limited  
Statement of Cash Flows  
For the year ended 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		7,841,256,871	7,545,167,078	1,811,225,458	1,723,664,746
Adjustments for:					
Depreciation and amortisation	16 - 19	3,849,729,449	3,094,777,738	88,272,252	86,335,788
Amortisation of other assets		10,598,437	17,325,913	13,325,190	15,691,959
Amortisation of borrowing cost	21	14,751,674	12,179,327	-	-
Gain from bargain purchases	30	(2,511,841,219)	(756,185,318)	-	-
Gain from fair value adjustment on change status to investment in associate	30	(135,607,728)	(1,792,887,591)	-	-
Gain from fair value adjustment on change status to investment in subsidiary	30	(40,901,207)	-	-	-
Doubtful accounts (Reversal)	31	282,227,708	35,835,814	251,653	(32,455)
Inventory obsolescence (Reversal)	9	22,101,494	(5,410,401)	-	-
Realisation of deferred income		(39,308,413)	(35,779,035)	-	-
Share of profit of investments in associates and interests in joint ventures	13	(591,855,162)	(1,352,172,337)	-	-
Interest expenses		1,605,814,932	1,300,940,797	1,014,963,095	927,932,495
Interest income		(480,260,515)	(442,866,527)	(1,433,168,701)	(1,394,318,842)
Dividends income		(7,992,324)	(11,667,755)	(1,774,531,532)	(1,464,234,009)
Translation adjustment for equity loan		208,446,713	(47,701,004)	-	-
Unrealised (gain) loss on exchange rate		(541,637,048)	323,501,834	(255,568,191)	204,159,639
Gain from sales of investment in associate		-	(30,000,000)	-	(38,820,401)
Gain from liquidation of subsidiaries		-	-	-	(56,631,903)
Impairment of investment in subsidiary		-	-	3,569,800	3,430,000
Impairment of interests in joint ventures	13	3,047,295	-	18,800,000	-
Loss (gain) on disposals, impairment charge and write-off of property, plant and equipment and investment properties		140,104,254	162,923,766	(4,811,656)	327,682
Loss on disposals, impairment charge and write-off of intangible assets and prepaid rents		25,874,279	47,195,464	-	-
Employee benefit obligations	24	25,501,609	4,270,041	2,014,009	(1,668,979)
<b>Changes in operating assets and liabilities</b>					
Trade and other receivables		426,086,603	(1,024,645,927)	233,918,883	(240,479,552)
Inventories		(361,896,189)	(302,383,788)	987,631	127,085
Land and real estates project for sales		658,190,162	(2,280,500,207)	-	-
Other current assets		(196,834,923)	(256,400,356)	(8,320,820)	36,371,241
Other non-current assets		(22,010,304)	(1,501,163,852)	(7,947,501)	(39,246,448)
Trade and other payables		(926,956,691)	1,197,812,847	(62,398,190)	65,952,210
Other current liabilities		589,069,324	101,643,484	(1,195,889)	(29,631,596)
Employee benefit paid		(64,787,806)	(10,824,388)	(1,158,100)	-
Other non-current liabilities		(676,668,892)	285,136,542	(14,498)	(333,772)
<b>Cash generated from operations</b>		9,104,242,383	4,278,122,159	(361,787,107)	(201,405,112)
Interest paid		(1,571,797,247)	(1,254,166,513)	(912,624,060)	(962,882,695)
Income tax paid		(1,038,390,989)	(524,687,340)	(31,039,344)	(23,438,441)
<b>Net cash generated from (used in) operating activities</b>		6,494,054,147	2,499,268,306	(1,305,450,511)	(1,187,726,248)

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

Minor International Public Company Limited  
Statement of Cash Flows  
For the year ended 31 December 2016

Notes	Consolidated financial statements		Separate financial statements		
	2016 Baht	2015 Baht	2016 Baht	2015 Baht	
<b>Cash flows from investing activities</b>					
Cash paid for long-term loans to related parties	14	(911,783,618)	(1,433,778,539)	(5,034,712,049)	(4,945,834,876)
Cash received from long-term loans to related parties	14	320,304,127	23,904,969	-	-
Decrease in loans to other companies		-	49,194,796	-	-
Acquisition of subsidiaries, net cash acquired		(3,116,737,941)	(3,257,999,815)	-	-
Proceeds from disposal of subsidiaries	13	-	-	-	132,429,363
Proceeds from sales of investment in associate	13	-	87,814,375	-	87,814,375
Cash paid for additional investments in subsidiaries	13	-	-	(343,569,800)	-
Cash paid for additional investments in associate	13	(40,670,200)	(438,828,785)	(30,950,801)	(390,003,238)
Cash paid for additional investments in joint ventures	13	(234,519,735)	(283,806,898)	-	-
Proceeds from sales of short-term investments		7,445,960	-	-	-
Cash invested in general investments	12	(16,611)	(804,776,932)	-	-
Cash invested in available-for-sale investments	12	(43,349,777)	(228,077,394)	-	(20,000,000)
Interest received		415,223,119	349,428,723	1,433,168,701	1,394,318,842
Dividends received		258,043,093	421,009,977	1,774,531,532	1,464,234,009
Payments for land and project under development		(7,960,774)	(795,113,262)	-	-
Purchases for investment properties	16	(8,668,361)	(363,555,623)	-	-
Purchases of property, plant and equipment		(5,619,918,113)	(6,202,655,638)	(124,167,418)	(14,912,354)
Proceeds from disposals of property, plant and equipment and investment properties		276,594,829	49,268,230	21,169,547	31,308
Purchases of intangible assets and prepaid rents		(443,729,294)	(446,610,215)	(18,307,210)	(26,846,659)
Proceeds from disposals of intangible assets and prepaid rents		5,097,908	2,705,220	4,642,693	-
<b>Net cash used in investing activities</b>		<b>(9,144,645,388)</b>	<b>(13,271,876,811)</b>	<b>(2,318,194,805)</b>	<b>(2,318,769,230)</b>
<b>Cash flows from financing activities</b>					
(Decrease) increase in short-term borrowings from related parties	14	(18,795,000)	18,795,000	775,030,634	(448,767,122)
Receipts from short-term borrowings from financial institutions		29,461,908,040	3,580,111,057	27,350,000,000	1,330,000,000
Repayments of short-term borrowings from financial institutions		(30,956,957,560)	(1,971,846,400)	(28,250,000,000)	-
Repayments of financial lease liabilities		(11,343,848)	(16,455,313)	-	-
Receipts from long-term borrowings from financial institutions	21	4,199,573,302	11,105,787,018	714,526,000	4,910,240,000
Repayments of long-term borrowings from financial institutions	21	(2,233,927,299)	(7,550,488,138)	(66,154,250)	(6,305,000,000)
Receipts from issuance of debentures	21	4,000,000,000	8,000,000,000	4,000,000,000	8,000,000,000
Repayment of debentures	21	-	(3,000,000,000)	-	(3,000,000,000)
Receipts from issuance of ordinary shares by exercise of warrants	26	292,978,334	22,086,460	292,978,373	22,086,460
Receipts from other shareholders for issuance of share capital in a subsidiary		-	116,694,842	-	-
Cash paid to non-controlling interest for disposal of investments in subsidiaries		(121,400,917)	-	-	-
Cash received from non-controlling interest for disposal of investments in subsidiary		509,900	-	-	-
Dividends paid to shareholders	34	(1,540,089,575)	(1,000,508,270)	(1,540,089,575)	(1,000,508,270)
Dividends paid to non-controlling interests		(69,269,489)	(10,463,670)	-	-
<b>Net cash receipts from financing activities</b>		<b>3,003,185,888</b>	<b>9,293,712,586</b>	<b>3,276,291,182</b>	<b>3,508,051,068</b>

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

Minor International Public Company Limited  
Statement of Cash Flows  
For the year ended 31 December 2016

Notes	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Net increase (decrease) in cash and cash equivalents</b>	352,594,647	(1,478,895,919)	(347,354,134)	1,555,590
(Loss) gain on exchange rate	(26,145,045)	93,239,116	-	-
Cash and cash equivalents at the beginning	3,978,726,002	5,364,382,805	448,866,262	447,310,672
<b>Cash and cash equivalents, closing balance</b>	<b>4,305,175,604</b>	<b>3,978,726,002</b>	<b>101,512,128</b>	<b>448,866,262</b>

**Cash and cash equivalents as at 31 December**

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash and deposits with banks	7	4,398,761,426	3,991,877,967	101,512,128	448,866,262
Short-term investments (maturity less than 3 months)	7	-	10,923,148	-	-
Bank overdrafts	21	(93,585,822)	(24,075,113)	-	-
		<b>4,305,175,604</b>	<b>3,978,726,002</b>	<b>101,512,128</b>	<b>448,866,262</b>

**Supplementary information for cash flows**

**Non-cash transactions**

Significant non-cash activities for the years ended 31 December 2016 and 2015 are as follows:

Note	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Acquisition of property, plant and equipment, and land and projects under development by payable	336,712,219	228,910,845	-	-
Acquisition of investment in subsidiaries by payable	35 117,048,870	315,830,074	-	-
Issuance of stock dividend	-	400,201,343	-	400,201,343
Investment in subsidiary by offsetting with loan	-	467,149,738	-	-

The notes to the consolidated and separate financial statements on pages 18 to 118 form an integral part of the financial statements.

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

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

The Company is listed on the Stock Exchange of Thailand in October 1988. For the 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, The Republic of Maldives, The United Arab Emirates, Sri Lanka, Australia, the Federative Republic of Brazil, The Portuguese Republic, and countries in South Africa, etc.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 20 February 2017.

## **2 Accounting policies**

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

### **2.1 Basis for preparation**

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

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

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

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

## **2 Accounting policies (Cont'd)**

### **2.2 New/revised financial reporting standards, and related interpretations**

2.2.1 New/revised financial reporting standards and interpretations are effective on 1 January 2016.

a) New/revised financial reporting standards and interpretation which are relevant to the Group:

TAS 16 (revised 2015)	Property, plant and equipment
TAS 19 (revised 2015)	Employee benefits
TAS 24 (revised 2015)	Related party disclosures
TAS 27 (revised 2015)	Separate financial statements
TAS 36 (revised 2015)	Impairment of assets
TAS 38 (revised 2015)	Intangible assets
TAS 40 (revised 2015)	Investment property
TFRS 3 (revised 2015)	Business combinations
TFRS 8 (revised 2015)	Operating segments
TFRS 10 (revised 2015)	Consolidated financial statements
TFRS 12 (revised 2015)	Disclosure of interests in other entities
TFRS 13 (revised 2015)	Fair value measurement

TAS 16 (revised 2015), 'Property, plant and equipment' clarifies how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model. This standard has no impact to the Group.

TAS 19 (revised 2015), 'Employee benefits' is amended to apply to contributions from employees or third parties to defined benefit plans and to clarify the accounting treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. This standard has no impact to the Group.

TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required. This standard has no impact to the Group.

TAS 27 (revised 2015) allows an investment entity that is exempted from consolidating its subsidiaries presenting Company as its only financial statements. It requires the investment entity to measure its investment in subsidiaries at fair value through profit or loss. This standard has no impact to the Group.

TAS 36 (revised 2015), 'Impairment of assets' is amended to provide additional disclosure requirement when the recoverable amount of the assets is measured at fair value less costs of disposal. The disclosures include 1) the level of fair value hierarchy and 2) when fair value measurement categorised within level 2 and level 3, disclosures is required for valuation technique and key assumption. This standard has no impact to the Group.

TAS 38 (revised 2015), 'Intangible assets' is amended to clarify how the gross carrying amount and the accumulated amortisation are treated where an entity uses the revaluation model. This standard has no impact to the Group.

TAS 40 (revised 2015), 'Investment property' clarifies that TFRS 3 should be applied when determining whether an acquisition of an investment property is a business combination. This standard has no material impact to the Group.

TFRS 3 (revised 2015), 'Business combinations' clarifies i) an obligation to pay contingent consideration which meets the definition of a financial instrument as a financial liability or equity, on the basis of the definitions in TAS 32, 'Financial instruments: Presentation' (when announced) or other applicable standards. It also clarifies that all non-equity contingent consideration is measured at fair value at each reporting date, with changes in value recognised in profit and loss, and ii) TFRS 3 does not apply to

the accounting for the formation of any joint venture under TFRS 11. This standard has no material impact to the Group.

**2 Accounting policies (Cont'd)**

**2.2 New/revised financial reporting standards, and related interpretations (Cont'd)**

2.2.1 New/revised financial reporting standards and interpretations are effective on 1 January 2016. (Cont'd)

a) New/revised financial reporting standards and interpretation which are relevant to the Group: (Cont'd)

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker. This standard has no material impact to the Group.

TFRS 10 (revised 2015), 'Consolidated' is amended to define an investment entity and introduce an exception from consolidation. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. This standard has no material impact to the Group.

TFRS 12 (revised 2015) introduces disclosures that an investment entity needs to disclose. This standard has no material impact to the Group.

TFRS 13 (revised 2015), 'Fair value measurement' is amended to clarify that the portfolio exception in TFRS 13 applies to all contracts (including non-financial contracts) within the scope of TAS 39 (when announced) or TFRS 9 (when announced). This standard has no material impact to the Group.

b) Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows:

TAS 1 (revised 2015)	Presentation of financial statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of cash flows
TAS 8 (revised 2015)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2015)	Events after the reporting period
TAS 11 (revised 2015)	Construction contracts
TAS 12 (revised 2015)	Income taxes
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 20 (revised 2015)	Accounting for government grants and disclosure of government assistance
TAS 21 (revised 2015)	The effects of changes in foreign exchange rates
TAS 23 (revised 2015)	Borrowing costs
TAS 26 (revised 2015)	Accounting and reporting by retirement benefit plans
TAS 28 (revised 2015)	Investments in associates and joint ventures
TAS 29 (revised 2015)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2015)	Earnings per share
TAS 34 (revised 2015)	Interim financial reporting
TAS 37 (revised 2015)	Provisions, contingent liabilities and contingent assets
TFRS 5 (revised 2015)	Non-current assets held for sale and discontinued operations
TFRS 6 (revised 2015)	Exploration for and evaluation of mineral resources
TFRS 11 (revised 2015)	Joint arrangements
TSIC 10 (revised 2015)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2015)	Operating leases - Incentives
TSIC 25 (revised 2015)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2015)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2015)	Service concession arrangements: Disclosures
TSIC 31 (revised 2015)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2015)	Intangible assets - Web site costs
TFRIC 1 (revised 2015)	Changes in existing decommissioning, restoration and similar liabilities

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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TFRIC 4 (revised 2015)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2015)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2015)	Applying the restatement approach under TAS29 Financial reporting in hyperinflationary economies

**2 Accounting policies (Cont'd)**

**2.2 New/revised financial reporting standards, and related interpretations (Cont'd)**

2.2.1 New/revised financial reporting standards and interpretations are effective on 1 January 2016. (Cont'd)

b) Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows. (Cont'd)

TFRIC 10 (revised 2015)	Interim financial reporting and impairment
TFRIC 12 (revised 2015)	Service concession arrangements
TFRIC 13 (revised 2015)	Customer loyalty programmes
TFRIC 14 (revised 2015)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 15 (revised 2015)	Agreements for the construction of real estate
TFRIC 17 (revised 2015)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2015)	Transfers of assets from customers
TFRIC 20 (revised 2015)	Stripping costs in the production phase of a surface mine

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards.

a) Financial reporting standards which have significant changes and are relevant to the Group.

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TFRS 5 (revised 2016)	Non-current assets held for sale and discontinued operations
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 11 (revised 2016)	Joint arrangements
TFRS 12 (revised 2016)	Disclosure of interests in other entities

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income

TAS 16 (revised 2016), key amendments are 1) The amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and 2) The amendments include bearer plants in scope of TAS 16.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

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

**2 Accounting policies (Cont'd)**

**2.2 New/revised financial reporting standards, and related interpretations (Cont'd)**

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards. (Cont'd)

a) Financial reporting standards which have significant changes and are relevant to the Group. (Cont'd)

TAS 28 (revised 2016), the significant changes are 1) the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture and 2) the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method.

TAS 34 (revised 2016), the amendments clarify that what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'; entities taking advantage of the relief must provide a cross-reference from the interim financial statements to the location of that information and make the information available to users on the same terms and at the same time as the interim financial statements.

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

TFRS 5 (revised 2016), the amendments clarify that when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution' or vice versa, this does not constitute a change to a plan of sale or distribution and does not have to be accounted for as such

TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entities and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities.

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

TFRS 12 (revised 2016), the amendments clarify the disclosure requirements of an entity which is an investment entity and exception from preparing consolidated financial statement and instead measured its subsidiaries at fair value is required to disclose information of its subsidiaries according to the requirement in TFRS 12.

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

**2 Accounting policies (Cont'd)**

**2.2 New/revised financial reporting standards, and related interpretations (Cont'd)**

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. The Group has not yet early adopted these revised standards. (Cont'd)

b) Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows:

TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of cash flows
TAS 8 (revised 2016)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2016)	Events after the reporting period
TAS 11 (revised 2016)	Construction contracts
TAS 12 (revised 2016)	Income taxes
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 20 (revised 2016)	Accounting for government grants and disclosure of government assistance
TAS 21 (revised 2016)	The effects of changes in foreign exchange rates
TAS 23 (revised 2016)	Borrowing costs
TAS 24 (revised 2016)	Related party disclosures
TAS 26 (revised 2016)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2016)	Financial reporting in hyper-inflationary economies
TAS 33 (revised 2016)	Earnings per share
TAS 36 (revised 2016)	Impairment of assets
TAS 37 (revised 2016)	Provisions, contingent liabilities and contingent assets
TAS 40 (revised 2016)	Investment property
TFRS 2 (revised 2016)	Share-based payment
TFRS 3 (revised 2016)	Business combinations
TFRS 4 (revised 2016)	Insurance contracts
TFRS 6 (revised 2016)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2016)	Operating segments
TFRS 13 (revised 2016)	Fair value measurement
TSIC 10 (revised 2016)	Government Assistance - No specific relation to operating activities
TSIC 15 (revised 2016)	Operating leases - Incentives
TSIC 25 (revised 2016)	Income taxes - Changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2016)	Evaluating the substance of transactions in the legal form of a lease
TSIC 29 (revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2016)	Revenue - Barter transactions involving advertising services
TSIC 32 (revised 2016)	Intangible assets - Web site costs
TFRIC 1 (revised 2016)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2016)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2016)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2016)	Applying the restatement approach under TAS 29 Financial reporting in hyper-inflationary economies
TFRIC 10 (revised 2016)	Interim financial reporting and impairment
TFRIC 12 (revised 2016)	Service concession arrangements
TFRIC 13 (revised 2016)	Customer loyalty programmes
TFRIC 14 (revised 2016)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 15 (revised 2016)	Agreements for the construction of real estate

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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TFRIC 17 (revised 2016)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2016)	Transfers of assets from customers
TFRIC 20 (revised 2016)	Stripping costs in the production phase of a surface mine
TFRIC 21 (revised 2016)	Levies
TAS 104 (revised 2016)	Accounting for Troubled Debt Restructurings
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation

**2 Accounting policies (Cont'd)**

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

(1) Subsidiaries

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

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

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

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

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

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

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

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

**2 Accounting policies (Cont'd)**

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

(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.

(3) Associates

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

The Group's share of its associates' 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 the associates equals or exceeds its interest in the associates, 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.

Unrealised gains on transactions between the Group and its associates 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 have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in profit and loss.

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

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

**2 Accounting policies (Cont'd)**

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

(4) Joint arrangements

The Group has applied TFRS11 to all joint arrangements as of 1 January 2015. Under TFRS11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

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

**2.4 Foreign currency translation**

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

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

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

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

**2.5 Segment reporting**

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

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

**2.6 Cash and cash equivalents**

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

**2 Accounting policies (Cont'd)**

**2.7 Trade accounts receivable**

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

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

**2.8 Inventories**

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

**2.9 Land and real estates project for sales**

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

**2.10 Other investments**

Investments other than investments in subsidiaries, associates and interests in joint ventures are classified into the following 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. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income.

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

General investments are carried at cost less impairment loss.

**2 Accounting policies (Cont'd)**

**2.10 Other investments (Cont'd)**

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.

**2.11 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, 40 years and 60 years
Building improvement	lease period and 10 years
Machinery and equipment	5 - 15 years
Furniture, fixtures and other equipment	4 years, 5 years, 10 years and 15 years

Motor vehicles

4 - 5 years

## **2 Accounting policies (Cont'd)**

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

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

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

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

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

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

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

### **2.13 Intangible assets**

#### **Management letting rights**

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

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

#### **Intellectual property**

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

#### **Franchise development cost**

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

#### **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.



## **2 Accounting policies (Cont'd)**

### **2.13 Intangible assets (Cont'd)**

#### **Goodwill**

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

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

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

#### **Brand**

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

#### **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.

### **2.14 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 Accounting policies (Cont'd)**

### **2.15 Leases**

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

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

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

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

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

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

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

### **2.16 Borrowings**

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

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

### **2.17 Provisions**

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

**2 Accounting policies (Cont'd)**

**2.18 Employee benefits**

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

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

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

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

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

**2.19 Current and deferred income taxes**

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

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

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

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes

levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## **2 Accounting policies (Cont'd)**

### **2.20 Share capital**

Ordinary shares are classified as equity.

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

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

### **2.21 Warrants**

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

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

### **2.22 Revenue recognition**

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

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

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

Rental income from property business and rental received in advance is recognised as revenue evenly over the period of the lease.

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

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

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

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

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

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

- Royalty and franchise fee
- On an accrual basis in accordance with the substance of the relevant agreements.

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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- Interest and commission income      - As it accrues unless collectibility is in doubt.
- Dividend income                              - When the shareholder's right to receive payment is established.

## **2 Accounting policies (Cont'd)**

### **2.23 Dividend distribution**

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

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

## **3 Financial risk management**

### **3.1 Financial risk factors**

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

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

#### **3.1.1 Cross currency swap contracts**

Cross currency swap contracts are recognised at the inception date.

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

#### **3.1.2 Forward foreign exchange contracts**

Foreign exchange forward contracts are recognised at the inception date.

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

#### **3.1.3 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 Financial risk management (Cont'd)**

**3.2 Capital risk management**

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

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

**4 Critical accounting estimates and judgments**

Estimates and 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 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 management.

**4.2 Fair value estimation on business combination**

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

**5 Fair value measurements**

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

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

The following tables present the Group's and Company's assets that are measured at fair value at 31 December 2016.

	<b>Consolidated financial statements</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Baht 000</b>	<b>Baht 000</b>	<b>Baht 000</b>	<b>Baht 000</b>
<b>At 31 December 2016</b>				
Available-for-sale investments				
- equity securities	24,766	-	-	24,766
<b>Separate financial statements</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Baht 000</b>	<b>Baht 000</b>	<b>Baht 000</b>	<b>Baht 000</b>
<b>At 31 December 2016</b>				
Available-for-sale investments				
- equity securities	23,041	-	-	23,041
<b><u>Financial instruments in Level 1</u></b>				

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

Minor International Public Company Limited  
Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 December 2016

6 Segment information

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

6.1 Financial information by operating segments

For the years ended 31 December (Baht Million)

	Hotel & Spa		Mixed use		Restaurant		Retail		Eliminated		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
<b>Revenues</b>												
Total revenues	25,559	18,414	4,574	4,970	22,710	19,777	3,495	3,507	(135)	(125)	56,203	46,543
<b>Costs</b>												
Total costs	(9,695)	(7,330)	(1,271)	(1,405)	(6,498)	(5,451)	(2,048)	(2,045)	65	76	(19,447)	(16,155)
<b>Gross profit</b>	15,864	11,084	3,303	3,565	16,212	14,326	1,447	1,462	(70)	(49)	36,756	30,388
Selling and administrative expenses	(7,648)	(6,301)	(2,777)	(2,288)	(12,583)	(10,032)	(1,180)	(1,161)	70	49	(24,118)	(19,733)
<b>EBITDA</b>	8,216	4,783	526	1,277	3,629	4,294	267	301	-	-	12,638	10,655
Depreciation and amortisation	(2,195)	(1,651)	(195)	(163)	(1,247)	(1,110)	(146)	(138)	-	-	(3,783)	(3,062)
Financial costs	(1,089)	(890)	(190)	(131)	(320)	(271)	(6)	(10)	-	-	(1,605)	(1,302)
Sharing profit (loss) from associates and joint ventures	231	759	11	(3)	350	497	-	-	-	-	592	1,253
<b>Result before tax</b>	5,163	3,001	152	980	2,412	3,410	115	153	-	-	7,842	7,544
Tax	(488)	(88)	(119)	(136)	(390)	(155)	(36)	(31)	-	-	(1,033)	(410)
<b>Net profit</b>	4,675	2,913	33	844	2,022	3,255	79	122	-	-	6,809	7,134
<b>Total assets</b>											108,453	98,381
<b>Total liabilities</b>											67,656	61,670

Minor International Public Company Limited  
Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 December 2016

6 Segment information (Cont'd)

6.2 Financial information by geographical segments

	For the years ended 31 December (Baht Million)											
	Hotel & Spa		Mixed use		Restaurant		Retail		Eliminate		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
<b>Revenues</b>												
Thailand	8,253	7,539	1,915	2,051	13,279	11,930	3,495	3,507	(135)	(125)	26,807	24,902
Singapore	-	1	-	1	2,344	2,883	-	-	-	-	2,344	2,885
Australia and New Zealand	6,109	5,484	-	-	3,530	2,004	-	-	-	-	9,639	7,488
The People's Republic of China	122	39	8	12	3,178	2,649	-	-	-	-	3,308	2,700
Maldives and UAE	1,777	1,758	-	-	331	295	-	-	-	-	2,108	2,053
Portugal	5,427	293	-	-	-	-	-	-	-	-	5,427	293
Others	3,871	3,300	2,651	2,906	48	16	-	-	-	-	6,570	6,222
<b>Total</b>	<b>25,559</b>	<b>18,414</b>	<b>4,574</b>	<b>4,970</b>	<b>22,710</b>	<b>19,777</b>	<b>3,495</b>	<b>3,507</b>	<b>(135)</b>	<b>(125)</b>	<b>56,203</b>	<b>46,543</b>
<b>Net profit (loss)</b>												
Thailand	187	83	461	477	1,532	1,324	79	122	-	-	2,259	2,006
Singapore	(2)	(6)	(7)	(23)	100	60	-	-	-	-	91	31
Australia and New Zealand	210	615	-	-	363	1,824	-	-	-	-	573	2,439
The People's Republic of China	84	13	(20)	(26)	76	58	-	-	-	-	140	45
Maldives and UAE	636	764	-	-	17	6	-	-	-	-	653	770
Portugal	2,588	28	-	-	-	-	-	-	-	-	2,588	28
Others	972	1,416	(401)	416	(66)	(17)	-	-	-	-	505	1,815
<b>Total</b>	<b>4,675</b>	<b>2,913</b>	<b>33</b>	<b>844</b>	<b>2,022</b>	<b>3,255</b>	<b>79</b>	<b>122</b>	<b>-</b>	<b>-</b>	<b>6,809</b>	<b>7,134</b>
<b>Total assets</b>											<b>108,453</b>	<b>98,381</b>
<b>Total liabilities</b>											<b>67,656</b>	<b>61,670</b>

**6 Segment information (Cont'd)**

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

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

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

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

Singapore - The Group operates food and beverage outlets.

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

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

The Portuguese Republic - The Group operates in hotel business.

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

**7 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash on hand	221,360,956	179,045,098	1,372,023	1,429,014
Cash at banks	4,177,400,470	3,812,832,869	100,140,105	447,437,248
Time deposits (maturity less than 3 months)	-	10,923,148	-	-
<b>Total cash and cash equivalents</b>	<b>4,398,761,426</b>	<b>4,002,801,115</b>	<b>101,512,128</b>	<b>448,866,262</b>

As at 31 December 2016, there was no balance for time deposits.

As at 31 December 2015, the average effective interest rate of time deposits was 6.5% per annum and had a maturity less than three months.

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Current</b>				
Trade receivables - third parties, gross	2,537,420,037	2,781,621,223	31,645,355	29,742,946
<u>Less</u> Provision for impairment of trade receivables	(158,973,785)	(103,509,691)	(251,653)	-
Trade receivables - third parties, net	2,378,446,252	2,678,111,532	31,393,702	29,742,946
Prepayments	565,225,393	500,831,511	5,955,585	12,289,211
Receivables from others	1,525,613,251	1,327,270,520	16,887,219	31,809,490

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

---

Receivables from related parties (Note 14)	<u>589,533,998</u>	<u>454,030,130</u>	<u>855,232,566</u>	<u>1,069,797,961</u>
Total trade and other receivables	<u>5,058,818,894</u>	<u>4,960,243,693</u>	<u>909,469,072</u>	<u>1,143,639,608</u>

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

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Not yet due	1,580,723,845	1,915,990,195	27,892,891	27,538,426
Overdue				
Under 90 days	506,929,245	437,872,525	1,677,660	755,835
91 days to 180 days	230,992,548	301,889,534	1,269,507	1,448,685
181 days to 365 days	184,307,008	66,757,538	805,297	-
Over 365 days	34,467,391	59,111,431	-	-
Trade receivables - third parties	2,537,420,037	2,781,621,223	31,645,355	29,742,946
<u>Less</u> Provision for impairment of trade receivables	(158,973,785)	(103,509,691)	(251,653)	-
Trade receivables - third parties, net	<u>2,378,446,252</u>	<u>2,678,111,532</u>	<u>31,393,702</u>	<u>29,742,946</u>
	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b><u>Non-current</u></b>				
Trade receivables long-term contracts	5,924,055,810	6,293,194,979	-	-
<u>Less</u> Unearned interest income	(885,449,069)	(1,259,023,117)	-	-
<u>Less</u> Provision for impairment of trade receivables	(329,724,205)	(102,960,591)	-	-
Trade receivables long-term contracts, net	<u>4,708,882,536</u>	<u>4,931,211,271</u>	<u>-</u>	<u>-</u>

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Restated Baht	2016 Baht	2015 Baht
Food and beverage	191,288,465	154,501,256	2,618,722	2,397,348
Finished goods (net with allowance)	856,309,978	689,202,994	-	-
Raw materials (net with allowance)	948,439,198	882,877,861	-	-
Work in process	67,053,871	62,322,259	-	-
Goods in transit	274,776,155	254,134,742	-	-
Supplies and others	424,765,918	345,634,502	3,181,288	4,390,294
Total inventories	<u>2,762,633,585</u>	<u>2,388,673,614</u>	<u>5,800,010</u>	<u>6,787,642</u>

The cost of inventories recognised as expense and included in cost of sales amounted to Baht 12,683 million (2015: Baht 10,592 million).

During 2016, Baht 22 million was recorded to the income statement for allowance for obsolete and damaged inventories (2015: Reversal of Baht 5 million).

**10 Land and real estates project for sales**

	<b>Consolidated financial statements</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>
Real estates	-	4,467,514,136
Residential units	2,294,068,446	2,937,515,629
Time sharing resort	254,575,439	101,967,654
<b>Total land and real estates project for sales</b>	<b>2,548,643,885</b>	<b>7,506,997,419</b>

For comparative purposes, the Group has reclassified other current assets as at 31 December 2015 to land and real estates project for sales for the amount of Baht 221 million to reflect current business operations.

The cost of land and real estates project sold and recognised during the year amounting to Baht 960 million (2015: Baht 1,216 million).

As at 31 December 2016, the Group has no commitment relating to the construction contracts of real estates project for sales (2015: Nil).

**11 Other current assets**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
Prepaid income tax	210,254,880	67,840,062	22,847,182	-
Other tax receivable	667,168,575	691,143,034	79,599,222	77,742,995
Deposits	69,982,628	19,728,301	-	-
Advance payments	177,163,343	119,225,977	13,424,992	120,000
Current portion of loans to other companies	6,746,306	7,076,484	-	-
Others	115,819,164	59,534,993	299,657	7,140,054
<b>Total other current assets</b>	<b>1,247,134,896</b>	<b>964,548,851</b>	<b>116,171,053</b>	<b>85,003,049</b>

For comparative purposes, the Group has reclassified other current assets as at 31 December 2015 to land and real estates project for sales for the amount of Baht 221 million to reflect current business operations

**12 General investments**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2016 Baht</b>	<b>2015 Restated Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
<b>Long-term investments</b>				
Available-for-sale investments	24,765,904	1,113,284,999	23,040,895	20,245,238
Held-to-maturity investment	100,000,000	100,000,000	100,000,000	100,000,000
General investments, net	44,306	27,695	-	-
<b>Total long-term investments</b>	<b>124,810,210</b>	<b>1,213,312,694</b>	<b>123,040,895</b>	<b>120,245,238</b>

12 General investments (Cont'd)

a) Available-for-sale investments in other companies

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Opening net book amount	1,113,284,999	1,202,415,524	20,245,238	217,265
Additions	43,349,777	228,077,394	-	20,000,000
Disposals	(86,100)	(827)	(86,100)	(827)
Change status to investment in associate (Note 13)	(887,498,067)	-	-	-
Revaluation gain previously recognised in other comprehensive income	(135,607,728)	-	-	-
Changes in fair value of investments	(88,748,708)	(377,286,485)	2,881,757	28,800
Translation adjustment	(19,928,269)	60,079,393	-	-
Closing net book amount	<u>24,765,904</u>	<u>1,113,284,999</u>	<u>23,040,895</u>	<u>20,245,238</u>

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Available-for-sale investment in other companies, cost	20,713,801	778,469,849	20,019,002	20,105,102
Changes in fair value of investments	4,052,103	228,327,822	3,021,893	140,136
Translation adjustment	-	106,487,328	-	-
Available-for-sale investments in other companies	<u>24,765,904</u>	<u>1,113,284,999</u>	<u>23,040,895</u>	<u>20,245,238</u>

b) Held-to-maturity investments

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Opening net book amount	100,000,000	100,000,000	100,000,000	100,000,000
Additions	-	-	-	-
Closing net book amount	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>

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

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

	Consolidated financial statements and Separate financial statements	
	2016 Baht	2015 Baht
Fair value	101,051,027	103,272,572

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

12 General investments (Cont'd)

c) General investments

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Restated Baht	2016 Baht	2015 Baht
Opening net book amount (as previously reported)	804,803,475	26,543	-	-
Retrospective adjustment of interest in joint venture (Note 36)	(804,775,780)	-	-	-
Opening net book amount (as restated)	27,695	26,543	-	-
Acquisition from investment in subsidiaries (Note 35)	7,445,960	-	-	-
Addition	16,611	1,152	-	-
Disposal	(7,445,960)	-	-	-
Closing net book amount	44,306	27,695	-	-

General investments as at 31 December comprise:

	Consolidated financial statements	
	2016 Baht	2015 Restated Baht
General investments, cost	2,684,857	2,668,246
<u>Less</u> Provision for impairment	(2,640,551)	(2,640,551)
General investments, net	44,306	27,695

13 Investments in subsidiaries, associates and interests in joint ventures

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Restated Baht	2016 Baht	2015 Baht
Subsidiaries	-	-	6,073,492,298	5,733,492,298
Associates	6,692,163,068	5,417,529,960	2,767,066,898	2,736,116,097
Interests in joint ventures	2,693,888,953	3,531,420,395	5,484,460	24,284,460
Total investments in subsidiaries, associates and interests in joint ventures	9,386,052,021	8,948,950,355	8,846,043,656	8,493,892,855

a) Investments in subsidiaries

	Separate financial statements	
	2016 Baht	2015 Baht
At 1 January	5,733,492,298	5,812,719,758
Additions	343,569,800	-
Disposals	-	(75,797,460)
Impairment charge	(3,569,800)	(3,430,000)
At 31 December	6,073,492,298	5,733,492,298

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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The Company recognised impairment of investment in a subsidiary of Baht 3.57 million for the year ended 31 December 2016.

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

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

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

Company	Nature of business	Country of incorporation	Separate financial statements	
			Investment portion (%)	
			31 December 2016	31 December 2015
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	81.24	81.24
Hua Hin Resort Limited	Sales of property	Thailand	100	100
Maerim Terrace Resort Limited	Hotel operation	Thailand	45.30 <sup>(1)</sup>	45.30 <sup>(1)</sup>
Samui Resort and Spa Limited	Hotel operation	Thailand	100	100
Rajadamri Hotel Public Company Limited	Hotel operation	Thailand	99.22	99.22
MI Squared Limited	Hotel operation	Thailand	100	100
Hua Hin Village Limited	Hotel operation	Thailand	100	100
Baan Boran Chiangrai Limited	Hotel operation	Thailand	100	100
Samui Village Limited	Hotel operation	Thailand	100	100
Coco Palm Hotel & Resort Limited	Hotel operation	Thailand	100	100
Coco Recreation Limited	Hotel operation	Thailand	100	100
Samui Beach Club Owner Limited	Hotel operation & rent of property	Thailand	100	100
The Minor Food Group Public Company Limited ("MFG")	Sales of food and beverage	Thailand	99.73	99.73
Royal Garden Plaza Limited	Shopping mall	Thailand	100	100
M Spa International Limited ("MST")	Spa services	Thailand	51 <sup>(2)</sup>	51 <sup>(2)</sup>
Samui Beach Residence Limited	Sales of property	Thailand	100	100
Coco Residence Limited	Sales of property	Thailand	100	100
Minor Hotel Group Limited ("MHG")	Management	Thailand	27.80 <sup>(3)</sup>	100
Minor Supply Chain Solutions Limited	Supply chain 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 <sup>(4)</sup>	91.35 <sup>(4)</sup>
RGR International Limited	Management	British Virgin Islands	100	100
R.G.E. (HKG) Limited	Management	Hong Kong	100	100
M&H Management Limited	Management	Republic of Mauritius	100	100
Lodging Investment (Labuan) Limited	Holding investment	Malaysia	100	100
Minor International (Labuan) Limited	Hotel operation	Malaysia	100	100
AVC Club Developer Limited	Vacation club point sales	Republic of Mauritius	100	100
AVC Vacation Club Limited	Vacation club point sales	Republic of Mauritius	100	100
Phuket Beach Club Owner Limited	Management	Thailand	100	100
MHG Phuket Limited	Hotel operation	Thailand	100	100
Minor Sky Rider Limited	Entertainment operation	Thailand	100	49 <sup>(5)</sup>
Minor Continental Holding (Mauritius)	Holding investment	Republic of Mauritius	100	100

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

a) Investments in subsidiaries (Cont'd)

- (1) Investment portion of 45.30% represents direct holding in Maerim Terrace Resort Limited. Another 25.84% indirect holding is invested through a subsidiary.
- (2) Investment portion of 51% represents direct holding in MST. Another 49% indirect holding is invested through a subsidiary.
- (3) Investment portion of 27.80% represent direct holding in MHG. Another 72.20% indirect holding is invested through a subsidiary.
- (4) Investment portion of 91.35% represents direct holding in MINOR. Another 8.57% indirect holding is invested through a subsidiary.
- (5) 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 2016	31 December 2015
<b><u>MFG's subsidiaries</u></b>				
Swensen's (Thai) Limited	Sales of food and beverage	Thailand	100	100
Minor Cheese Limited	Manufacturing and sales of cheese	Thailand	100	100
Minor Dairy Limited	Manufacturing and sales of ice-cream	Thailand	100	100
Minor DQ Limited	Sales of food and beverage	Thailand	100	100
Catering Associates Limited	Catering service	Thailand	51	51
Burger (Thailand) Limited	Sales of food and beverage	Thailand	97	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
The Pizza Company Ltd.	Franchise owner	Republic of Mauritius	100	100
<b><u>International Franchise Holding (Labuan) Limited's subsidiary</u></b>				
Franchise Investment Corporation of Asia Ltd.	Franchise owner	British Virgin Islands	100	100
<b><u>Franchise Investment Corporation of Asia Ltd.'s subsidiary</u></b>				
The Minor (Beijing) Restaurant Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	100

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

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

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>Primacy Investment Limited's subsidiaries</u></b>				
Delicious Food Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
Minor Food Group (Singapore) Pte. Ltd.	Sale of food and beverage	Singapore	100	100
MFG International Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
<b><u>MFG International Holding (Singapore) Pte. Ltd.'s subsidiaries</u></b>				
Over Success Enterprise Pte. Ltd.	Holding investment	Singapore	69.18	69.18
The Minor Food Group (India) Private Limited	Sale of food and beverage	Republic of India	70	70
The Minor Food Group (Myanmar) Limited	Sale of food and beverage	Republic of the Union of Myanmar	100	-
<b><u>Delicious Food Holding (Singapore) Pte. Ltd.'s subsidiaries</u></b>				
Delicious Food Holding (Australia) Pty. Ltd.	Holding investment	Australia	100	100
Delicious Food Australia Finance Pty. Ltd.	Management	Australia	100	100
MHG Hotel Holding Australia Pty. Ltd.	Holding investment	Australia	100	100
<b><u>Delicious Food Holding (Australia) Pty. Ltd.'s subsidiary</u></b>				
Minor DKL Food Group Pty. Ltd.	Holding investment	Australia	70	70
<b><u>Minor DKL Food Group Pty. Ltd.'s subsidiaries</u></b>				
Espresso Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club Investment Pty. Ltd.	Franchise owner	Australia	70	70
The Coffee Club Franchising Company Pty. Ltd.	Franchise business	Australia	70	70
The Coffee Club (NSW) Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club (Vic) Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club (Properties) Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club Properties (NSW) Pty. Ltd.	Property investment	Australia	70	70
The Coffee Club Pty. Ltd. (as trustee for The Coffee Club Unit Trust)	Franchise owner	Australia	70	70
The Coffee Club (International) Pty. Ltd.	Franchise owner	Australia	70	70
The Coffee Club (Korea) Pty. Ltd.	Franchise owner	Australia	70	70
The Coffee Club (Mena) Pty. Ltd.	Franchise owner	Australia	70	70
The Coffee Club (NZ) Pty. Ltd.	Franchise owner	Australia	70	70
First Avenue Company Pty. Ltd.	Sale of food and beverage	Australia	70	70
Ribs and Rumps Holding Pty. Ltd.	Holding investment	Australia	70	70
Minor DKL Construction Pty. Ltd.	Management services	Australia	70	70
Minor DKL Management Pty. Ltd.	Management services	Australia	70	70
Minor DKL Stores Pty. Ltd.	Sale of food and beverage	Australia	70	70
TCC Operations Pty. Ltd.	Sale of food and beverage	Australia	70	70
TGT Operations Pty. Ltd.	Sale of food and beverage	Australia	70	70
VGC Food Group Pty. Ltd.	Holding investment	Australia	49	49

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

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

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>Ribs and Rumps Holding Pty Ltd.'s subsidiaries</u></b>				
Ribs and Rumps Operating Company Pty. Ltd.	Sales of food and beverage	Australia	70	70
Ribs and Rumps Properties Pty. Ltd.	Sales of food and beverage	Australia	70	70
Ribs and Rumps International Pty. Ltd.	Sales of food and beverage	Australia	70	70
Ribs and Rumps System Pty. Ltd.	Franchise owner	Australia	70	70
<b><u>VGC Food Group Pty Ltd.'s subsidiaries</u></b>				
Veneziano Coffee Roasters Holdings Pty. Ltd.	Holding investment	Australia	49	49
Groove Train Holdings Pty. Ltd.	Holding investment	Australia	49	49
Coffee Hit Holdings Pty. Ltd.	Holding investment	Australia	49	49
VGC Management Pty. Ltd.	Management service	Australia	49	49
Veneziano Coffee Roasters Pty. Ltd.	Sales of food and beverage	Australia	49	49
Groove Train System Pty. Ltd.	Franchise owner	Australia	49	49
Veneziano Coffee Assets Pty. Ltd.	Assets investment	Australia	49	49
Groove Train Properties Pty. Ltd.	Property investment	Australia	49	49
Coffee Hit System Pty. Ltd.	Franchise owner	Australia	49	49
Coffee Hit Properties Pty. Ltd.	Property investment	Australia	49	49
Black Bag Roasters Pty. Ltd.	Sales of food and beverage	Australia	49	49
<b><u>MHG Hotel Holding Australia Pty. Ltd.'s subsidiary</u></b>				
Oaks Hotels & Resorts Limited ("OAKS")	Providing services for accommodation	Australia	100	100
<b><u>M Spa International Limited's subsidiaries</u></b>				
MSpa Ventures Limited	Spa services	British Virgin Islands	100	100
Minor Hotel Management (Shanghai) Limited	Spa services	People's Republic of China	100	100
<b><u>Minor Hotel Group Limited's subsidiaries</u></b>				
Hospitality Investment International Limited	Holding investment	British Virgin Islands	100	100
MHG International Holding (Singapore) Pte. Ltd.	Management	Singapore	100	100
MHG International Holding (Mauritius) Limited	Holding investment	Republic of Mauritius	100	100
MHG Holding Limited	Holding investment	Thailand	100	100
<b><u>MHG International Holding (Singapore) Pte. Ltd.'s subsidiaries</u></b>				
Vietnam Hotel Projekt B.V.	Holding investment	The Kingdom of the Netherlands	100	100
MHG Management (India) Private Limited	Hotel operation	Republic of India	100	100
MHG Australia Holding Pte. Ltd.	Management	Singapore	100	100
MHG IP Holding (Singapore) Pte. Ltd.	Management	Singapore	100	-

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

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

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>Vietnam Hotel Projekt BV's subsidiaries</u></b>				
Bai Dai Tourism Company Limited	Hotel operation	Vietnam	100	100
Hoi An Riverpark Hotel Company Limited	Hotel operation	Vietnam	91	91
<b><u>MHG Australia Holding Pte Ltd. (formerly "MHG IP Holding (Singapore) Limited")'s subsidiary</u></b>				
MHG Australia Investments Pty.Ltd.	Asset management	Australia	100	100
<b><u>MHG International Holding (Mauritius) Limited's subsidiaries</u></b>				
Sands Hotels Holdings (Namibia) (Proprietary) Limited	Hotel operation	Namibia	80	80
Minor Hotel Group Gaborone (Proprietary) Limited	Hotel operation	Botswana	64	64
Minor Hotel Group MEA DMCC	Hotel operation	The United Arab Emirates	100	100
MHG Desaru Hotel Sdn. Bhd.	Hotel operation	Malaysia	60	60
MHG Desaru Villas Sdn. Bhd.	Sale of property	Malaysia	60	60
Minor Hotels Zambia Limited (formerly "Sun International (Zambia) Limited") (Note 35)	Hotel operation	Zambia	100	-
<b><u>Minor Hotel Group Gaborone (Proprietary) Limited's subsidiaries</u></b>				
Letsatsi Casino (Pty) Ltd.	Hotel operation	Botswana	51	51
<b><u>Hospitality Investment International Limited's subsidiaries</u></b>				
Lodging Management (Labuan) Limited	Hotel management	Malaysia	100	100
Lodging Management (Mauritius) Limited	Hotel management	Republic of Mauritius	100	100
PT Lodging Management (Indonesia) Limited	Hotel management	Republic of Indonesia	93.3	93.3
Jada Resort and Spa (Private) Limited	Hotel operation	Sri Lanka	87.3	80.1
<b><u>Lodging Management (Mauritius) Limited's subsidiaries</u></b>				
Sothea Pte. Ltd.	Hotel operation	The Kingdom of Cambodia	80	80
Minor Hotel Group South Africa (PTY) Limited	Management	Republic of South Africa	100	100
<b><u>MI Squared Limited's subsidiaries</u></b>				
Rajadamri Residence Limited	Sales of property	Thailand	100	100
Rajadamri Lodging Limited	Hotel operation	Thailand	100	100
Star Traveller Limited	Tour operation	Thailand	49 <sup>(1)</sup>	100
<b><u>AVC Vacation Club Limited's subsidiaries</u></b>				
Anantara Vacation Club (HK) Limited	Marketing services	Hong Kong	100	100
AVC Vacation Club (Singapore) Pte.Ltd.	Sales & marketing services	Singapore	100	100
<b><u>AVC Club Developer Limited's subsidiaries</u></b>				
PT MHG Indonesia Limited	Sales & marketing services	Republic of Indonesia	.2	.2
PT MHG Bali Limited	Hotel and property development	Republic of Indonesia	.2	.2

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

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>Jada Resort and Spa (Private) Limited's subsidiaries</u></b>				
Paradise Island Resorts (Private) Limited	Hotel operation	Sri Lanka	87.3	80.1
Kalutara Luxury Hotel & Resort (Private) Limited	Hotel operation	Sri Lanka	87.3	80.1
<b><u>Paradise Island Resorts (Private) Limited's subsidiary</u></b>				
Avani Ambalangoda (Private) Limited	Hotel operation	Sri Lanka	87.3	80.1
<b><u>Anantara Vacation Club (HK) Limited's subsidiary</u></b>				
Sanya Anantara Consulting Limited	Consulting services	People's Republic of China	100	100
<b><u>MSPA Ventures Limited's subsidiary</u></b>				
M SPA International Cairo LLM	Spa services	Arab Republic of Egypt	100	100
<b><u>Minor Continental Holding (Mauritius)'s subsidiary</u></b>				
Minor Continental Holding (Luxembourg) S.A.R.L	Holding investment	Luxembourg	100	100
<b><u>Minor Continental Holding (Luxembourg) S.A.R.L's subsidiaries</u></b>				
Minor Continental Portugal, S.A (Note 35)	Real estate	Portuguese Republic	100	100
Pojuca S.A. (Note 35)	Hotel operation	Federative Republic of Brazil	100	100
<b><u>Minor Continental Portugal, S.A's subsidiaries</u></b>				
Marinoteis SA.	Hotel operation	Portuguese Republic	100	-
Coimbra Jardim Hotel SA.	Hotel operation	Portuguese Republic	100	-
Tivoli Gave do Oriente SA.	Hotel operation	Portuguese Republic	100	-
<b><u>Marinoteis SA's subsidiaries</u></b>				
Sotal SA.	Hotel operation	Portuguese Republic	100	-
Hotelagos SA.	Hotel operation	Portuguese Republic	100	-
<b><u>Pojuca SA's subsidiaries</u></b>				
Tivoli Ecoresidences Praia do Forte Ltda.	Real estate	Federative Republic of Brazil	100	100
Praia do Forte Operadora de Turismo Ltda.	Travel agency	Federative Republic of Brazil	100	100
Agência de Receptivo Praia do Forte Ltda.	Travel agency	Federative Republic of Brazil	100	100
Timeantube Comércio Ltda.	Distribution-hotel products	Federative Republic of Brazil	100	100

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>Minor Food Group (Singapore) Pte. Ltd.'s subsidiaries</u></b>				
BBZ Design International Pte. Ltd.	Sales of food and beverage	Singapore	100	100
YTF Pte. Ltd. (formerly "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
TEC Malaysia Sdn Bhd.	Sales of food and beverage	Malaysia	100	100
Riverside & Courtyard (International) Pte. Ltd. (formerly "TE International (China) Pte. Ltd.")	Sales of food and beverage	Singapore	100	100
Element Spice Cafe Pte. Ltd.	Sales of food and beverage	Singapore	100	100
<b><u>MINOR's subsidiaries</u></b>				
Armin Systems Limited	Distribution - kitchen utensils, garment and shoes	Thailand	100	100
NMT Limited	Manufacturing services - consumer products	Thailand	100	100
Minor Development Limited	Property development	Thailand	100	100
Minor Consultants & Services Limited	Distribution - luggage	Thailand	100	100
Red Earth Thai Limited	Distribution - cosmetics and perfume	Thailand	100	100
Esmido Fashions Limited	Distribution - garments	Thailand	90.8	90.8
Marvelous Wealth Limited	Holding investment	British Virgin Islands	100	100

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>OAKS's subsidiaries</u></b>				
Boathouse Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Calypso Plaza Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Concierge Apartments Australia Pty. Ltd.	Providing services for accommodation	Australia	100	100
Goldsbrough Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
MINT RESIDENTIAL PTY LTD (formerly -IMPROPERITY Pty. Ltd.)	Providing services for accommodation	Australia	100	100
MH Management (Qld) Pty. Ltd. (formerly -Oaks Hotels & Resorts (Qld) Pty. Ltd.)	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (NSW) No. 1 Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Management (NSW) Pty. Ltd. (formerly -Oaks Hotels & Resorts (NSW) No. 2 Pty. Ltd.)	Providing services for accommodation	Australia	100	100
MH Management (SA) Pty. Ltd. (formerly -Oaks Hotels & Resorts (SA) Pty. Ltd.)	Providing services for accommodation	Australia	100	100
MH Management (VIC) Pty. Ltd. (formerly -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
The Oaks Resorts & Hotels 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
Oaks Hotels & Resorts NZ 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.	Holding investment	Australia	100	100
Oaks Hotels and Resorts No.4 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Management) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Leasing (Collins) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels and Resorts (NT) Pty. Ltd.	Asset management	Australia	100	100
Oaks Hotels & Resorts Asset Holding Pty. Ltd.	Providing services for accommodation	Australia	100	80



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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>MH Management (Qld) Pty Ltd (formerly Oaks Hotels &amp; Resorts (Qld) Pty Ltd.)'s subsidiaries</u></b>				
Queen Street Property Management Pty Ltd.	Providing services for accommodation	Australia	100	100
Mon Komo Management Pty Ltd.	Providing services for accommodation	Australia	100	80
Oasis Caloundra Management Pty Ltd.	Providing services for accommodation	Australia	100	80
Oaks Hotels & Resorts (Regis Towers) Pty Ltd.	Providing services for accommodation	Australia	100	100
Emerald Holdings Investments Pty Ltd.	Providing services for accommodation	Australia	100	100
ACN 153 970 944 Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Mon Komo) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Carlyle Mackay) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Milton) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Carlyle Lessee) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Radius) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Rivermarque) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks (M on Palmer) Management Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Prince Place) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Moranbah) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Mews) Pty Ltd.	Providing services for accommodation	Australia	100	80
Oaks Queensland Holdings Pty Ltd.	Providing services for accommodation	Australia	100	100
ACN 153 490 227 Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (M on Palmer Apartments) Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Queensland Holdings Pty Ltd.'s subsidiaries</u></b>				
Queensland Nominee Management Pty Ltd.	Providing services for accommodation	Australia	100	80
Wrap No. 1 Pty Ltd.	Providing services for accommodation	Australia	100	-
<b><u>Emerald Holdings Investments Pty Ltd.'s subsidiary</u></b>				
Emerald Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resorts (Carlyle Mackay) Pty Ltd.'s subsidiary</u></b>				
Mackay (Carlyle) Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resorts (Milton) Pty Ltd.'s subsidiary</u></b>				

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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Brisbane (Milton) Management Pty.Ltd.	Providing services for accommodation	Australia	100	80
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13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>Brisbane (Milton) Management Pty Ltd's subsidiary</u></b>				
The Milton Residences Pty Ltd.	Providing services for accommodation	Australia	100	100
<b><u>Oaks Hotels &amp; Resorts (Carlyle Lessee) Pty Ltd's subsidiary</u></b>				
Mackay (Carlyle) Lessee Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resorts (Radius) Pty Ltd's subsidiary</u></b>				
Brisbane (Radius) Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resorts (Rivermarque) Pty Ltd's subsidiary</u></b>				
Mackay (Rivermarque) Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resorts (Prince Place) Pty Ltd's subsidiary</u></b>				
Middlemount (Prince Place) Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resorts (Moranbah) Pty Ltd's subsidiary</u></b>				
Moranbah Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resorts (Mews) Pty Ltd's subsidiary</u></b>				
Mews Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>MH Management (NSW) Pty Ltd (formerly "Oaks Hotels &amp; Resorts (NSW) No 2 Pty Ltd")'s subsidiaries</u></b>				
Oaks Hotels & Resorts (NSW) Pty Ltd.	Providing services for accommodation	Australia	100	100
Pacific Blue Management Pty Ltd.	Providing services for accommodation	Australia	100	100
Regis Towers Management Pty Ltd.	Providing services for accommodation	Australia	100	80
Oaks Hotels & Resorts (Hunter Valley) Pty Ltd.	Providing services for accommodation	Australia	100	100
<b><u>Oaks Hotels &amp; Resorts (NSW) Pty Ltd's subsidiaries</u></b>				
183 on Kent Management Pty Ltd.	Providing services for accommodation	Australia	100	100
187 Kent Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Cable Beach) Pty Ltd.	Providing services for accommodation	New Zealand	100	100
<b><u>Oaks Hotels &amp; Resorts (Cable Beach) Pty Ltd's subsidiary</u></b>				
361 Kent Pty Ltd.	Providing services for accommodation	Australia	100	100
<b><u>Oaks Hotels &amp; Resorts (Hunter Valley) Pty Ltd's subsidiaries</u></b>				
Hunter Valley (CL) Management Pty Ltd.	Providing services for accommodation	Australia	100	80
Hunter Valley (CL) Leases Pty Ltd.	Providing services for accommodation	Australia	100	100
<b><u>Hunter Valley (CL) Management Pty Ltd's subsidiary</u></b>				

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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Hunter Valley (CL) Memberships Pty.Ltd.	Providing services for accommodation	Australia	100	100
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13 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>MH Management (VIC) Pty Ltd (formerly -Oaks Hotels &amp; Resorts (VIC) Pty Ltd-)s subsidiaries</u></b>				
Pacific Hotel Market Street Pty Ltd.	Providing services for accommodation	Australia	100	100
Cable Beach Management Pty Ltd.	Providing services for accommodation	Australia	100	100
MH Residential (leasing) Pty Ltd. (formerly -Oaks Hotels & Resorts (Shafto) Pty Ltd-)	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Pinnacle) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Operator (VIC) Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (VIC) Letting Pty Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Leasing (VIC) Pty Ltd.	Providing services for accommodation	Australia	100	100
<b><u>Oaks Hotels &amp; Resorts (Pinnacle) Pty Ltd.s subsidiary</u></b>				
Exclusive Pinnacle Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resorts NZ Ltd.s subsidiaries</u></b>				
187 Cashel Management Limited	Providing services for accommodation	New Zealand	100	100
187 Cashel Apartments Ltd.	Providing services for accommodation	New Zealand	100	100
Oaks Cashel Management Ltd.	Providing services for accommodation	New Zealand	100	100
Housekeepers (NZ) Ltd.	Providing services for accommodation	New Zealand	100	100
<b><u>Oaks Hotels &amp; Resorts Investments Pty Ltd.s subsidiary</u></b>				
Tidal Swell Pty Ltd.	Providing services for accommodation	Australia	100	100
<b><u>Oaks Hotels &amp; Resorts No 4 Pty Ltd.s subsidiary</u></b>				
Grand (Gladstone) Management Pty Ltd.	Providing services for accommodation	Australia	100	80
<b><u>Oaks Hotels &amp; Resort Leasing (VIC) Pty Ltd.s subsidiary</u></b>				
Accom (VIC) Pty Ltd.	Providing services for accommodation	Australia	100	-
<b><u>Accom (VIC) Pty Ltd.s subsidiary</u></b>				
Accom Melbourne Pty Ltd.	Providing services for accommodation	Australia	100	-

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

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

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b><u>Wrap No 1 Pty Ltd's subsidiary</u></b>				
Wrap Management Pty. Ltd.	Providing services for accommodation	Australia	100	-
<b><u>Oaks Hotels &amp; Resorts (VIC) Letting Pty Ltd's subsidiary</u></b>				
Wrap No 2 Pty. Ltd.	Providing services for accommodation	Australia	100	-
<b><u>Wrap No 2 Pty Ltd's subsidiary</u></b>				
Wrap Letting Pty. Ltd.	Providing services for accommodation	Australia	100	-
<b><u>Over Success Enterprise's subsidiaries</u></b>				
Beijing Qian Bai Ye Investment Consultation Ltd.	Holding investment	People's Republic of China	69.18	69.18
Beijing Riverside & Courtyard Investment Management Ltd.	Holding investment	People's Republic of China	69.18	69.18
Beijing Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Longkai Catering Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Three Two One Fastfood Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing JiangShang Catering Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Yunyu Catering Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Jianshan Rundai Catering Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Xiejia Catering Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Dejianhua Catering Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Bashu Chun Qiu Restaurant	Sales of food and beverage	People's Republic of China	69.18	69.18
Feng Sheng Ge Restaurant	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Tiankong Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Shanghai Riverside & Courtyard Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Shanghai Riverside & Courtyard & Gongning Catering Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Shanghai Yi Ye Qing Zhou Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Shanghai Riverside & Courtyard Zhenbai Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Beijing Yanggaang Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Jinan Riverside & Courtyard Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Tianjin Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Suzhon Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
<b>Over Success Enterprises subsidiaries</b> (Cont'd)				
Nanjing Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Shenyang Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Wuhan Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Nantong Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Yangzhou Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Red Matches Catering Ltd. (formerly "Beijing Honghouchai Catering Co., Ltd.")	Sales of food and beverage	People's Republic of China	69.18	69.18
Hangzhou Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Dalian Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	69.18
Zhenjiang Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	69.18	-

Significant changes in investments in subsidiaries for the year ended 31 December 2016 comprise:

**Minor Global Solutions Limited**

During the first quarter of 2016, the Company additionally invested in Minor Global Solutions Limited of 300,000 shares with a par value of Baht 100, totalling Baht 30 million. The investment portion has still been 100% interest.

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

During the first quarter of 2016, a subsidiary of the Group additionally invested in Jada Resort and Spa (Private) Limited of 78,729,784 shares with a par value of LKR 10, totalling LKR 787.3 million or equivalent to Baht 190 million. The investment portion has changed from 80.1% to 87.3%.

**Burger (Thailand) Limited**

During the first quarter of 2016, a subsidiary of the Group additionally invested in Burger (Thailand) Limited of 1,500,000 shares with a par value of Baht 100, totalling Baht 150 million. The investment portion has changed from 95% to 97%.

**The Minor Food Group (Myanmar) Limited**

During the first quarter of 2016, a subsidiary of the Group invested in The Minor Food Group (Myanmar) Limited, a new established company, of 975,000 shares with a par value of USD 1, totalling USD 975,000 or equivalent to Baht 34 million, representing 100% interest.

**Oaks Hotels & Resorts Limited ("OAKS")**

During the first quarter of 2016, OAKS reached the settlement with non-controlling interest in certain properties, consequently the investment portion of such properties changed from 80% to 100%.

**Minor Sky Rider Limited**

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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During the second quarter of 2016, the Company additionally invested in Minor Sky Rider Limited of 35,698 shares with a par value of Baht 100, totalling Baht 3.57 million. The investment portion has changed from 49% to 100%.

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

a) Investments in subsidiaries (Cont'd)

**Hua Hin Village Limited**

During the third quarter of 2016, the Company additionally invested in Hua Hin Village Limited of 3,000,000 shares with a par value of Baht 100, totalling Baht 300 million. The investment portion has still been 100% interest.

**Tivoli Group (in the Portugese Republic)**

The subsidiary was acquired in the first quarter of 2016, details of acquisition are described in Note 35.

**WRAP companies and M on Palmer business**

The subsidiaries were acquired in the third quarter of 2016, details of acquisition are described in Note 35.

**Minor Hotels Zambia Limited (formerly "Sun International Zambia) Limited")**

The subsidiary was acquired in the third quarter of of 2016, details of acquisition are described in Note 35.

**MHG International Holding (Singapore) Pte. Ltd.**

During the first and the third quarter of 2016, a subsidiary of the Group additionally invested in MHG International Holding (Singapore) Pte. Ltd. of 4,830,000 shares with a par value of USD 1, totalling USD 4.8 million or equivalent to Baht 172 million. The investment portion has still been 100% interest.

**Minor Hotel Group Limited ("MHG")**

During the fourth quarter of 2016, the Company additionally invested in Minor Hotel Group Limited of 100,000 shares with a par value of Baht 100, totalling Baht 10 million from the new-issued common shares of 0.88 million shares with a par value of Baht 100, totalling Baht 88 million. This investment portion has changed from 100% to 27.8%. However, this company has still been a subsidiary of the Group because another 72.2% interest was invested through other subsidiary of the Group.

**Summarised financial information for subsidiaries**

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

**Summarised statement of financial position**

	As at 31 December 2016			
	Sun International (Botswana) (Proprietary) Limited Baht 000	Over Success Enterprise Pte. Ltd. Baht 000	Oaks Hotels & Resorts Limited Baht 000	Total Baht 000
<b>Current</b>				
Assets	392,628	655,481	632,903	1,681,012
Liabilities	48,019	405,922	394,868	848,809
<b>Total current net assets</b>	<b>344,609</b>	<b>249,559</b>	<b>238,035</b>	<b>832,203</b>
<b>Non-current</b>				
Assets	225,439	490,313	5,159,243	5,874,995
Liabilities	31,222	93,331	1,786,253	1,910,806
<b>Total non-current net assets</b>	<b>194,217</b>	<b>396,982</b>	<b>3,372,990</b>	<b>3,964,189</b>
<b>Net assets</b>	<b>538,826</b>	<b>646,541</b>	<b>3,611,025</b>	<b>4,796,392</b>
<b>Accumulated NCI</b>	<b>717,146</b>	<b>445,295</b>	<b>1,201,649</b>	<b>2,364,090</b>



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

a) Investments in subsidiaries (Cont'd)

Summarised statement of comprehensive income

	For the year ended 31 December 2016			
	Sun International (Botswana) (Proprietary) Limited Baht'000	Over Success Enterprise Pte. Ltd. Baht'000	Oaks Hotels & Resorts Limited Baht'000	Total Baht'000
Revenue	505,401	2,584,705	3,533,838	6,623,944
Post-tax profit from continuing operations	62,906	192,069	408,194	663,169
Other comprehensive income	-	-	-	-
Total comprehensive income	62,906	192,069	408,194	663,169
Total comprehensive income allocated to non- controlling interests	22,646	59,196	122,458	204,300

Summarised statement of cash flows

	For the year ended 31 December 2016			
	Sun International (Botswana) (Proprietary) Limited Baht'000	Over Success Enterprise Pte. Ltd. Baht'000	Oaks Hotels & Resorts Limited Baht'000	Total Baht'000
Net cash generated from operating activities	(197,725)	416,408	348,842	567,525
Net cash used in investing activities	247,988	(2,072)	(98,089)	147,827
Net cash used in financing activities	(17,819)	-	(270,467)	(288,286)
Net increase(decrease) in cash and cash equivalents	32,444	414,336	(19,714)	427,066

b) Investments in associates

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	5,417,529,960	5,519,035,440	2,736,116,097	2,395,106,833
Additions	40,670,200	656,124,871	30,950,801	390,003,238
Disposals	(30,462,810)	(57,814,375)	-	(48,993,974)
Change status to investment in subsidiary	-	(1,063,677,719)	-	-
Change status from available-for-sale investments (Note 12)	1,023,105,795	-	-	-
Share of profit of investments in associates	472,229,292	757,318,201	-	-
Dividends received	(230,909,369)	(393,456,458)	-	-
At 31 December	6,692,163,068	5,417,529,960	2,767,066,898	2,736,116,097

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

b) Investments in associates (Cont'd)

Investments in associates are as follows:

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2016	31 December 2015
Arabian Spa (Dubai) (LLC)	Spa services	United Arab Emirates	49	49
Eutopia Private Holding Limited	Hotel operation	Republic of Maldives	50	50
Tanzania Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	50	50
Zanzibar Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	50	50
Sizzler China Pte. Ltd.	Franchise owner	Singapore	50	50
Select Service Partner Limited	Sales of food and beverage	Thailand	51 <sup>(1)</sup>	51 <sup>(1)</sup>
Harbour View Corporation Limited	Hotel operation	Vietnam	30.4	30.4
Zuma Bangkok Limited	Sales of food and beverage	Thailand	51 <sup>(2)</sup>	51 <sup>(2)</sup>
S&P Syndicate Public Company Limited ("S&P")	Sales of food and beverage	Thailand	35.7	35.5
Rani Minor Holding Limited	Hotel operation	United Arab Emirates	25	25
Serendib Hotels PLC	Hotel operation	Sri Lanka	22.7	22.7
MHG Lesotho (Proprietary) Limited (formerly "Sun International of Lesotho (Proprietary) Limited")	Hotel operation	Lesotho	37.5	37.5
Veneziano Coffee (NSW) Pty. Ltd.	Sales of food and beverage	Australia	30.8	30.8
Veneziano (SA) Pty. Ltd.	Sales of food and beverage	Australia	17.5	17.5
NYE and RGP Development Co., Ltd.	Real estate	Thailand	40	-
Breadtalk Group Limited	Sales of food and beverage	Singapore	14.1	-

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

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

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

b) Investments in associates (Cont'd)

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2016	31 December 2015
<b><u>Tanzania Tourism and Hospitality Investment Limited's subsidiaries</u></b>				
Elewana Afrika (T) Limited	Hotel operation	United Republic of Tanzania	50	50
Elewana Afrika Limited	Holding investment	Kenya	50	50
Trilogy Limited	Holding investment	United Republic of Tanzania	50	50
<b><u>Zanzibar Tourism and Hospitality Investment Limited's subsidiaries</u></b>				
Elewana Afrika (Z) Limited	Hotel operation	United Republic of Tanzania	50	50
The Grande Stone Town Limited	Hotel operation	United Republic of Tanzania	50	50
<b><u>Elewana Afrika (T) Limited's subsidiary</u></b>				
Moru Holdings Limited (Serengeti Pioneer Camp)	Hotel operation	United Republic of Tanzania	50	50
<b><u>Trilogy Limited's subsidiary</u></b>				
Cheli & Peacock Safaris (Tanzania) Limited	Tour operator	United Republic of Tanzania	50	50
<b><u>Elewana Afrika Limited's subsidiaries</u></b>				
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
Cheli & Peacock Limited	Tour operator	Kenya	50	50
Cheli & Peacock Management Limited	Management	Kenya	50	50
Tortilis Camp Limited	Hotel operation	Kenya	50	50
Elsa's Kopje Limited	Hotel operation	Kenya	50	50
Joy's Camp Limited	Hotel operation	Kenya	50	50
Elephant Pepper Camp Limited	Hotel operation	Kenya	37	37
<b><u>Flora Holding Limited's subsidiary</u></b>				
Parrots Limited	Hotel operation	Kenya	50	50
<b><u>The Grande Stone Town Limited's subsidiary</u></b>				
Parachichi Limited	Hotel operation	United Republic of Tanzania	50	50
<b><u>Rani Minor Holding Limited's subsidiaries</u></b>				
Indigo Bay SA	Hotel operation	Republic of Mozambique	25	25
Cabo Delgado Hoteis & Resorts, Lda	Hotel operation	Republic of Mozambique	25	25
<b><u>Select Service Partner Limited's subsidiary</u></b>				
Select Service Partner (Cambodia) Limited	Sale of food and beverage	The Kingdom of Cambodia	51	51
<b><u>MHG Lesotho (Proprietary) Limited's subsidiary</u></b>				
Avani Lesotho (Proprietary) Limited	Hotel operation	Lesotho	37.5	37.5

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	Separate financial statements	
			Investment portion (%)	
			31 December 2016	31 December 2015
S&P Syndicate Public Company Limited	Sales of food and beverage	Thailand	35.7	35.5

Significant changes in investments in associates for the year ended 31 December 2016 comprise:

**S&P Syndicate Public Company Limited**

During 2016, the Company additionally invested in S&P Syndicate Public Company Limited ("S&P") of 3,569,450 shares, totalling Baht 30.95 million. The investment portion in S&P changed from 35.5% to 35.7%.

**NYE and RGP Development Co., Ltd.**

During the first quarter of 2016, a subsidiary of the Group invested in NYE and RGP Development Co., Ltd., a new established company, of 40,000 shares with a par value of Baht 10, totalling Baht 0.4 million, representing 40% interest.

**Breadtalk Group Limited (in Singapore)**

During the second quarter of 2016, investment in Breadtalk Group Limited which was previously classified as available for sale investment has changed classification to investment in associate following the change in the board of directors, which enables the Group to have significant influence over the associate, according to the related financial reporting standards. The Group recorded fair value of the investment on status changing date as cost of investment in the associate amounting to Baht 1,023.11 million. The Group recognised gain on revaluation of investment amounting to Baht 135.61 million, which were included in other comprehensive income in shareholders' equity, to profit for the period, according to relevant financial reporting standards.

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

Details of the investment were as follows:

	Baht'000
Purchase price considerations	1,023,106
Book value of net assets under interest acquired	539,251
Excess of acquisition cost over net assets acquired	483,855

During the third quarter of 2016, the Company acquired additional shares of Breadtalk Group Limited of 349,300 shares, totalling Baht 9.3 million. The investment portion in Breadtalk Group Limited changed from 13.98% to 14.10%.

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

**b) Investments in associates (Cont'd)**

**Summarised financial information for associates**

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

S&P is the listed company in the Stock Exchange of Thailand ("SET"). S&P will announce its financial information for the year ended 31 December 2016 later than the Group; therefore, its 2016 financial information is not currently disclosed. For the purpose of this disclosure only, the Group use the most recent publically available financial information of S&P which is the information for the period ended 30 September 2016.

Breadtalk Group Limited (in Singapore) is the listed company in Singapore Exchange ("SGX"). Breadtalk Group Limited (in Singapore) will announce its financial information for the year ended 31 December 2016 later than the Group; therefore, its 2016 financial information is not currently disclosed. For the purpose of this disclosure only, the Group use the most recent publically available financial information of Breadtalk Group Limited (in Singapore) which is the information for the period ended 30 September 2016.

For the consolidated financial statements for the year ended 31 December 2016, the Group uses S&P and Breadtalk Group Limited (in Singapore) financial information for the year then ended to apply equity method.

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

b) Investments in associates (Cont'd)

Summarised statement of financial position

	As at 30 September 2016		As at 31 December 2016	
	S&P Syndicate Public Company Limited Baht:000	Breadtalk Group Limited Baht:000	Eutopia Private Holding Limited Baht:000	Total Baht:000
<b>Current assets</b>				
Cash and cash equivalents	502,220	2,790,063	119,220	3,411,503
Other current assets	825,426	1,760,449	269,286	2,855,161
<b>Total current assets</b>	<b>1,327,646</b>	<b>4,550,512</b>	<b>388,506</b>	<b>6,266,664</b>
<b>Non-current assets</b>	<b>2,237,597</b>	<b>8,543,771</b>	<b>1,784,793</b>	<b>12,566,161</b>
<b>Total assets</b>	<b>3,565,243</b>	<b>13,094,283</b>	<b>2,173,299</b>	<b>18,832,825</b>
<b>Current liabilities</b>				
Financial liabilities (excluding trade payables)	14,098	750,032	-	764,130
Other current liabilities (including trade payables)	983,249	4,358,156	254,922	5,596,327
<b>Total current liabilities</b>	<b>997,347</b>	<b>5,108,188</b>	<b>254,922</b>	<b>6,360,457</b>
<b>Non-current liabilities</b>				
Financial liabilities	24,914	2,162,300	343,975	2,531,189
Other non-current liabilities	209,126	2,199,923	975	2,410,024
<b>Total non-current liabilities</b>	<b>234,040</b>	<b>4,362,223</b>	<b>344,950</b>	<b>4,941,213</b>
<b>Total liabilities</b>	<b>1,231,387</b>	<b>9,470,411</b>	<b>599,872</b>	<b>11,301,670</b>
<b>Net assets</b>	<b>2,333,856</b>	<b>3,623,872</b>	<b>1,573,427</b>	<b>7,531,155</b>

The fair value of S&P shares held by the Group is computed by using closing price announced by SET.

As at 31 December 2016, the fair value of S&P shares is Baht 4,459.14 million (2015: Baht 4,870.82 million) and the carrying amount of the Group's interest was Baht 3,025.04 million (2015: Baht 2,979.10 million).

The fair value of Breadtalk Group Limited (in Singapore) shares held by the Group is computed by using closing price announced by SGX. As at 31 December 2016, the fair value of Breadtalk Group Limited (in Singapore) shares is Baht 1,143.63 million and the carrying amount of the Group's interest was Baht 1,085.08 million.

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

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

b) Investments in associates (Cont'd)

Summarised statement of comprehensive income

	For the nine-month period ended 30 September 2016		For the year ended 31 December 2016	
	S&P Syndicate Public Company Limited Baht 000	Breadtalk Group Limited Baht 000	Eutopia Private Holding Limited Baht 000	Total Baht 000
Revenue	5,737,782	11,506,486	1,896,433	19,140,700
Post-tax profit from continuing operations	347,481	292,376	246,206	886,063
Other comprehensive income	(22,344)	(44,513)	-	(66,857)
Total comprehensive income	325,137	247,863	246,206	819,206
Dividends received from associates	174,641	14,837	-	189,478

Reconciliation of summarised financial information

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

	For the nine-month period ended 30 September 2016		For the year ended 31 December 2016	
	S&P Syndicate Public Company Limited Baht 000	Breadtalk Group Limited Baht 000	Eutopia Private Holding Limited Baht 000	Total Baht 000
<b>Summarised financial information</b>				
Opening net assets 1 January	2,499,127	3,631,462	1,336,611	7,467,200
Profit for the year	347,481	292,376	246,206	886,063
Foreign exchange differences	(22,344)	(12,782)	(9,390)	(44,516)
Dividend paid	(490,408)	(287,183)	-	(777,591)
Closing net assets	2,333,856	3,623,873	1,573,427	7,531,156
Interest portion as a Group	35.7%	14.1%	50.0%	
Interest in associates	833,187	510,966	786,714	2,130,867
Goodwill	2,161,357	483,855	(55,120)	2,590,092
Carrying amount	2,994,544	994,821	731,594	4,720,959

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

b) Investments in associates (Cont'd)

Individually immaterial associates

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

	<b>2016</b>
	<b>Baht 000</b>
Aggregate carrying amount of individually immaterial associates	1,853,208
Aggregate amounts of the reporting entity's share of:	
Profit from continuing activities	111,207
Total comprehensive income	111,207

c) Interests in joint ventures

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2016</b>	<b>2015 Restated</b>	<b>2016</b>	<b>2015</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Opening net book amount (as previously reported)	2,726,644,615	1,301,182,990	24,284,460	24,284,460
Restrospective adjustment of interest in joint venture (Note 36)	804,775,780	-	-	-
Opening net book amount (as restated)	3,531,420,395	1,301,182,990	24,284,460	24,284,460
Additions	234,519,735	1,663,568,082	-	-
Share of profit of interests in joint ventures	119,625,870	594,854,136	-	-
Dividends received	(19,141,400)	(15,885,763)	-	-
Reclassify to assets held for sales	-	(12,198,142)	-	-
Change status to investment in subsidiaries (Note 35)	(1,169,488,352)	-	-	-
Impairment on investment in joint ventures	(3,047,295)	-	(18,800,000)	-
Translation adjustment	-	(100,908)	-	-
At 31 December	<u>2,693,888,953</u>	<u>3,531,420,395</u>	<u>5,484,460</u>	<u>24,284,460</u>

For the year ended 31 December 2016, the Group recognised provision for impairment on investment in a joint venture, Maikhao Vacation Villas Limited of Baht 18.80 million in the separate financial statements and Baht 3.05 million in the consolidated financial statements.

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

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

The jointly controlled entities are:

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2016	31 December 2015
Maikhao Vacation Villas Limited	Sales of right-to-use in time sharing resort	Thailand	50	50
Mysale.co.th Limited	Distribution	Thailand	50.1	50.1
Harbour Residences Oaks Ltd.	Providing services for accommodation	New Zealand	50	50
Per Aquum Management JLT	Hotel management	The United Arab Emirates	50	50
Per Aquum Maldives Private Limited	Hotel management	The Republic of the Maldives	50	50
PH Resorts (Private) Ltd.	Hotel operation	Sri Lanka	49.9	49.9
MHG Deep Blue Financing	Management	Republic of Mauritius	50	50
O Plus E Holdings Private Limited	Holding investment	The Republic of the Maldives	50	50
Pecan Deluxe (Thailand) Co. Ltd.	Manufacturing food ingredients	Thailand	49.9	49.9
The Food Theory Group Pte. Ltd.	Sales of food and beverage	Singapore	50	50
Liwa Minor Food & Beverage LLC	Sales of food and beverage	The United Arab Emirates	49	49
Rani Minor Holding II Limited	Holding company	The United Arab Emirates	49	49
MSC Thai Cuisine Co., Ltd.	Food academy	Thailand	40	40
BTM (Thailand) Ltd.	Sales of food and beverage	Thailand	50	50
MHG Npark Development Company Limited	Sales of property	Thailand	50	50
MHG Signity Assets Holding (Mauritius) Limited	Holding company	Republic of Mauritius	50	50
Grab Food Ltd. ("Grab")	Sales of food and beverage	The United Kingdom	(1)	(1)
Minor Hotels Zambia Limited (formerly "Sun International (Zambia) Limited")	Hotel operation	Zambia	-	50
Patara Fine Thai Cuisine Limited	Sales of food and beverage	The United Kingdom	50	50
PT Wika Realty Minor Development	Hotel operation	Republic of Indonesia	50	50
MHG GP Pte. Ltd.	Holding company	Singapore	50	-
2015 CM Investors Corporation	Holding company	Cayman Islands	50	50

(1) A subsidiary of the Group provided a loan facility to Bangkok Living Ltd. ("BLL"), which held 100% of Grab's share capital. BLL used Grab's ordinary shares as collateral and the Group had the right to exercise the share purchase option. As the Group has the jointly control as agreed in agreement; therefore, this loan is treated as the investment in joint venture of the Group.

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

c) Interests in joint ventures (Cont'd)

Company under the joint venture is as follow:

Consolidated financial statements				
Company	Nature of business	Country of incorporation	Interests portion as a Group (%)	
			31 December 2016	31 December 2015
<b><u>Rani Minor Holding II Limited's subsidiary</u></b>				
Fenix Projectos e Investimentos Limitada	Hotel operation	Republic of Mozambique	49	49
<b><u>The Food Theory Group Pte. Ltd.'s joint venture</u></b>				
Ya Hua Investment Pte. Ltd.	Sales of food and beverage	Singapore	25	-
<b><u>MHG GP Pte. Ltd.'s joint venture</u></b>				
Bodhi Hotel Resort Pvt. Ltd.	Hotel operation	India	25	-
Separate financial statements				
Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2016	31 December 2015
Maikhao Vacation Villas Limited	Sales of right-to-use in time sharing resort	Thailand	50	50

Significant changes in interests in joint ventures for the year ended 31 December 2016 comprise:

**PT Wika Realty Minor Development**

During the year 2016, a subsidiary of the Group additionally invested in PT Wika Realty Minor Development of 42,500 shares with a par value of IDR 1 million, totalling IDR 42,500 million or equivalent to Baht 112 million, representing 50% interest as a Group.

**Ya Hua Investment Pte. Ltd.**

During the year 2016, a joint venture of the Group jointly invested in Ya Hua Investment Pte. Ltd., a new established company, of 175,000 shares with a par value of SGD 1, totalling SGD 175,000 or equivalent to Baht 4 million, representing 25% interest as a Group.

**MHG GP Pte. Ltd.**

During the year 2016, a subsidiary of the Group invested in MHG GP Pte. Ltd., a new established company, of 1,082,289 shares with a par value of USD 1, totalling USD 1,082,289 or equivalent to Baht 30 million, representing 38% interest as a Group.

**Patara Fine Thai Cuisine Limited**

During the year 2016, a subsidiary of the Group additionally invested in Patara Fine Thai Cuisine Limited of 750,000 shares with a par value of GBP 1, totalling GBP 750,000 or equivalent to Baht 38 million. The investment portion has still been 50% interest.

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

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

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

c) Interests in joint ventures (Cont'd)

**Summarised financial information for joint ventures**

Set out below are the summarised financial information of joint ventures as at 31 December 2016, which in the opinion of the management, are material to the Group. They have amended the reflect adjustments made by the Group when using equity method, including modifications for difference in accounting policy.

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

**Summarised statement of financial position**

	<b>As at 31 December 2016</b>			
	<b>2015 CM Investors Corporation Baht'000</b>	<b>PH Resorts (Private) Ltd. Baht'000</b>	<b>Fenix Projectos e Investimentos Limitada Baht'000</b>	<b>Total Baht'000</b>
<b>Current assets</b>				
Cash and cash equivalents	-	31,881	40,952	72,833
Other current assets (excluding cash)	2,050,217	149,757	-	186,548
<b>Total current assets</b>	<b>2,050,217</b>	<b>181,638</b>	<b>40,952</b>	<b>259,381</b>
<b>Non-current assets</b>	-	1,455,986	7,068	3,476,480
<b>Total assets</b>	<b>2,050,217</b>	<b>1,637,624</b>	<b>48,020</b>	<b>3,735,861</b>
<b>Current liabilities</b>				
Other current liabilities (including trade payables)	36,791	67,276	47,706	151,773
<b>Total current liabilities</b>	<b>36,791</b>	<b>67,276</b>	<b>47,706</b>	<b>151,773</b>
<b>Non-current liabilities</b>				
Financial liabilities (excluding trade payables)	-	801,193	-	801,193
Other liabilities	-	59,787	-	59,787
<b>Total non-current liabilities</b>	-	<b>860,980</b>	-	<b>860,980</b>
<b>Total liabilities</b>	<b>36,791</b>	<b>928,256</b>	<b>47,706</b>	<b>1,012,753</b>
<b>Net assets</b>	<b>2,013,426</b>	<b>709,368</b>	<b>314</b>	<b>2,723,108</b>

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

c) Interests in joint ventures (Cont'd)

Summarised statement of comprehensive income

	For the year ended 31 December 2016			
	2015 CM Investors Corporation Baht 000	PH Resorts (Private) Ltd. Baht 000	Fenix Proyectos e Inversiones Limitada Baht 000	Total Baht 000
Revenue	440,665	264,279	260,119	965,063
Depreciation and amortisation	-	64,842	6,759	71,601
Interest expense	-	23,669	-	23,669
Profit or loss from continuing operations	403,874	(56,123)	90,821	438,572
Income tax expense	-	4,811	-	4,811
Post-tax profit or loss from continuing operations	403,874	(90,368)	90,821	404,327
Total comprehensive income	403,874	(90,368)	90,821	404,327

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

Reconciliation of summarised financial information

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

	For the year ended 31 December 2016			
	2015 CM Investors Corporation Baht 000	PH Resorts (Private) Ltd. Baht 000	Fenix Proyectos e Inversiones Limitada Baht 000	Total Baht 000
Opening net assets				
1 January	1,608,987	928,935	(90,507)	2,447,415
Profit (loss) for the year	403,874	(90,368)	90,821	404,327
Foreign exchange difference	565	(129,199)	-	(128,634)
Closing net assets	2,013,426	709,368	314	2,723,108
Interests in joint venture	50.0%	49.9%	50.0%	
Carrying amount	1,006,713	353,974	157	1,360,844
Goodwill	-	32,119	235,665	267,784
Carrying amount, net	1,006,713	386,093	235,822	1,628,628

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

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

**Individually immaterial joint ventures**

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

	<b>2016</b>
	<b>Baht 000</b>
Aggregate carrying amount of individually immaterial joint ventures	1,065,262
Aggregate amounts of the reporting entity's share of:	
Loss from continuing activities	(99,915)
Total comprehensive expense	(99,915)

**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.

14 Related party transactions (Cont'd)

The following transactions were carried out with related parties:

14.1 Sales of goods and services

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Sales of food and beverage</b>				
Associates	188,824,192	156,631,793	-	-
Joint ventures	12,205,154	3,416,239	-	-
Related parties	-	2,560	-	-
Total sales of food and beverage	<u>201,029,346</u>	<u>160,050,592</u>	-	-
<b>Sales of residence</b>				
Related parties	205,471,602	295,476,180	-	-
Total sales of residence	<u>205,471,602</u>	<u>295,476,180</u>	-	-
<b>Rental income</b>				
Subsidiaries	-	-	38,861,796	42,729,150
Associates	2,936,673	-	-	-
Joint ventures	5,692,975	3,881,936	-	-
Related parties	77,510	69,444	-	-
Total rental income	<u>8,707,158</u>	<u>3,951,380</u>	<u>38,861,796</u>	<u>42,729,150</u>
<b>Management fee income</b>				
Subsidiaries	-	-	257,291,757	252,423,105
Associates	263,921,821	244,640,944	2,826,686	3,505,980
Joint ventures	106,547,890	112,259,813	1,880,460	1,215,848
Related parties	4,383,111	4,254,317	-	-
Total management fee income	<u>374,852,822</u>	<u>361,155,074</u>	<u>261,998,903</u>	<u>257,144,933</u>
Management fee income is mainly from hotel, information system and finance management.				
<b>Dividends income</b>				
Subsidiaries	-	-	1,599,889,778	1,314,315,306
Associates	216,072,713	393,456,458	174,641,060	149,918,348
Joint ventures	19,141,400	15,885,763	-	-
Total dividends income	<u>235,214,113</u>	<u>409,342,221</u>	<u>1,774,530,838</u>	<u>1,464,233,654</u>
<b>Interest income</b>				
Subsidiaries	-	-	1,425,200,058	1,387,765,427
Associates	38,376,150	39,508,144	-	-
Joint ventures	62,417,096	41,875,451	-	-
Total interest income	<u>100,793,246</u>	<u>81,383,595</u>	<u>1,425,200,058</u>	<u>1,387,765,427</u>

14 Related party transactions (Cont'd)

14.1 Sales of goods and services (Cont'd)

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Other income</b>				
Subsidiaries	-	-	5,843,160	4,273,476
Associates	77,355	22,436	-	-
Joint ventures	7,684,659	1,579,436	-	2,868
Related parties	650	-	-	-
Total other income	<u>7,762,664</u>	<u>1,601,872</u>	<u>5,843,160</u>	<u>4,276,344</u>

14.2 Purchase of goods and services

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Purchases</b>				
Associates	77,095,951	82,554,902	-	-
Joint ventures	73,924,975	6,358,766	-	-
Related parties	356,286,094	1,286,124,939	-	-
Total purchases	<u>507,307,020</u>	<u>1,375,038,607</u>	<u>-</u>	<u>-</u>
<b>Rental expenses</b>				
Subsidiaries	-	-	60,461,655	79,094,777
Related parties	24,831,579	21,768,292	-	-
Total rental expenses	<u>24,831,579</u>	<u>21,768,292</u>	<u>60,461,655</u>	<u>79,094,777</u>
<b>Management fee expenses</b>				
Subsidiaries	-	-	70,278,953	59,963,759
Total management fee expenses	<u>-</u>	<u>-</u>	<u>70,278,953</u>	<u>59,963,759</u>
<b>Royalty fee</b>				
Subsidiaries	-	-	1,488,045	614,788
Total royalty fee expenses	<u>-</u>	<u>-</u>	<u>1,488,045</u>	<u>614,788</u>
<b>Interest expenses</b>				
Subsidiaries	-	-	31,112,845	34,007,032
Total interest expenses	<u>-</u>	<u>-</u>	<u>31,112,845</u>	<u>34,007,032</u>
<b>Other expenses</b>				
Subsidiaries	-	-	2,540,321	49,507
Joint ventures	643,988	474,427	-	1,058
Related parties	22,266,779	51,247,944	13,253,396	22,877,694
Total other expenses	<u>22,910,767</u>	<u>51,722,371</u>	<u>15,793,717</u>	<u>22,928,259</u>

**Management remuneration**

Management benefit expenses of the Group and the Company for the year ended 31 December 2016 Baht 210,311,985 and Baht 93,947,259 respectively (2015: Baht 252,287,331 and Baht 79,350,107,

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 financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Receivables from:</b>				
Subsidiaries	-	-	842,839,031	1,048,256,140
Associates	328,669,159	353,636,108	4,754,996	21,518,631
Joint ventures	257,805,330	95,776,757	7,632,231	21,929
Related parties	3,059,509	4,617,265	6,308	1,261
Total receivables from related parties	<u>589,533,998</u>	<u>454,030,130</u>	<u>855,232,566</u>	<u>1,069,797,961</u>
<b>Payables to:</b>				
Subsidiaries	-	-	40,848,843	24,350,951
Associates	12,814,841	14,968,385	3,162	-
Joint ventures	14,099,483	2,065,014	-	-
Related parties	109,216,429	117,164,578	1,803,646	4,826,589
Total payables to related parties	<u>136,130,753</u>	<u>134,197,977</u>	<u>42,655,651</u>	<u>29,177,540</u>

14.4 Long-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Long-term loans to related parties:</b>				
Subsidiaries	-	-	39,243,653,377	34,221,547,173
Associates	1,239,465,885	1,067,877,483	-	-
Joint ventures	4,499,167,813	4,085,082,938	-	-
Total long-term loans to related parties	<u>5,738,633,698</u>	<u>5,152,960,421</u>	<u>39,243,653,377</u>	<u>34,221,547,173</u>

14 Related party transactions (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Subsidiaries</b>				
At 1 January	-	-	34,221,547,173	29,122,936,682
Additions	-	-	5,034,712,050	4,945,834,876
Unrealised (loss) gain on exchange rate	-	-	(12,605,846)	152,775,615
At 31 December	-	-	<u>39,243,653,377</u>	<u>34,221,547,173</u>
<b>Associates</b>				
At 1 January	1,067,877,483	931,994,998	-	-
Additions	226,216,067	54,463,558	-	-
Reclassification	32,732,120	-	-	-
Settlement	(76,106,979)	-	-	-
Translation adjustment	(11,252,806)	81,418,927	-	-
At 31 December	<u>1,239,465,885</u>	<u>1,067,877,483</u>	-	-
<b>Joint ventures</b>				
At 1 January	4,085,082,938	2,498,062,024	-	-
Additions	685,567,551	1,379,314,981	-	-
Settlement	(244,197,148)	(23,904,969)	-	-
Translation adjustment	(27,285,528)	231,610,902	-	-
At 31 December	<u>4,499,167,813</u>	<u>4,085,082,938</u>	-	-

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

14.5 Borrowings from related parties

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Short-term borrowings from related parties</b>				
Subsidiaries	-	-	2,317,923,667	1,542,893,032
Associates	-	18,795,000	-	-
Total short-term borrowing	-	-	-	-
From related parties	-	<u>18,795,000</u>	<u>2,317,923,667</u>	<u>1,542,893,032</u>

14 Related party transactions (Cont'd)

14.5 Borrowings from related parties (Cont'd)

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Subsidiaries</b>				
At 1 January	-	-	1,542,893,032	1,991,660,154
Additions	-	-	775,030,635	-
Settlements	-	-	-	(448,767,122)
At 31 December	-	-	2,317,923,667	1,542,893,032
	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Associates</b>				
At 1 January	18,795,000	-	-	-
Additions	-	18,795,000	-	-
Settlements	(18,795,000)	-	-	-
At 31 December	-	18,795,000	-	-

Short-term borrowings from subsidiaries and an associate 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.

Treasury Center

The Company, as a Treasury Center in accordance with the Notification of the Ministry of Finance, provides an array of financial management services to the Group, including the provision of loan facilities to promote the Group liquidity, and acting as a financial facilitator on behalf of the Group, in Thailand and overseas. In 2016, the provision of loan facilities of the Treasury Centre to the overseas entities in the Group is Baht 875,975,225 or equivalent to USD 24,447,617. The Company has no use any financial derivative or financial instruments on such loans.

15 Land and projects under development

	Consolidated financial statements	
	2016 Baht	2015 Baht
Opening net book amount	-	1,118,950,542
Additions:		
Construction and other related costs	-	771,718,973
Borrowing cost	-	39,689,889
Transfer to land and real estates project for sales	-	(1,893,697,787)
Transfer to property, plant and equipment (Note 17)	-	(36,661,617)
Total land and projects under development	-	-
		<b>Consolidated financial statements Baht Million</b>

Commitments in respect of construction contracts and purchases of assets

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

as at 31 December 2016

Commitments in respect of construction contracts and purchases of assets  
as at 31 December 2015

**16 Investment properties**

	<b>Consolidated financial statements</b>		
	<b>Land and land improvement Baht</b>	<b>Buildings and building improvement Baht</b>	<b>Total Baht</b>
<b>At 1 January 2015</b>			
Cost	57,227,186	1,296,626,445	1,353,853,631
<u>Less</u> Accumulated depreciation	(921,338)	(1,038,399,228)	(1,039,320,566)
Net book amount	<u>56,305,848</u>	<u>258,227,217</u>	<u>314,533,065</u>
Fair value			<u>1,139,886,050</u>
<b>For the year ended 31 December 2015</b>			
Opening net book amount	56,305,848	258,227,217	314,533,065
Additions	-	363,555,623	363,555,623
Disposals, net	-	(107,585)	(107,585)
Write-offs, net	-	(12,711)	(12,711)
Depreciation	(117,198)	(48,669,764)	(48,786,962)
Closing net book amount	<u>56,188,650</u>	<u>572,992,780</u>	<u>629,181,430</u>
<b>As at 31 December 2015</b>			
Cost	57,227,186	1,656,447,558	1,713,674,744
<u>Less</u> Accumulated depreciation	(1,038,536)	(1,083,454,778)	(1,084,493,314)
Net book amount	<u>56,188,650</u>	<u>572,992,780</u>	<u>629,181,430</u>
Fair value			<u>746,137,271</u>
<b>For the year ended 31 December 2016</b>			
Opening net book amount	56,188,650	572,992,780	629,181,430
Additions	-	8,668,361	8,668,361
Disposals, net	-	(77,078)	(77,078)
Transferred to other account	-	(793,038)	(793,038)
Transferred from property and equipment	-	350,826,230	350,826,230
Depreciation	(116,798)	(64,653,487)	(64,770,285)
Closing net book amount	<u>56,071,852</u>	<u>866,963,768</u>	<u>923,035,620</u>
<b>As at 31 December 2016</b>			
Cost	57,227,186	2,014,049,949	2,071,277,135
<u>Less</u> Accumulated depreciation	(1,155,334)	(1,147,086,181)	(1,148,241,515)
Net book amount	<u>56,071,852</u>	<u>866,963,768</u>	<u>923,035,620</u>
Fair value			<u>1,426,901,000</u>

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

**16 Investment properties (Cont'd)**

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

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

The Group disclosed the balance of investment property which is reclassified as Level 3. During 2016, the Group engaged external valuer for revaluation due to the maturity of revaluation according to the Group's policy.

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

**Group's valuation processes**

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

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

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

	<b>2016 Baht</b>	<b>2015 Baht</b>
Rental income	363,716,284	313,912,593
Direct operating expense arise from investment property that generated rental income	64,770,287	48,786,962

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

**17 Property, plant and equipment**

	Consolidated financial statements - Baht							
	Land and land improvement	Buildings and fitting equipment	Building and leasehold improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
<b>At 1 January 2015</b>								
Cost	2,798,715,918	16,876,229,970	7,499,131,049	11,069,709,240	264,719,590	1,432,942,748	2,446,760,276	42,388,208,791
<u>Less</u> Accumulated depreciation	(252,192,449)	(5,985,501,048)	(3,220,663,850)	(7,126,491,201)	(184,372,115)	(611,132,919)	-	(17,380,353,582)
<u>Less</u> Provision for impairment	-	(141,785)	(12,899,275)	(4,963,948)	-	-	-	(18,005,008)
Net book amount	<u>2,546,523,469</u>	<u>10,890,587,137</u>	<u>4,265,567,924</u>	<u>3,938,254,091</u>	<u>80,347,475</u>	<u>821,809,829</u>	<u>2,446,760,276</u>	<u>24,989,850,201</u>
<b>For the year ended 31 December 2015</b>								
Opening net book amount	2,546,523,469	10,890,587,137	4,265,567,924	3,938,254,091	80,347,475	821,809,829	2,446,760,276	24,989,850,201
Additions	429,109,335	1,463,027,163	502,039,080	683,406,635	29,886,469	95,349,305	2,972,926,784	6,175,744,771
Acquisition from investment in subsidiaries, net	2,701,578,082	3,635,775,254	181,860,847	451,789,344	16,844,025	275,804,613	70,843,563	7,334,495,728
Disposals, net	(31,534,296)	(7,304,884)	(40,622,953)	(23,637,806)	(13)	(20,662,187)	(859,716)	(124,621,855)
Write-offs, net	(55,228)	(17,926,751)	(36,807,125)	(7,389,380)	-	(3,416,521)	(7,763,471)	(73,358,476)
Reclassification	(55,364,932)	65,971,174	701,330,446	639,845,603	14,817,539	24,205,078	(1,390,804,908)	-
Transfer from project land and under development (Note 15)	-	24,091,869	-	12,569,748	-	-	-	36,661,617
Transfer to assets held for sales	(65,159,086)	(249,861,324)	-	-	-	-	-	(315,020,410)
Transfer from (to) other accounts	-	(2,497,109)	86,755,944	31,073,178	-	(572,350)	(23,311,493)	91,448,170
Depreciation charge	(18,492,278)	(688,133,481)	(785,964,983)	(1,028,831,024)	(32,394,507)	(121,529,097)	-	(2,675,345,370)
Impairment reversal (charge)	-	141,785	2,009,092	(16,242,247)	-	-	-	(14,091,370)
Translation adjustment	(191,882,910)	(40,351,332)	17,103,868	(30,421,703)	2,175,873	(10,095,011)	8,706,311	(244,764,904)
Closing net book amount	<u>5,314,722,156</u>	<u>15,073,519,501</u>	<u>4,893,272,140</u>	<u>4,650,416,439</u>	<u>111,676,861</u>	<u>1,060,893,659</u>	<u>4,076,497,346</u>	<u>35,180,998,102</u>
<b>At 31 December 2015</b>								
Cost	5,582,007,336	22,144,699,419	8,856,130,706	13,110,265,944	345,490,441	1,867,440,997	4,076,497,346	55,982,532,189
<u>Less</u> Accumulated depreciation	(267,285,180)	(7,071,179,918)	(3,900,354,368)	(8,438,643,310)	(233,813,580)	(803,206,341)	-	(20,714,482,697)
<u>Less</u> Provision for impairment	-	-	(62,504,198)	(21,206,195)	-	(3,340,997)	-	(87,051,390)
Net book amount	<u>5,314,722,156</u>	<u>15,073,519,501</u>	<u>4,893,272,140</u>	<u>4,650,416,439</u>	<u>111,676,861</u>	<u>1,060,893,659</u>	<u>4,076,497,346</u>	<u>35,180,998,102</u>

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

Consolidated financial statements - Baht								
	Land and land improvement	Buildings and fitting equipment	Building and leasehold improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
<b>For the year ended 31 December 2016</b>								
Opening net book amount (as previously reported)	4,393,857,594	14,680,603,891	4,893,272,140	4,650,416,439	111,676,861	1,060,893,659	4,076,497,346	33,867,217,930
Retrospective adjustment of fair value (Note 36)	920,864,562	392,915,610	-	-	-	(167,160,903)	-	1,146,619,269
Opening net book amount (as restated)	5,314,722,156	15,073,519,501	4,893,272,140	4,650,416,439	111,676,861	893,732,756	4,076,497,346	35,013,837,199
Additions	148,503,437	382,302,570	400,437,460	946,999,424	53,044,304	343,121,810	2,574,648,612	4,849,057,617
Acquisition from investment in subsidiaries (Note 35)	4,200,766,060	4,433,831,143	57,542,454	227,751,975	9,410,654	107,294,755	7,717,293	9,044,314,334
Disposals, net	(5,950,330)	(101,817,658)	(25,273,619)	(79,067,510)	(5,120,776)	(26,856,748)	(63,737,825)	(307,824,466)
Write-offs, net	(208,087)	(2,997,166)	(82,907,077)	(20,750,068)	(5,205,198)	(2,981,787)	(310,845)	(115,360,228)
Reclassification	27,526,539	1,490,663,235	1,160,126,737	1,368,050,793	4,585,397	108,381,382	(4,159,334,083)	-
Transferred to investment properties (Note 16)	-	-	-	-	-	-	(350,826,230)	(350,826,230)
Transfer to assets held for sales	(18,698,685)	(67,243,482)	-	-	-	-	-	(85,942,167)
Transfer from (to) other accounts	1,104,452,022	3,319,626,206	62,355,226	31,880,852	-	(361,920)	(46,483,702)	4,471,468,684
Depreciation charge	(20,174,660)	(1,020,994,914)	(896,158,411)	(1,211,456,671)	(35,759,160)	(155,177,102)	-	(3,339,720,918)
Impairment reversal (charge)	-	(75,580,317)	29,820,173	10,477,503	-	1,844,142	-	(33,438,499)
Translation adjustment	(215,082,738)	(194,176,954)	(51,789,561)	25,997,587	(21,307)	(5,904,954)	(5,694,800)	(446,672,727)
Closing net book amount	<u>10,535,855,714</u>	<u>23,237,132,164</u>	<u>5,547,425,522</u>	<u>5,950,300,324</u>	<u>132,610,775</u>	<u>1,263,092,334</u>	<u>2,032,475,766</u>	<u>48,698,892,599</u>
<b>At 31 December 2016</b>								
Cost	10,852,923,869	33,540,411,509	10,025,356,051	15,470,878,258	378,474,223	3,688,137,883	2,032,475,766	75,988,657,559
<u>Less</u> Accumulated depreciation	(317,068,155)	(10,227,699,028)	(4,446,139,394)	(9,509,886,858)	(245,863,448)	(2,423,592,853)	-	(27,170,249,736)
<u>Less</u> Provision for impairment	-	(75,580,317)	(31,791,135)	(10,691,076)	-	(1,452,696)	-	(119,515,224)
Net book amount	<u>10,535,855,714</u>	<u>23,237,132,164</u>	<u>5,547,425,522</u>	<u>5,950,300,324</u>	<u>132,610,775</u>	<u>1,263,092,334</u>	<u>2,032,475,766</u>	<u>48,698,892,599</u>

Depreciation expense of Baht 2,134,465,001 (2015: Baht 1,574,758,207) has been charged in cost of sales and services, Baht 1,147,360,244 (2015: Baht 1,027,010,126) in selling expenses and Baht 57,895,673 (2015: Baht 47,327,600) in administrative expenses.

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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

	Separate financial statements - Baht							Total
	Land and land improvement	Buildings	Building improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	
<b>At 1 January 2015</b>								
Cost	10,011,983	607,281,213	118,558,675	546,147,144	32,441,513	16,650,571	5,428,796	1,336,519,895
Less Accumulated depreciation	(382,142)	(497,137,770)	(73,380,088)	(409,213,513)	(28,143,113)	(12,453,848)	-	(1,020,710,474)
Less Provision for impairment	-	(141,785)	-	-	-	-	-	(141,785)
Net book amount	<u>9,629,841</u>	<u>110,001,658</u>	<u>45,178,587</u>	<u>136,933,631</u>	<u>4,298,400</u>	<u>4,196,723</u>	<u>5,428,796</u>	<u>315,667,636</u>
<b>For the year ended 31 December 2015</b>								
Opening net book amount	9,629,841	110,001,658	45,178,587	136,933,631	4,298,400	4,196,723	5,428,796	315,667,636
Additions	-	-	7,466,901	7,773,006	-	30,299	1,174,378	16,444,584
Disposals, net	-	-	-	(9)	-	-	-	(9)
Write-offs, net	-	(224,883)	(270,136)	(5,747)	-	-	-	(500,766)
Reclassification	-	-	1,391,268	-	-	-	(1,391,268)	-
Transfer to other accounts	-	-	-	(32,042)	-	-	(1,077,378)	(1,109,420)
Depreciation charge	(33,093)	(29,116,361)	(13,058,899)	(38,128,288)	(3,041,458)	(253,494)	-	(83,631,593)
Impairment reversal	-	141,785	-	-	-	-	-	141,785
Closing net book amount	<u>9,596,748</u>	<u>80,802,199</u>	<u>40,707,721</u>	<u>106,540,551</u>	<u>1,256,942</u>	<u>3,973,528</u>	<u>4,134,528</u>	<u>247,012,217</u>
<b>At 31 December 2015</b>								
Cost	10,011,983	606,798,444	126,537,592	551,273,075	32,441,513	16,680,870	4,134,528	1,347,878,005
Less Accumulated depreciation	(415,235)	(525,996,245)	(85,829,871)	(444,732,524)	(31,184,571)	(12,707,342)	-	(1,100,865,788)
Net book amount	<u>9,596,748</u>	<u>80,802,199</u>	<u>40,707,721</u>	<u>106,540,551</u>	<u>1,256,942</u>	<u>3,973,528</u>	<u>4,134,528</u>	<u>247,012,217</u>
<b>For the year ended 31 December 2016</b>								
Opening net book amount	9,596,748	80,802,199	40,707,721	106,540,551	1,256,942	3,973,528	4,134,528	247,012,217
Additions	-	-	13,126,571	51,670,468	14,619,037	4,483,617	40,267,724	124,167,417
Disposals, net	-	-	-	(57,163)	(422,338)	-	(15,852,024)	(16,331,525)
Write-offs, net	-	-	-	(45)	(26,321)	-	-	(26,366)
Reclassification	-	-	3,119,061	1,595,962	-	25,915	(4,740,938)	-
Depreciation charge	(34,108)	(28,748,935)	(14,966,887)	(38,289,930)	(3,103,851)	(191,403)	-	(85,335,114)
Closing net book amount	<u>9,562,640</u>	<u>52,053,264</u>	<u>41,986,466</u>	<u>121,459,843</u>	<u>12,323,469</u>	<u>8,291,657</u>	<u>23,809,290</u>	<u>269,486,629</u>
<b>At 31 December 2016</b>								
Cost	10,011,983	606,798,444	142,783,224	596,576,490	20,579,369	21,190,403	23,809,290	1,421,749,203
Less Accumulated depreciation	(449,343)	(554,745,180)	(100,796,758)	(475,116,647)	(8,255,900)	(12,898,746)	-	(1,152,262,574)
Net book amount	<u>9,562,640</u>	<u>52,053,264</u>	<u>41,986,466</u>	<u>121,459,843</u>	<u>12,323,469</u>	<u>8,291,657</u>	<u>23,809,290</u>	<u>269,486,629</u>

17 Property, plant and equipment (Cont'd)

Borrowing cost amounting to Baht 71.50 million is from loan for construction of building and has been recorded as part of cost of the asset and included in addition of assets. The Group applied capitalised interest rate of 4% per annum in calculation of borrowing cost to be included in cost of the assets.

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cost - capitalised finance leases	31,865,702	32,167,643	-	-
<u>Less</u> Accumulated depreciation	(7,102,567)	(4,218,803)	-	-
Net book amount	<u>24,763,135</u>	<u>27,948,840</u>	<u>-</u>	<u>-</u>

A subsidiary of the Group has mortgaged building amounting to AUD 100.7 million or equivalent to Baht 2,610.8 million (2015: AUD 100.3 million or equivalent to Baht 2,637.2 million) to secure loans with foreign banks (Note 21).

**Capital commitments**

	Consolidated financial statements	
	Baht Million	AUD Million
Commitments in respect of building renovation contracts and purchases of equipment as at 31 December 2016	157.3	14.6
Commitments in respect of building renovation contracts and purchases of equipment as at 31 December 2015	327.1	13.2

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

**18 Intangible assets**

	Consolidated financial statements - Baht								
	Management letting rights	Intellectual property right	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Computer software under installation	Total
<b>At 1 January 2015</b>									
Cost	3,857,498,047	603,307,145	165,872,242	159,114,564	6,148,720,301	1,255,787,500	1,034,574,382	168,769,246	13,393,643,427
Less Accumulated amortisation	(526,702,622)	(39,494,340)	(162,627,206)	(118,631,087)	(391,808,040)	-	(569,141,696)	-	(1,808,404,991)
Less Provision for impairment	-	-	(12,445)	(1,855,372)	(128,983,077)	-	(4,735)	-	(130,855,629)
Net book amount	<u>3,330,795,425</u>	<u>563,812,805</u>	<u>3,232,591</u>	<u>38,628,105</u>	<u>5,627,929,184</u>	<u>1,255,787,500</u>	<u>465,427,951</u>	<u>168,769,246</u>	<u>11,454,382,807</u>
<b>For the year ended 31 December 2015</b>									
Opening net book amount	3,330,795,425	563,812,805	3,232,591	38,628,105	5,627,929,184	1,255,787,500	465,427,951	168,769,246	11,454,382,807
Additions	160,751,877	-	165,480	16,191,091	-	2,828,350	37,787,953	89,350,335	307,075,086
Acquisition from investment in subsidiaries (Note 35)	127,434,500	-	-	-	1,977,382,933	4,359,155,565	9,227,115	-	6,473,200,113
Disposals, net	(25,620,912)	-	-	-	-	-	(988,249)	(2,055,234)	(28,664,395)
Write-offs, net	-	-	-	(394,862)	(8,986,040)	-	(1,689,281)	(330,675)	(11,400,858)
Reclassification	-	-	-	-	-	-	20,871,736	(20,871,736)	-
Transfer from (to) other account	-	-	-	-	1,314,180	-	14,156,130	(229,887)	15,240,423
Amortisation charge	(89,867,013)	(33,168,086)	(192,626)	(6,930,515)	-	-	(128,023,515)	-	(258,181,755)
Impairment reversal	-	-	-	-	-	-	3,446	-	3,446
Translation adjustment	(66,545,019)	26,543,743	122,169	(308,478)	(114,093,693)	95,055,154	1,064,357	-	(58,161,767)
Closing net book amount	<u>3,436,948,858</u>	<u>557,188,462</u>	<u>3,327,614</u>	<u>47,185,341</u>	<u>7,483,546,564</u>	<u>5,712,826,569</u>	<u>417,837,643</u>	<u>234,632,049</u>	<u>17,893,493,100</u>
<b>At 31 December 2015</b>									
Cost	4,038,243,491	629,850,888	166,037,722	174,910,793	8,004,337,681	5,712,826,569	1,155,994,968	234,632,049	20,116,834,161
Less Accumulated amortisation	(601,294,633)	(72,662,426)	(162,697,663)	(125,870,080)	(391,808,040)	-	(738,136,214)	-	(2,092,469,056)
Less Provision for impairment	-	-	(12,445)	(1,855,372)	(128,983,077)	-	(21,111)	-	(130,872,005)
Net book amount	<u>3,436,948,858</u>	<u>557,188,462</u>	<u>3,327,614</u>	<u>47,185,341</u>	<u>7,483,546,564</u>	<u>5,712,826,569</u>	<u>417,837,643</u>	<u>234,632,049</u>	<u>17,893,493,100</u>

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

**18 Intangible assets (Cont'd)**

Consolidated financial statements - Baht									
	Management letting rights	Intellectual property right	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Computer software under installation	Total
<b>For the year ended 31 December 2016</b>									
Opening net book amount (as previously reported)	3,436,948,858	557,188,462	3,327,614	47,185,341	10,223,789,983	1,620,583,772	417,837,643	234,632,049	16,541,493,722
Retrospective adjustment of fair value (Note 36)	-	-	-	-	(2,740,243,419)	4,092,242,797	-	-	1,351,999,378
Opening net book amount (as restated)	3,436,948,858	557,188,462	3,327,614	47,185,341	7,483,546,564	5,712,826,569	417,837,643	234,632,049	17,893,493,100
Additions	70,433,117	-	-	24,889,461	-	-	101,156,506	128,651,168	325,130,252
Acquisition from investment in subsidiaries (Note 35)	514,246,913	-	-	-	56,420,427	4,958,013	-	-	575,625,353
Disposals, net	-	-	-	-	-	-	(5,183,599)	(218,200)	(5,401,799)
Write-offs, net	-	-	-	-	-	-	(1,362,338)	-	(1,362,338)
Reclassification	-	-	-	-	-	-	56,412,280	(56,412,280)	-
Transfer from (to) other account	-	-	-	2,940,085	-	-	6,506,388	(5,590,753)	3,855,720
Amortisation charge	(104,866,343)	(23,499,764)	(215,861)	(9,710,798)	-	-	(137,891,445)	-	(276,184,211)
Impairment charge	(3,371,706)	-	-	-	(24,792,777)	(801)	(35,712)	-	(28,200,996)
Translation adjustment	(45,408,034)	(44,682,450)	(13,701)	790,554	134,275,532	(47,332,941)	(935,002)	(151,707)	(3,457,749)
Closing net book amount	<u>3,867,982,805</u>	<u>489,006,248</u>	<u>3,098,052</u>	<u>66,094,643</u>	<u>7,649,449,746</u>	<u>5,670,450,840</u>	<u>436,504,721</u>	<u>300,910,277</u>	<u>18,483,497,332</u>
<b>At 31 December 2016</b>									
Cost	4,569,301,642	585,168,438	166,037,722	199,800,254	8,195,033,639	5,670,451,641	1,281,041,800	300,910,277	20,967,745,413
Less Accumulated amortisation	(697,947,131)	(96,162,190)	(162,927,225)	(131,850,239)	(391,808,039)	-	(844,480,256)	-	(2,325,175,080)
Less Provision for impairment	(3,371,706)	-	(12,445)	(1,855,372)	(153,775,854)	(801)	(56,823)	-	(159,073,001)
Net book amount	<u>3,867,982,805</u>	<u>489,006,248</u>	<u>3,098,052</u>	<u>66,094,643</u>	<u>7,649,449,746</u>	<u>5,670,450,840</u>	<u>436,504,721</u>	<u>300,910,277</u>	<u>18,483,497,332</u>

Amortisation of Baht 133,543,399 (2015: Baht 117,220,004) has been charged in the cost of sales and services, Baht 33,163,408 (2015: Baht 54,841,764) in selling expenses and Baht 109,477,404 (2015: Baht 86,119,987) in administrative expenses.

Minor International Public Company Limited  
Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 December 2016

18 Intangible assets (Cont'd)

	Separate financial statements - Baht		
	Computer software	Computer software under installation	Total
<b>At 1 January 2015</b>			
Cost	40,138,908	-	40,138,908
Less Accumulated amortisation	(36,060,733)	-	(36,060,733)
Net book amount	4,078,175	-	4,078,175
<b>For the year ended 31 December 2015</b>			
Opening net book amount	4,078,175	-	4,078,175
Additions	346,830	26,499,829	26,846,659
Reclassification	5,597,306	(5,597,306)	-
Amortisation charge	(2,081,177)	-	(2,081,177)
Closing net book amount	7,941,134	20,902,523	28,843,657
<b>At 31 December 2015</b>			
Cost	46,083,044	20,902,523	66,985,567
Less Accumulated amortisation	(38,141,910)	-	(38,141,910)
Net book amount	7,941,134	20,902,523	28,843,657
<b>For the year ended 31 December 2016</b>			
Opening net book amount	7,941,134	20,902,523	28,843,657
Additions	2,597,802	15,709,408	18,307,210
Disposals, net	(4,642,693)	-	(4,642,693)
Reclassification	22,000	(22,000)	-
Amortisation charge	(2,314,121)	-	(2,314,121)
Closing net book amount	3,604,122	36,589,931	40,194,053
<b>At 31 December 2016</b>			
Cost	43,105,539	36,589,931	79,695,470
Less Accumulated amortisation	(39,501,417)	-	(39,501,417)
Net book amount	3,604,122	36,589,931	40,194,053

A subsidiary of the Group has mortgaged management letting rights amounting to AUD 143.1 million or equivalent to Baht 3,710.5 million (2015: AUD 124.6 million or equivalent to Baht 3,275.9 million) to secure loans with foreign banks (Note 21).

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

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

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

	Consolidated financial statements					
	31 December 2016			31 December 2015		
	Hotel & Spa Baht	Restaurant Baht	Total Baht	Hotel & Spa Baht	Restaurant Baht	Total Baht
Goodwill and excess of acquisition cost over net book value	2,667,265,583	4,838,192,410	7,505,457,993	3,278,578,357	6,945,211,626	10,223,789,983
Brand	274,289,356	5,338,564,852	5,612,854,208	271,123,341	1,349,460,431	1,620,583,772

**18 Intangible assets (Cont'd)**

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

	<u>Hotel and Spa</u>	<u>Restaurant</u>
Gross margin <sup>1</sup>	50% - 75%	25% - 72%
Growth rate <sup>2</sup>	3% - 22%	3% - 16%
Discount rate <sup>3</sup>	9%	9%

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

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

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

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

The recoverable amount calculated based on value-in use calculations which exceeded carrying value by Baht 48.8 million. A rise in discount rate of 14.5% will be resulted the recoverable amount to be equal to the carrying amount.

**19 Prepaid rents**

	<u>Consolidated financial statements Baht</u>	<u>Separate financial statements Baht</u>
<b>At 1 January 2015</b>		
Cost	4,092,952,486	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,156,829,336)</u>	<u>(16,198,629)</u>
Net book amount	<u>1,936,123,150</u>	<u>2,491,902</u>
<b>For the year ended 31 December 2015</b>		
Opening net book amount	1,936,123,150	2,491,902
Additions	140,674,677	-
Write-offs, net	(9,838,876)	-
Transfer from other account	6,550,103	-
Amortisation charge	(138,713,088)	(623,018)
Translation adjustment	29,638,900	-
Closing net book amount	<u>1,964,434,866</u>	<u>1,868,884</u>
<b>At 31 December 2015</b>		
Cost	4,148,524,641	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,184,089,775)</u>	<u>(16,821,647)</u>
Net book amount	<u>1,964,434,866</u>	<u>1,868,884</u>

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

**19 Prepaid rents (Cont'd)**

	<b>Consolidated financial statements Baht</b>	<b>Separate financial statements Baht</b>
<b>For the year ended 31 December 2016</b>		
Opening net book amount	1,964,434,866	1,868,884
Additions	117,766,905	-
Acquisition from investment in subsidiary (Note 35)	141,027,845	-
Write-offs, net	(4,386)	-
Transfer to current portion	(61,668,586)	-
Amortisation charge	(169,054,035)	(623,017)
Translation adjustment	(7,802,284)	-
Closing net book amount	<u>1,984,700,325</u>	<u>1,245,867</u>
<b>At 31 December 2016</b>		
Cost	4,377,044,982	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,392,344,657)</u>	<u>(17,444,664)</u>
Net book amount	<u>1,984,700,325</u>	<u>1,245,867</u>

Amortisation of Baht 54,795,343 (2015: Baht 60,738,435) has been charged in the cost of sales and services, Baht 99,007,837 (2015: Baht 59,438,721) in selling expenses and Baht 15,250,855 (2015: Baht 18,535,932) in administrative expenses.

**20 Other non-current assets**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2016</b>	<b>2015 Restated</b>	<b>2016</b>	<b>2015</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Loans to other companies	297,248	732,870,606	-	-
Deposits	1,074,646,272	976,945,388	10,811,854	9,046,945
Deferred charges	164,999,354	180,858,340	31,598,794	38,655,293
Others	143,278,527	152,613,310	-	-
Total other non-current assets	<u>1,383,221,401</u>	<u>2,043,287,644</u>	<u>42,410,648</u>	<u>47,702,238</u>

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

**21 Borrowings**

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<b>Current</b>				
Bank overdrafts	93,585,822	24,075,113	-	-
Short-term borrowings from banks	1,029,951,700	2,563,698,420	430,000,000	1,330,000,000
Sub-total	1,123,537,522	2,587,773,533	430,000,000	1,330,000,000
Borrowing from related parties (Note 14)	-	18,795,000	2,317,923,667	1,542,893,032
Current portion of long-term borrowings				
Finance lease liabilities	8,442,935	8,239,474	-	-
Borrowing from financial institutions	2,389,121,022	1,504,786,523	-	-
Sub-total	2,397,563,957	1,513,025,997	-	-
Current portion of debentures	4,300,000,000	-	4,300,000,000	-
Total current borrowings	7,821,101,479	4,119,594,530	7,047,923,667	2,872,893,032
<b>Non-current</b>				
Finance lease liabilities	11,575,476	22,270,053	-	-
Borrowing from financial institutions	20,498,861,507	19,550,400,837	3,818,902,500	3,182,762,000
Debentures	21,500,000,000	21,800,000,000	21,500,000,000	21,800,000,000
Total non-current borrowings	42,010,436,983	41,372,670,890	25,318,902,500	24,982,762,000
<b>Total borrowings</b>	<b>49,831,538,462</b>	<b>45,492,265,420</b>	<b>32,366,826,167</b>	<b>27,855,655,032</b>

The movement in long-term borrowings from financial institutions can be analysed as below:

	Consolidated financial statements Baht	Separate financial statements Baht
<b>For the year ended 31 December 2016</b>		
Opening amount	21,055,187,360	3,182,762,000
Acquisition from investment in subsidiaries (Note 35)	21,450,000	-
Additions	4,199,573,302	714,526,000
Repayments	(2,233,927,299)	(66,154,250)
Amortisation of underwriting fees	14,751,674	-
Unrealised loss(gain) on exchange rate	746,457	(12,231,250)
Translation adjustment	(169,798,965)	-
Closing amount	22,887,982,529	3,818,902,500

**21 Borrowings (Cont'd)**

**Borrowings from financial institutions**

As at 31 December 2016, significant long-term borrowings from financial institutions by the Group and the Company totalling Baht 22,888 million and Baht 3,819 million, respectively comprise:

- a) The Company has an unsecured loan from a bank of Baht 2,000 million. The loan carries fixed interest rate and is due for repayment in April 2020. The loan is subject to certain conditions which the Company has to comply throughout the loan period.
- b) The Company has an unsecured loan from a bank of AUD 42.5 million. The loan carries a variable interest rate of 6-month BBSY plus a margin and is due for repayment between 2018 and 2020.
- c) The Company has an unsecured loan from a bank of USD 20 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment in November 2018.
- d) A subsidiary has a secured loan from a bank of AUD 104.5 million. The loan carries a variable interest rate of Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in August 2020. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- e) A subsidiary has secured loans from three banks of AUD 157 million. The loans carry interest rates of Australian Bank Bill Swap Reference Rate plus a margin and are due for repayment as follows:

Principal amounts (AUD Million)	Terms of repayment
128	In a limit of AUD 2 million per quarter for 5 years
29	In a limit of AUD 2 million per quarter for 3 years
157	

The loans are subject to certain conditions which the subsidiary has to comply with throughout the loan periods and use the subsidiary's building and management letting rights as collateral (Note 17 and Note 18).

- f) A subsidiary has a secured loan from a bank of USD 0.8 million. The loan carries a variable interest rate 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.
- g) A subsidiary has secured loans from a bank of USD 80.0 million and USD 58.0 million. The loans carry a variable interest rate of 3-month LIBOR plus a margin and are due for repayment in November 2019 and April 2020, respectively.
- h) A subsidiary has a secured loan from a bank of USD 28.0 million. The loan carries a variable interest rate of 3-month LIBOR plus a margin and is due for repayment in September 2020.
- i) A subsidiary has a secured loan from a bank of USD 72.0 million. The loan carries a variable interest rate of 3-month LIBOR plus a margin and is due for repayment in September 2020.
- j) A subsidiary has a secured loan from a bank of AUD 35.0 million. The loan carries a variable interest rate of 3-month Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in February 2017.
- k) A subsidiary has a secured loan from a bank of AUD 22.0 million. The loan carries a variable interest rate of Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in August 2018.
- l) A subsidiary has a secured loan from a bank of USD 21.1 million. The loan carries a variable interest rate of 3-month LIBOR plus a margin with the first repayment in October 2017. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.



**21 Borrowings (Cont'd)**

**Borrowings from financial institutions (Cont'd)**

- m) A subsidiary has a secured loan from a bank of AUD 15.0 million. The loan carries a variable interest rate of Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in June 2020.
- n) A subsidiary has a secured loan from a bank of AUD 2.9 million. The loan carries a variable interest rate of Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in October 2018.
- o) A subsidiary has a secured loan from a bank of Baht 1,050 million. The loan carries a variable interest rate of MLR minus a fixed rate and is due for repayment between 2017 and 2021.

**Debentures**

Debentures comprise:

Issued date	Due date	Period (Years)	Consolidated financial statements and Separate financial statements		Interest rate	Condition
			31 December 2016	31 December 2015		
			Million Baht	Million Baht		
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	1,800	Fixed	Unsecured, senior and without a debenture holders' representative
Aug 2012	Aug 2022	10	2,700	2,700	Fixed	Unsecured, senior and without a debenture holders' representative
Dec 2012	Dec 2017	5	1,500	1,500	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2014	Mar 2019	5	4,500	4,500	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2020	5	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2025	10	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2021	5	2,800	-	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2031	15	1,200	-	Fixed	Unsecured, senior and without a debenture holders' representative
Total debenture			<u>25,800</u>	<u>21,800</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 Extraordinary General Meeting of the shareholders of the Company held on 13 October 2014, the shareholders passed a resolution to approve the issuance of additional debentures in additional amount not exceeding Baht 10,000 million.

As at 31 December 2016, a total amount of Baht 8,200 million debentures remains available for issuance under this shareholders' resolutions.

**21 Borrowings (Cont'd)**

The carrying amounts of long-term bank borrowings as of 31 December 2016 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	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Debentures	25,800,000,000	21,800,000,000	26,491,691,292	22,690,318,876

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

The interest rate exposure on the borrowings of the Group and the Company is as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht Billion	2015 Baht Billion	2016 Baht Billion	2015 Baht Billion
Borrowings:				
- at fixed rates	29	25	26	24
- at floating rates	21	20	2	4
Total borrowings	50	45	28	28

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

	Consolidated financial statements		Separate financial statements	
	2016 %	2015 %	2016 %	2015 %
Bank borrowings	3.28	3.34	3.31	3.52
Debentures	3.34	3.48	3.34	3.48

The fair values are based on the discounted cash flows using a discount rate based upon the borrowing rate which the management expects would be available to the Group and the Company at the statement of financial position date. The fair values are within Level 3 of the fair value hierarchy. 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 financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Next year	2,389,121,022	1,504,786,523	-	-
Between 2 and 5 years	20,498,861,507	19,550,400,837	3,818,902,500	3,182,762,000
Total long-term borrowings	22,887,982,529	21,055,187,360	3,818,902,500	3,182,762,000

21 Borrowings (Cont'd)

**Borrowing facilities**

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

	31 December 2016						
	Consolidated financial statements					Separate financial statements	
	USD Million	EUR Million	CNY Million	Baht Million	AUD Million	USD Million	Baht Million
<b>Floating interest rate</b>							
Short-term	352	15	59	6,310	41	332	6,310
Long-term	5	-	-	-	29	-	-
	<u>357</u>	<u>15</u>	<u>59</u>	<u>6,310</u>	<u>70</u>	<u>332</u>	<u>6,310</u>

	31 December 2015				
	Consolidated financial statements			Separate financial statements	
	USD Million	Baht Million	AUD Million	AUD Million	Baht Million
<b>Floating interest rate</b>					
Short-term	10	-	-	-	-
Long-term	-	3,000	25	20	-
	<u>10</u>	<u>3,000</u>	<u>25</u>	<u>20</u>	<u>-</u>

22 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Trade payables - third parties	2,502,049,495	2,524,420,282	16,894,453	14,018,715
Trade payables - related parties (Note 14)	126,898,685	12,230,332	40,848,843	24,350,951
Amounts due to related parties (Note 14)	9,232,068	20,483,421	1,806,808	4,826,589
Accrued expenses	3,657,455,946	3,000,596,941	372,040,510	344,822,076
Account payable - contractors	116,364,787	894,070,106	-	-
Other payables	1,163,456,071	1,300,756,549	18,914,824	22,546,262
Total trade and other payables	<u>7,575,457,052</u>	<u>7,752,557,631</u>	<u>450,505,438</u>	<u>410,564,593</u>

23 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	Baht	Baht	Baht	Baht
Booking deposits	551,298,784	431,232,970	11,898,764	9,787,773
Other tax payable	565,808,243	434,600,859	54,731,733	58,258,732
Others	856,628,254	418,686,746	2,038,736	1,850,359
Total other current liabilities	<u>1,973,735,281</u>	<u>1,284,520,575</u>	<u>68,669,233</u>	<u>69,896,864</u>

**24 Employee benefits obligations**

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Retirement benefits	222,770,643	258,023,797	16,387,683	15,531,774

The plans are final salary retirement plans, which provide benefits to members in the form of a guaranteed level of pension payable. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Present value of unfunded obligation	222,770,643	258,023,797	16,387,683	15,331,774

The movement in the defined obligations during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	258,023,797	240,495,351	15,531,774	17,866,953
Acquisition from investment in subsidiaries	3,835,069	25,082,416	-	-
Current service cost	18,814,412	(2,174,506)	1,482,840	(2,149,189)
Interest expense	6,687,197	6,444,547	531,169	480,210
Payment from plans:				
Benefit payment	(64,787,806)	(10,824,388)	(1,158,100)	(666,200)
Translation adjustment	197,974	(999,623)	-	-
At 31 December	<u>222,770,643</u>	<u>258,023,797</u>	<u>16,387,683</u>	<u>15,531,774</u>

The amount recognised in the income statements is as follows:

Current service cost	18,814,412	(2,174,506)	1,482,840	(2,149,189)
Interest cost	6,687,197	6,444,547	531,169	480,210
Total (included in staff costs)	<u>25,501,609</u>	<u>4,270,041</u>	<u>2,014,009</u>	<u>(1,668,979)</u>

Of the total charge, Baht 25,501,609 (2015: Baht 4,270,041) were included in administrative expenses.

24 Employee benefits obligations (Cont'd)

The defined benefit obligation are composed by country as follows;

	Consolidated financial statements									
	2016					2015				
	Thailand Baht	South Africa Baht	Australia Baht	Sri Lanka Baht	Total Baht	Thailand Baht	South Africa Baht	Australia Baht	Sri Lanka Baht	Total Baht
Present value of obligation										
Total	177,346,667	15,271,861	26,597,594	3,554,523	222,770,645	190,575,832	18,884,006	46,116,082	2,447,877	258,023,797

The principal actuarial assumptions used were as follows:

	Consolidated financial statements and Separate financial statements	
	2016	2015
Discount rate	3.5% - 3.75%	3.5% - 3.75%
Inflation rate	2%	2%
Salary growth rate	5% - 7%	5% - 7%

Sensitivity analysis

	Consolidated financial statements and Separate financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2016	2015	2016	2015	2016	2015
Discount rate	1%	1%	Decrease by 8.3%	Decrease by 8.3%	Increase by 9.5%	Increase by 9.5%
Salary growth rate	1%	1%	Increase by 9.3%	Increase by 9.3%	Decrease by 8.3%	Decrease by 8.3%
Withdrawn rate	5%	5%	Decrease by 33.5%	Decrease by 33.5%	Increase by 41.5%	Increase by 41.5%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

	Hotel & Spa	Restaurant	Mixed use
The weighted average duration of the defined benefit obligation	7.5 years	11.4 years	8.2 years

**24 Employee benefits obligations (Cont'd)**

Expected maturity analysis of undiscounted retirement plans:

	Consolidated financial statements				Total Baht
	Less than a year Baht	Between 1-2 years Baht	Between 2-5 years Baht	Over 5 years Baht	
At 31 December 2016					
Defined obligation	3,326,000	18,641,000	48,328,000	346,718,000	417,013,000
Total	<u>3,326,000</u>	<u>18,641,000</u>	<u>48,328,000</u>	<u>346,718,000</u>	<u>417,013,000</u>
At 31 December 2015					
Defined obligation	17,360,000	14,705,000	38,107,000	364,201,000	434,374,000
Total	<u>17,360,000</u>	<u>14,705,000</u>	<u>38,107,000</u>	<u>364,201,000</u>	<u>434,374,000</u>
	Separate financial statements				Total Baht
	Less than a year Baht	Between 1-2 years Baht	Between 2-5 years Baht	Over 5 years Baht	
At 31 December 2016					
Defined obligation	1,436,000	593,000	2,097,000	28,870,000	32,996,000
Total	<u>1,436,000</u>	<u>593,000</u>	<u>2,097,000</u>	<u>28,870,000</u>	<u>32,996,000</u>
At 31 December 2015					
Defined obligation	911,000	1,662,000	2,250,000	29,084,000	33,907,000
Total	<u>911,000</u>	<u>1,662,000</u>	<u>2,250,000</u>	<u>29,084,000</u>	<u>33,907,000</u>

**25 Other non-current liabilities**

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Restated Baht	2016 Baht	2015 Baht
Deferred income	134,672,691	155,734,351	8,466	-
Rental deposits	139,427,633	133,108,874	610,500	766,000
Accrued land rental	46,584,117	670,172,580	-	-
Accrued decommissioning	132,450,419	113,111,142	-	-
Others	909,997,698	697,632,909	186,760,898	442,571,148
Total other non-current liabilities	<u>1,363,132,558</u>	<u>1,769,759,856</u>	<u>187,379,864</u>	<u>443,337,148</u>

26 Share capital and premium on share capital

	Consolidated financial statements			
	Number of ordinary shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2015	4,001,556,661	4,001,556,661	7,333,139,702	11,334,696,363
Issuance of shares	553,607	553,607	21,532,853	22,086,460
Issuance of dividend (Note 34)	400,201,343	400,201,343	-	400,201,343
At 31 December 2015	4,402,311,611	4,402,311,611	7,354,672,555	11,756,984,166
Issuance of shares (Note 27)	8,056,825	8,056,825	284,921,548	292,978,373
At 31 December 2016	<u>4,410,368,436</u>	<u>4,410,368,436</u>	<u>7,639,594,103</u>	<u>12,049,962,539</u>
	Separate financial statements			
	Number of ordinary shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2015	4,001,556,661	4,001,556,661	7,307,487,326	11,309,043,987
Issuance of shares	553,607	553,607	21,532,853	22,086,460
Issuance of dividend (Note 34)	400,201,343	400,201,343	-	400,201,343
At 31 December 2015	4,402,311,611	4,402,311,611	7,329,020,179	11,731,331,790
Issuance of shares (Note 27)	8,056,825	8,056,825	284,921,548	292,978,373
At 31 December 2016	<u>4,410,368,436</u>	<u>4,410,368,436</u>	<u>7,613,941,727</u>	<u>12,024,310,163</u>

As at 31 December 2016, the registered shares comprise 4,621,828,347 ordinary shares (2015: 4,641,789,065 shares) with par value of Baht 1 per share. The issued and fully paid-up shares comprise 4,410,368,436 ordinary shares (2015: 4,402,311,611 shares).

At the Annual General Meeting of Shareholders of the Company held on 3 April 2015, the shareholders passed resolutions to approve the decrease in the registered capital of the Company from Baht 4,201,634,495 to Baht 4,201,620,610 and increase in the registered capital of the Company from Baht 4,201,620,610 to Baht 4,641,780,065 each at the par value of Baht 1.

Minor International Public Company Limited  
Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 December 2016

27 Warrants

The Group had issued warrants to subscribe for ordinary shares to existing shareholders of the Company, which have been approved by shareholders' meeting. The Group does not recognise warrant compensation costs for the fair value or intrinsic value of the warrant granted in this financial statements.

Issued by	Allotted to	Approval date	Determined exercising date		As at	Decrease during the year					As at
			First exercise	Last exercise	31 December 2015	Exercise ratio for ordinary shares per 1 warrant	Issue of ordinary shares during the period	Exercise price Baht	Amount Baht'000	31 December 2016	
					Outstanding warrant Unit	Exercise Unit					Outstanding warrant Unit
The Company	Former shareholder (MINT-W5)	20 November 2014	25 February 2015	3 November 2017	199,511,786	(7,324,402)	1.1	8,056,825	36.36	292,978,373	192,187,384
	Total issuance by the Company				199,511,786	(7,324,402)		8,056,825		292,978,373	192,187,384

28 Legal reserve

	Consolidated financial statements and Separate financial statements	
	2016 Baht	2015 Baht
At 1 January	464,178,907	420,169,113
Appropriation during the year	-	44,009,794
At 31 December	<u>464,178,907</u>	<u>464,178,907</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.

29 Other components of equity

	Consolidated financial statements				
	Discount on business combination under common control Baht	Discount on additional in investment in subsidiary Baht	Remeasuring available-for-sale investment Baht	Translation adjustment Baht	Total Baht
<b>At 1 January 2015</b>	(755,412,590)	(53,278,442)	605,592,598	(145,174,959)	(348,273,393)
Additional investment in subsidiary	-	(220,527,611)	-	-	(220,527,611)
Revaluation	-	-	(377,286,485)	-	(377,286,485)
Currency translation difference	-	-	-	(718,117,434)	(718,117,434)
<b>At 31 December 2015</b>	(755,412,590)	(273,806,053)	228,306,113	(863,292,393)	(1,664,204,923)
<b>At 1 January 2016</b>	(755,412,590)	(273,806,053)	228,306,113	(863,292,393)	(1,664,204,923)
Additional investment in subsidiary	-	-	(135,607,727)	-	(135,607,727)
Business combination	-	(126,436,106)	-	-	(126,436,106)
Revaluation	-	-	(89,337,453)	-	(89,337,453)
Currency translation difference	-	-	-	(392,300,814)	(392,300,814)
<b>At 31 December 2016</b>	(755,412,590)	(400,242,159)	3,360,933	(1,255,593,207)	(2,407,887,023)

29 Other components of equity (Cont'd)

	Separate financial statements		
	Discount on business combination under common control Baht	Remeasuring of available-for-sale investment Baht	Total Baht
<b>At 1 January 2015</b>	(587,397,515)	95,694	(587,301,821)
Revaluation	-	28,800	28,800
<b>At 31 December 2015</b>	(587,397,515)	124,494	(587,273,021)
<b>At 1 January 2016</b>	(587,397,515)	124,494	(587,273,021)
Revaluation	-	2,293,013	2,293,013
<b>At 31 December 2016</b>	(587,397,515)	2,417,507	(584,980,008)

30 Other income

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Gain from fair value adjustment on change in status of investment in subsidiary	40,901,207	-	-	-
Gain from fair value adjustment on change in status of investment in associate	135,607,728	1,664,987,591	-	-
Gain from bargain purchases, net	2,511,841,219	473,144,889	-	-
Rental income	153,082,314	456,186,304	37,468,247	39,369,150
Premium sales income	133,802,809	131,637,497	-	-
Freight charges	142,765,582	122,164,356	-	-
Subsidy income	99,414,153	99,707,523	-	-
Advisory income	282,757,713	70,992,469	-	-
Sales of raw material to franchisees	40,553,136	47,772,484	-	-
Maintenance fee income	54,094,010	38,122,194	-	-
Gain on disposal of associate	-	30,000,000	-	38,820,401
Property tax	14,450,027	18,422,611	-	-
Trademark fee income	221,204,677	12,864,912	-	-
Compensation for insurance claim	46,812,744	325,899	-	-
Gain on liquidation of subsidiaries	-	-	-	56,631,903
Others	863,750,680	794,366,241	25,545,307	19,042,553
<b>Total other income</b>	<b>4,741,037,999</b>	<b>3,960,694,970</b>	<b>63,013,554</b>	<b>153,864,007</b>

Gain from bargain purchases represents the excess of the net fair value of net assets acquired over the purchase price considerations from new subsidiaries which are Minor Hotels Zambia Limited, Tivoli Properties, and Pojuca S.A. (Note 35).

**31 Expenses by nature**

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Depreciation on investment properties (Note 16)	64,770,285	48,786,962	-	-
Write-off of investment properties (Note 16)	-	12,711	-	-
Depreciation on property, plant and equipment (Note 17)	3,339,720,918	2,649,095,933	85,335,114	83,631,593
Impairment (Reversal) of property, plant and equipment (Note 17)	33,438,499	14,091,369	-	(141,785)
Write-off of property, plant and equipment (Note 17)	82,400,071	73,358,476	26,366	500,766
Amortisation of intangible assets (Note 18)	276,184,211	258,181,755	2,314,121	2,081,177
Impairment (Reversal) of intangible assets (Note 18)	28,200,996	(3,446)	-	-
Amortisation of prepaid rents (Note 19)	169,054,035	138,713,088	623,018	623,018
Doubtful account (Reversal)	282,227,708	35,835,814	251,653	(32,455)
Staff costs	13,673,767,389	11,346,501,118	728,356,067	637,154,709

**32 Deferred income taxes and income taxes**

**Deferred income taxes**

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Deferred income tax assets	1,005,428,063	767,621,347	-	-
Deferred income tax liabilities	(6,050,821,453)	(4,690,086,554)	(154,480,840)	(202,908,846)
Deferred income taxes, net	(5,045,393,390)	(3,922,465,207)	(154,480,840)	(202,908,846)

Deferred income tax assets and liabilities are offset when the income taxes related to the same fiscal authority. Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each entity.

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

**32 Deferred income taxes and income taxes (Cont'd)**

The gross movements in deferred tax assets and liabilities during the years are as follows:

	<b>Consolidated financial statements</b>				<b>31 December 2015 Baht</b>
	<b>1 January 2015 Baht</b>	<b>Charged/ (credited) to profit or loss Baht</b>	<b>Business acquisitions Baht</b>	<b>Adjustments Baht</b>	
<b>Deferred tax assets</b>					
Consignment sales	37,950,920	1,025,509	-	-	38,976,429
Provision for impairment of assets	24,437,440	(5,677,914)	-	-	18,759,526
Provisions	135,661,359	26,814,551	29,661,956	(132,158)	192,005,708
Depreciation	45,133,707	(15,541,500)	14,491,142	9,733,960	53,817,309
Unearned income	18,076,597	(267,312)	-	-	17,809,285
Tax loss carried forward	196,155,272	86,507,032	-	321,160	282,983,464
Translation adjustment	137,618,000	-	-	18,264,570	155,882,570
Others	(222,952)	17,809	7,592,199	-	7,387,056
	<u>594,810,343</u>	<u>92,878,175</u>	<u>51,745,297</u>	<u>28,187,532</u>	<u>767,621,347</u>
<b>Deferred tax liabilities</b>					
Accounts receivable	(606,406)	(2,301,060)	8,654,880	-	5,747,414
Management letting right	(970,786,882)	46,150,852	(38,230,350)	-	(962,866,380)
Financial lease revenue	(562,575,874)	(30,890,702)	-	-	(593,466,576)
Unrealised gain on available-for-sale securities	(228,259,716)	(5,060)	-	-	(228,264,776)
Unrealised gain on sale of assets in the group	(40,454,954)	2,914,952	-	-	(37,540,002)
Fair value adjustment of net assets at acquisition date	(385,467,534)	103,611,775	(2,439,261,680)	-	(2,721,117,439)
Translation adjustment	(2,579,708)	-	-	-	(2,579,708)
Others	(58,186,731)	10,286,581	(102,098,937)	-	(149,999,087)
	<u>(2,248,917,805)</u>	<u>129,767,338</u>	<u>(2,570,936,087)</u>	<u>-</u>	<u>(4,690,086,554)</u>
Deferred tax liabilities, net	<u>(1,654,107,462)</u>	<u>222,645,513</u>	<u>(2,519,190,790)</u>	<u>28,187,532</u>	<u>(3,922,465,207)</u>

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

**32 Deferred income taxes and income taxes (Cont'd)**

	Consolidated financial statements					31 December 2016 Baht
	1 January 2016 Baht	Charged/ (credited) to profit or loss Baht	Charged/ (credited) to other comprehensive Income Baht	Business acquisitions Baht	Adjustments Baht	
<b>Deferred tax assets</b>						
Consignment sales	38,976,429	12,284,799	-	-	-	51,261,228
Provision for impairment of assets	18,759,526	119,733,060	-	-	-	138,492,586
Provisions	192,005,708	60,639,259	-	-	-	252,644,967
Depreciation	53,817,309	35,364,199	-	-	-	89,181,508
Unearned income	17,809,285	(786,247)	-	-	-	17,023,038
Tax loss carried forward	282,983,464	10,896,862	-	-	-	293,880,326
Translation adjustment	155,882,570	-	-	-	7,129,440	163,012,010
Others	7,387,056	(7,454,656)	-	-	-	(67,600)
	<u>767,621,347</u>	<u>230,677,276</u>	<u>-</u>	<u>-</u>	<u>7,129,440</u>	<u>1,005,428,063</u>
<b>Deferred tax liabilities</b>						
Accounts receivable	5,747,414	(16,618,450)	-	-	-	(10,871,036)
Management letting right	(962,866,380)	(173,274,512)	-	-	-	(1,136,140,892)
Financial lease revenue	(593,466,576)	23,094,838	-	-	-	(570,371,738)
Unrealised gain on available-for-sale securities	(228,264,776)	-	(629,277)	-	-	(228,894,053)
Unrealised gain on sale of assets in the group	(37,540,002)	39,843,931	-	-	-	2,303,929
Fair value adjustment of net assets at acquisition date	(2,721,117,439)	43,512,140	-	(1,283,722,000)	-	(3,961,327,299)
Translation adjustment	(2,579,708)	-	-	-	(2,192,200)	(4,771,908)
Others	(149,999,087)	9,250,631	-	-	-	(140,748,456)
	<u>(4,690,086,554)</u>	<u>(74,191,422)</u>	<u>(629,277)</u>	<u>(1,283,722,000)</u>	<u>(2,192,200)</u>	<u>(6,050,821,453)</u>
Deferred tax liabilities, net	<u>(3,922,465,207)</u>	<u>156,485,854</u>	<u>(629,277)</u>	<u>(1,283,722,000)</u>	<u>4,937,240</u>	<u>(5,045,393,390)</u>

32 Deferred income taxes and income taxes (Cont'd)

	Separate financial statements			31 December 2015 Baht
	1 January 2015 Baht	Charged/ (credited) to profit or loss Baht	Charged/ (credited) to other comprehensive Income Baht	
<b>Deferred income tax assets</b>				
Provision for impairment of assets	2,846,295	(2,160,295)	-	686,000
Provisions	3,554,251	(447,896)	-	3,106,355
Tax loss carried forward	4,779,750	(4,779,750)	-	-
Effective interest expenses	3,406,556	679,443	-	4,085,999
	<u>14,586,852</u>	<u>(6,708,498)</u>	<u>-</u>	<u>7,878,354</u>
<b>Deferred income tax liabilities</b>				
Unrealised gain on available-for-sales securities	(210,762,300)	(24,900)	-	(210,787,200)
Deferred income tax liabilities, net	<u>(196,175,448)</u>	<u>(6,733,398)</u>	<u>-</u>	<u>(202,908,846)</u>
	Separate financial statements			31 December 2016 Baht
	1 January 2016 Baht	Charged/ (credited) to profit or loss Baht	Charged/ (credited) to other comprehensive Income Baht	
<b>Deferred income tax assets</b>				
Provision for impairment of assets	686,000	4,473,960	-	5,159,960
Provisions	3,106,355	250,090	-	3,356,445
Tax loss carried forward	-	44,757,626	-	44,757,626
Effective interest expenses	4,085,999	(424,393)	-	3,661,606
	<u>7,878,354</u>	<u>49,057,283</u>	<u>-</u>	<u>56,935,637</u>
<b>Deferred income tax liabilities</b>				
Unrealised gain on available-for-sales securities	(210,787,200)	-	(629,277)	(211,416,477)
Deferred income tax liabilities, net	<u>(202,908,846)</u>	<u>49,057,283</u>	<u>(629,277)</u>	<u>(154,480,840)</u>

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of Baht 331 million (2015: Baht 386 million), to carry forward against future taxable income; which no deferred taxes have been recognised as follows:

	Consolidated financial statements	
	2016 Baht	2015 Baht
2015	-	4,934,972
2016	26,009,186	35,992,738
2017	19,142,318	21,441,969
2018	45,701,889	56,491,417
2019	72,031,046	130,754,349
2020	45,333,367	136,132,172
	<u>123,092,664</u>	<u>-</u>
	<u>331,310,470</u>	<u>385,747,617</u>



32 Deferred income taxes and income taxes (Cont'd)

**Income taxes**

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current tax:				
Current tax on profits for the year	1,190,065,576	7,706,233	7,706,233	31,526,504
Adjustments in respect of prior year	(1,529,974)	(9,746,054)	104,099	32,063
<b>Total current tax</b>	<b>1,188,535,602</b>	<b>7,810,332</b>	<b>7,810,332</b>	<b>31,558,567</b>
Deferred tax:				
Origination and reversal of temporary differences	(186,198,530)	(23,951,519)	(4,299,727)	(902,884)
Change in unrecognised deductible temporarily differences	55,374,528	(65,494,250)	40,533	7,636,282
Recognised of previously unrecognised tax losses	(25,661,852)	(133,199,744)	(44,798,089)	-
<b>Total deferred tax</b>	<b>(156,485,854)</b>	<b>(133,199,744)</b>	<b>(49,057,283)</b>	<b>6,733,398</b>
<b>Total income tax</b>	<b>1,032,049,748</b>	<b>410,788,424</b>	<b>(41,246,951)</b>	<b>38,291,965</b>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the company as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Profit before tax	7,841,256,871	7,545,167,078	1,811,225,458	1,723,664,746
Tax calculated at a tax rate of 20%	1,568,251,374	1,509,033,416	362,245,092	344,732,949
Tax effect of:				
Associates' results reported net of tax	(112,372,970)	(250,701,785)	(7,593,065)	-
Effect of different tax rate	(164,489,952)	(681,866,124)	-	-
Tax from unrecognised income	-	-	-	(22,776,638)
Expenses not deductible for tax purpose	384,003,192	25,082,180	3,707,750	1,572,915
Income not subject to tax	(611,828,056)	(1,534,912)	(354,627,044)	(292,905,606)
Adjustments in respect of prior year	47,532,868	(9,746,054)	104,099	32,063
Tax incentive expenses	-	-	-	-
Change in unrecognised deductible Temporary differences	(77,864,447)	(65,494,250)	(45,083,783)	7,636,282
Utilisation of previously unrecognised tax losses	(4,031,647)	(133,199,744)	-	-
Tax losses for which no deferred income tax asset was recognised	2,849,386	19,215,697	-	-
<b>Tax charge</b>	<b>1,032,049,748</b>	<b>410,788,424</b>	<b>(41,246,951)</b>	<b>38,291,965</b>

**32 Deferred income taxes and income taxes (Cont'd)**

The tax charge relating to component of other comprehensive income is as follows:

	Consolidated financial statements					
	2016			2015		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Unrealised gain on available-for-sale securities	(88,708,176)	(629,277)	(89,337,453)	(377,286,485)	-	(377,286,485)
Translation adjustment	(333,087,568)	-	(333,087,568)	(715,565,929)	-	(715,565,929)
<b>Other comprehensive income (loss)</b>	<b>(421,795,744)</b>	<b>(629,277)</b>	<b>(422,425,021)</b>	<b>(1,092,852,414)</b>	<b>-</b>	<b>(1,092,852,414)</b>
	Separate financial statements					
	2016			2015		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Unrealised gain on available-for-sale securities	2,922,290	(629,277)	2,293,013	28,800	-	28,800
<b>Other comprehensive income</b>	<b>2,922,290</b>	<b>(629,277)</b>	<b>2,293,013</b>	<b>28,800</b>	<b>-</b>	<b>28,800</b>

**33 Earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company has warrants in issue (Note 27).

A calculation is performed to determine the potential number of shares that could have been acquired at market price (determined as the average share price of the Company's shares during the year) based on the outstanding warrants to determine the number of potential ordinary shares would have been additionally issued. The potential shares are added to the ordinary shares outstanding but no adjustment is made to net profit.

	Consolidated financial statements and Separate financial statements	
	For the years ended 31 December	
	2016 Shares	2015 Shares
Weighted average number of ordinary shares in issue, net*	4,406,519,451	4,402,365,383
<b>Effect of dilutive potential ordinary shares</b>		
Warrants	5,950,752	-
Dilutive potential ordinary shares	5,950,752	-
Weighted average number of ordinary shares for diluted earnings per share	4,412,470,203	4,402,365,383

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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- \* The weighted average number of ordinary share of ordinary share outstanding for the period ended 31 December 2015 included a stock dividend at the ratio of 10 existing shares to 1 dividend stock, which was approved at the Annual General Meeting of Shareholders held on 3 April 2015.

**33 Earnings per share (Cont'd)**

	<b>Consolidated financial statements</b>	
	<b>For the years ended 31 December</b>	
	<b>2016</b>	<b>2015</b>
	<b>Baht</b>	<b>Baht</b>
Profit attributable to ordinary shareholders	6,589,995,865	7,040,164,749
Basic earnings per share	1.4955	1.5992
Diluted earnings per share	1.4935	1.5992
	<b>Separate financial statements</b>	
	<b>For the years ended 31 December</b>	
	<b>2016</b>	<b>2015</b>
	<b>Baht</b>	<b>Baht</b>
Profit attributable to ordinary shareholders	1,852,472,409	1,685,372,781
Basic earnings per share	0.4204	0.3829
Diluted earnings per share	0.4198	0.3829

**34 Dividend**

At the Annual General Meeting of the Shareholders of the Company held on 1 April 2016, the shareholders passed a resolution to approve dividends in the amount of Baht 0.35 per share for existing shareholders and shareholders who convert the convertible securities (MINT-W5) of no more than 4,621,774,576 common shares, total dividends to be paid were in the amount of not exceeding Baht 1,617.6 million. On 28 April 2016, the cash dividend totalling Baht 1,540 million were paid to shareholders.

At the Annual General Meeting of Shareholders of the Company held on 3 April 2015, the shareholders passed a resolution to approve a dividend payment as cash dividend in the amount of Baht 0.25 per share for existing shareholders and shareholders who convert the convertible securities to not more than Baht 1,050 million and as stock dividends at the ratio of 10 existing shares to 1 stock dividend at the price of Baht 1 per share, thus total dividends to be paid in the amount of not exceeding Baht 1,471 million. On 27 April 2015, cash dividends totalling Baht 1,001 million and stock dividends totalling 400 million shares were paid to shareholders.

**35 Acquisitions of subsidiaries**

**35.1 New acquisition**

Minor Hotels Zambia Limited (formerly "Sun International (Zambia) Limited")

On 1 July 2016, MHG International Holding (Mauritius) Limited, a subsidiary of the Group, additionally acquired shares of Minor Hotel Zambia Limited in the total amount of USD 16.1 million or equivalent to Baht 565 million, representing 50% interest, which made the holding interest increase from 50% to 100%. As a result, the Group has control over Minor Hotel Zambia Limited. Such company has become a subsidiary of the Group and has been consolidated to the Group since the controlling date.

The Group has recognised the loss on revaluation of previously held investment, related to changing status of investment in joint venture and gain on bargain purchase recognised through the income statement as details below, according to related financial reporting standard.

As at 31 December 2016, the Group has completed the measurement of the fair value of identifiable assets acquired and liabilities assumed of Minor Hotels Zambia Limited. 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 were as follows:

	<b>Baht 000</b>
Fair value of previously held investment	1,112,723
Book value of previously held investment as at acquisition date	1,169,488
Loss from change status of investment recognised through the income statement	(56,765)
Consideration paid for additional investment	565,536
Fair value of previously held investment	1,112,723
Fair value of net assets under interest acquired	(2,225,447)
Gain on bargain purchase recognised through the income statement	547,188

Total effect from this transaction can be presented as follows:

	<b>Baht 000</b>
Loss from change status of investment recognised through the income statement	(56,765)
Gain on bargain purchase recognised through the income statement	547,188
Net gain from acquisition recognised through the income statement	490,423

**35 Acquisitions of subsidiaries (Cont'd)**

**35.1 New acquisition (Cont'd)**

Minor Hotels Zambia Limited (formerly "Sun International (Zambia) Limited") (Cont'd)

The fair value at 100% interest of identified assets acquired and liabilities assumed from this acquisition was as follows:

	<u>Baht 000</u>
Cash and cash equivalents	89,317
Trade and other receivables	65,249
Inventories	57,334
Property, plant and equipment	2,922,989
Trade payables	(54,871)
Tax payables	(18,379)
Deferred tax liabilities	(836,192)
Fair value of net assets under interest acquired	<u>2,225,447</u>

WRAP companies and M on Palmer business

During the third quarter of 2016, a subsidiary of the Group, additionally acquired the remaining 50% interest of 6 companies in WRAP group ("WRAP companies") and business of M on Palmer ("M on Palmer business") in the total amount of AUD 9.9 million or equivalent to Baht 264 million and AUD 2.6 million or equivalent to Baht 68 million respectively, which made the holding interest increase from 50% to 100%. As a result, the Group has control over WRAP companies and M on Palmer business and these two companies have become the subsidiaries of the Group and been consolidated to the Group since the controlling date.

The Group has recognised the gain from fair value adjustment of previously held investment through the income statement amounting to Baht 92.5 million, according to related financial reporting standard.

As at 31 December 2016, the Group is in the process of appraising the net assets acquired of M on Palmer business. Difference between consideration paid and fair value of net assets acquired will be presented as goodwill or gain on bargain purchase upon the completion of the valuation.

Details of the acquisition were as follows:

	<u>WRAP companies Baht 000</u>	<u>M on Palmer business Baht 000</u>	<u>Total Baht 000</u>
Fair value of previously held investment	221,054	54,437	275,491
Book value of previously held investment as at acquisition date	(72,921)	(108,029)	(180,950)
Gain (loss) from change status of investment	148,133	(53,592)	94,541
Consideration paid for additional investment	263,885	68,000	331,885
Fair value of considerations of previously held investment	221,054	54,437	275,491
Fair value of net assets under interest acquired	(442,108)	(108,848)	(550,956)
Excess of consideration paid over fair value of the net assets acquired (presented as goodwill)	42,831	13,589	56,420

As at 31 December 2016, the Group not yet paid the purchase price of AUD 2.0 million or equivalent to Baht 53 million.

**35 Acquisitions of subsidiaries** (Cont'd)

**35.1 New acquisition** (Cont'd)

WRAP companies and M on Palmer business (Cont'd)

The fair value at 100% interest of identified assets acquired and liabilities assumed from this acquisition was as follows:

	<b>WRAP companies Baht 000</b>	<b>M on Palmer business Baht 000</b>	<b>Total Baht 000</b>
Cash and cash equivalents	53	10,575	10,628
Trade and other receivables	25,831	13,827	39,658
Inventories	449	872	1,321
Other current assets	264	529	793
Property, plant and equipment	102,106	361,153	463,259
Intangible assets	495,858	74,557	570,415
Prepayment	3,834	3,834	7,668
Trade payables	(37,517)	(334,132)	(371,649)
Deferred tax liabilities	(148,770)	(22,367)	(171,137)
Fair value of net assets under interest acquired	<u>442,108</u>	<u>108,848</u>	<u>550,956</u>

Tivoli Group in The Portuguese Republic

On 1 February 2016, a subsidiary of the Group completed the acquisition of Tivoli Group in the Portuguese Republic for a consideration of EUR 219.3 million or equivalent to Baht 8,553 million, representing 100% interest. The financial statements of these subsidiaries were included in the consolidated financial statements from the date that the Group has significant control over these subsidiaries.

Details of the acquisition were as follows:

	<b>Baht 000</b>
Purchase price considerations	8,552,950
Fair value of net assets under interest acquired	<u>10,517,604</u>
Gain from bargain purchases	<u>(1,964,654)</u>

Out of the consideration paid, the purchase price of EUR 3.1 million or equivalent to Baht 117 million will pay in the future within due date.

**35 Acquisitions of subsidiaries (Cont'd)**

**35.1 New acquisition (Cont'd)**

Tivoli Group in The Portuguese Republic (Cont'd)

The fair value at 100% interest of identifiable assets acquired and liabilities assumed from these acquisitions was as follows:

	<b>Baht 000</b>
Cash and cash equivalents	198,666
Trade and other receivables	358,410
Inventories	13,923
Property, plant and equipment	11,798,124
Intangible assets	117,390
Other long-term investments	7,446
Other assets	61,662
Deferred tax liabilities	(244,647)
Liabilities	(1,793,370)
Fair value of net assets	10,517,604
Non-controlling interests	-
Fair value of net assets under interest acquired	<u>10,517,604</u>

The Group engages a qualified independent appraiser who holds a valid professional license to appraise fair value measurement of tangible assets and intangible assets of Tivoli Group in the Portuguese Republic on the date of acquisition.

Elements Boutique Resort & Spa

On 1 October 2016, a subsidiary of the Group acquired the operating assets properties located in Thailand in the amount of Baht 155 million which is considered as business combination.

As at 31 December 2016, the Group has completed the measurement of fair value of identifiable assets acquired and liabilities assumed of Elements Boutique Resort & Spa. 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 were as follows:

	<b>Baht 000</b>
Purchase price considerations	155,000
Fair value of assets acquired	<u>155,000</u>
Gain from bargain purchases recognised through the income statement	-

The fair value of assets acquired from this acquisition was as follows:

	<b>Baht 000</b>
Property and equipment	<u>155,000</u>
Fair value of assets acquired	<u>155,000</u>

**35 Acquisitions of subsidiaries (Cont'd)**

**35.2 Prior period acquisition**

Pojuca S.A.

On 22 January 2015, a subsidiary of the Group acquired 100% of the issued shares in Pojuca S.A. for a consideration of EUR 40.2 million or equivalent to Baht 1,490 million.

As described in Note 36, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of Pojuca S.A. during the first quarter of 2016. 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 were as follows:

	<b>Baht-000</b>
Purchase price considerations	1,489,778
Fair value of net assets under interest acquired	1,491,995
Gain from bargain purchases recognised through the income statement	(2,217)
Goodwill - as previously reported	851,647
Restatement (Note 36)	(851,647)

Out of the consideration paid, the purchase price of EUR 8 million or equivalent to Baht 302 million will pay in the future within due date.

The fair value at 100% interest of identifiable assets acquired and liabilities assumed from this acquisition was as follows:

	<b>Baht-000</b>
Cash and cash equivalents	174,974
Trade and other receivables	140,451
Inventories	17,148
Property, plant and equipment	2,188,184
Intangible assets	14,168
Land and real estate project for sales	67,472
Prepaid corporate tax	57,999
Prepayment	21,268
Other assets	75,564
Deferred tax liabilities	(446,686)
Liabilities	(818,547)
Fair value of net assets	1,491,995
Non-controlling interests	-
Fair value of net assets under interest acquired	1,491,995

**35 Acquisitions of subsidiaries (Cont'd)**

**35.2 Prior period acquisition (Cont'd)**

Minor DKL Food Group Pty. Ltd.

On 30 October 2015, Delicious Food Holding (Singapore) Pte. Ltd., a subsidiary of the Group, acquired the operating assets by additionally acquiring ordinary shares of Minor DKL in the total amount of AUD 45 million or equivalent to Baht 1,121 million, representing 20% interest. As a result, the investment portion increased from 50% to 70%, which is considered as business combination for the consolidated financial statements.

As described in Note 36, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of Minor DKL Food Group Pty. Ltd. during the fourth quarter in 2016. 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 were as follows:

	<b>Baht'000</b>
Fair value of previously held investment	2,860,508
Book value of previously held investment as at acquisition date	(1,067,621)
	<hr/>
Gain from change status of investment recognised through the income statement	1,792,887
Consideration paid for additional investment	1,120,901
Fair value of previously held investment	2,860,508
Fair value of net assets under interest acquired	(2,004,026)
	<hr/>
Goodwill	1,977,383
Goodwill - as previously reported	3,865,979
	<hr/>
Restatement (Note 36)	(1,888,596)
	<hr/>

The fair value at 70% interest of identified assets acquired and liabilities assumed from this acquisition was as follows:

	<b>Baht'000</b>
Cash and cash equivalents	86,261
Trade and other receivables	133,960
Inventories	131,303
Property, plant and equipment	259,523
Intangible assets	4,353,841
Prepayment	15,872
Other assets	98,208
Deferred tax liabilities	(1,216,060)
Liabilities	(893,977)
	<hr/>
Fair value of net assets	2,968,931
Non-controlling interests	964,905
	<hr/>
Fair value of net assets under interest acquired	2,004,026
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**35 Acquisitions of subsidiaries (Cont'd)**

**35.3 Group's valuation processes**

The Group has applied the income approach in calculating fair value of property, plant and equipment and intangible assets which is considered as Level 3 of fair value measurement.

Finance and accounting department engages an independent valuer to perform the valuations of assets acquired from business combination, including Level 3 fair values. This team reports directly to Chief Financial Officer ("CFO"). Discussions of valuation processes and results are held between the finance department and the CFO at least once every quarter, in line with the Group's quarterly reporting dates.

The main Level 3 input used by the Group pertains to the discount rate for business valuation. It is estimated based on discounted cash flow projections of revenue in the future in the light of current market conditions. The fair value also reflects any cash outflows that could be expected in respect of the operation. The discount rate is estimated based on capital structure and financial factors in overall economy that are, in the opinion of the management, appropriate including the risk premium and reflects current market assessments of the time value of money and risk adjusted which are in the range of 9% - 19% per annum.

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

**36 Restatements**

**36.1 Business acquisition - Pojuca S.A**

As described in Note 35 regarding the acquisition of Pojuca S.A. in January 2015, during the first quarter of 2016, the Group completed the measurement of the fair value of identifiable assets acquired and liabilities assumed of Pojuca S.A. to comply with the measurement period for a business combination referred in TFRS 3 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 know, 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 2015 was presented as follows:

	<b>Consolidated Baht 000</b>
<b>Statement of financial position as at 31 December 2015</b>	
Increase in property, plant and equipment (Note 17)	1,313,781
Decrease in goodwill (Note 18)	(851,647)
Decrease in other non-current assets	(15,448)
Increase in deferred tax liabilities	446,686

The Group did not retrospectively adjust the comparative figures of the consolidated income statement and statement of comprehensive income for the year ended 31 December 2015 because the net impact approximately of Baht 2 million was not material.

**36 Restatements (Cont'd)**

**36.2 Business acquisition - Minor DKL Food Group Pty. Ltd.**

For the acquisition of Minor DKL Food Group Pty. Ltd. completed in October 2015, during the fourth quarter of 2016, the Group completed the measurement of the fair value of identifiable assets acquired and liabilities assumed of Minor DKL Food Group Pty. Ltd. to comply with the measurement period for a business combination referred in TFRS 3 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 know, 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 2015 was presented as follows:

	<b>Consolidated Baht 000</b>
<b>Statement of financial position as at 31 December 2015</b>	
Decrease in inventories	(25,009)
Decrease in property, plant and equipment (Note 17)	(167,161)
Increase in intangible assets (Note 18)	4,092,243
Decrease in goodwill (Note 18)	(1,888,596)
Increase in deferred tax liabilities	1,202,884
Increase in other non-current liabilities	12,829
Increase in non-controlling interests	795,764

**36.3 Prior year's restatement**

During the third quarter of 2016, the Group has additional information in relation to an investment in 2015 CM Investors Corporation, which was presented under other long-term investments in prior year, that the Group has had joint control since the company's incorporation in 2015. Therefore, the Group has restated long-term investment to interests in joint venture presented in prior year.

The effect to the statement of financial position as at 31 December 2015 was presented as follows:

	<b>Consolidated Baht 000</b>
<b>Statement of financial position as at 31 December 2015</b>	
Decrease in other long-term investment (Note 12)	(804,776)
Increase in interests in joint venture (Note 13)	804,776

All restatements have no effect on the beginning balance as of 1 January 2015. Therefore, restated balance of such period is not required.

**37 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**

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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The interest rate risks arise from the volatility of market interest rates, which may have a negative impact on the Company cash flow. The Group and the Company manage such risks in accordance with its policy to reduce the Company's exposure to adverse changes in interest rates and the prevailing financial market condition. As a result, the Company keeps balancing interest rate position to align with the financial market situation.

**37 Financial instruments (Cont'd)**

**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 2016, the Group has a cross currency swap contract which is debenture of Baht 1,500 million with fixed interest rate converting to an equivalent fixed amount of USD 48.9 million.

As at 31 December 2016, the Group has a cross currency swap contract which is debenture of Baht 4,000 million with fixed interest rate converting to an equivalent fixed amount of EUR 106.1 million.

As at 31 December 2016, the Group has a cross currency swap contract which is debenture of Baht 2,800 million with fixed interest rate converting to an equivalent fixed amount of EUR 72.7 million.

As at 31 December 2016, the Group has a cross currency swap contract which is loan of USD 61.73 million with floating interest rate converting to an equivalent fixed amount of Baht 2,000 million.

**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 2016 and 2015, the Group has outstanding foreign exchange forward contracts, with maturity less than 6 months as follows:

	<b>Consolidated financial statements</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>
USD 3,950,102 (Baht 35.77/1 USD) (2015: USD 3,455,259 (Baht 36.21/1 USD))	141,278,457	125,110,089
JPY 2,310,070 (Baht 0.37/ 1 JPY) (2015: Nil)	716,352	-

**Credit risk**

The Group is exposed to normal credit risk primarily with respect to trade accounts receivable. However, due to the large number of entities comprising the Group's customer base, the Group does not anticipate material losses from its debt collection.

**Fair value**

The fair value of the open cross currency swap contracts and interest rate swap contracts for loan as at 31 December 2016 is unfavourable amounting to Baht 367,690,166 (2015: unfavourable amounting to Baht 597,170,410).

The fair value of the open foreign exchange forward contracts for the purchase of goods as at 31 December 2016 is favourable amounting to Baht 345,054 (2015: unfavourable amounting to Baht 414,643).

**37 Financial instruments (Cont'd)**

**Financial instrument in Level 2**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

All of the fair value of cross currency swap contracts and foreign exchange forward contracts of the Group are in Level 2 hierarchy.

**38 Commitments**

As at 31 December 2016, the Group has commitments as follows:

The Company

- The Company has entered into an agreement to lease the land on which its hotel building is built for a period of 30 years, ending in 2018. The Company is committed to pay rental fees at a certain percentage of gross revenue (which is to be increased annually until it reaches a specified rate) or at a minimum rental fees stipulated in the agreement, whichever is higher. As at 31 December 2016, the Company's future commitments according to the minimal rental fees stipulated in the agreement is approximately Baht 10 million.
- The Company has entered into rental and service agreements with a subsidiary relating to its opening of restaurants. The Company is committed to pay rental and service fees under the agreements of approximately Baht 3.2 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 2026.
- The Company has entered into a trademark agreement and a hotel management agreement with a subsidiary. The Company has obligation to pay trademark fees and hotel management fees at certain percentages of revenue generated as indicated in the agreement. The agreement is valid for 10 years and will be terminated in 2026.
- The Company has entered into two agreements for technical assistance and the use of trademarks and trade names with an overseas company under the terms of the agreements, fees calculated at a percentage of gross sales as specified in the agreements. One of them was effective in February 1994 which will be continued until one of the parties terminates the contract, and the other will also be continued until one of the parties terminates the contract. According to the two agreements, a subsidiary must pay franchise fees based on a percentage of sales and must comply with certain terms and conditions.

Subsidiaries

**Management and services agreements**

- A subsidiary has entered into a license and royalty agreement with an overseas company. The subsidiary is committed to pay royalty fees and management hotel fees at the rate, terms and basis as specified in the agreement for a period of 20 years through 2021 and can be renewed at its expiry date for 10 years.
- A subsidiary has entered into service agreements with three companies with regards to the hotel operations, whereby the subsidiary has been provided certain services and granted a license. The subsidiary is required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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and bases as specified in the agreements. All agreements are effective for the period from September 2006 to June 2024 with option for the subsidiary to extend the period up to end of the land lease agreement or for another 20 years.

**38 Commitments (Cont'd)**

Subsidiaries (Cont'd)

**Management and services agreements (Cont'd)**

- A subsidiary has 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 required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and bases as specified in the agreements. All agreements are effective from January 2006 to December 2017 and are renewable after expiry date for 20 years.
- A subsidiary has entered into service agreements with three companies with regards to the hotel operations, whereby the subsidiary has been provided services and granted a license to operate. The subsidiary is required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and basis as specified in the agreements. All agreements are effective from February 2007 to January 2027 and are renewable after expiry date for another two periods of 20 years and 10 years, respectively.
- A subsidiary has entered into a 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. The agreement is effective from June 2007 to May 2037.
- A subsidiary has entered into the service agreements with a company with regards to consultation, installation, repair and maintenance of computer 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**

- Three subsidiaries have entered into separate land lease agreements for periods between 30 to 42 years, effective on 8 May 1987, 25 January 1989 and 2 July 1994, respectively. The subsidiaries are committed to pay rental fees at a certain percentage of annual gross revenue (to be increased annually until it reaches a specified rate) or at a minimum rent stipulated in the agreement, whichever is higher. As at 31 December 2016, the subsidiaries' future payment commitments in accordance with the minimal rental fees stipulated in the agreements are approximately Baht 70 million (2015: Baht 81 million).

In 2010, a subsidiary has extended land lease agreements for periods of 30 years, effective on 25 January 2019. The subsidiary is committed to pay rental fees at a certain percentage of annual gross revenue (to be increased annually until it reaches a specified rate) or at a minimum rent stipulated in the agreement, whichever is higher. As at 31 December 2016, 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 (2015: Baht 1,132 million).

- A subsidiary has entered into the sublease land agreement of Kihavah Huravlhu Island for 23 years from 23 October 2007 for the construction of a new hotel. As at 31 December 2016, a subsidiary has commitment to pay rental fee as stipulated in the lease agreement approximately of USD 34.2 million (2015: USD 36.3 million).

**38 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 fees at the rates specified in the lease agreement. The lease agreement is for a period of 30 years up to the year 2043. As at 31 December 2016, the subsidiary has a commitment to pay minimal rental fees as stipulated in the agreement as follows:

<u>Year</u>	<u>Baht Million</u>
Within 1 year	91
Between 2 and 5 years	366
After 5 years	1,965
	<u>2,422</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 agreed to construct a residential and hotel building situated on land owned by the Privy Purse Bureau. The building construction permit was under the name of the Privy Purse Bureau and the ownership of the building and other constructions on this land are transferred to the landlord on completion. In addition, the subsidiary was required to pay all expenses with respect to the construction of the building. The construction period was 4 years from the date of receipt of the permit to construct the building from the Bangkok Metropolitan Authority. The Privy Purse has agreed with the subsidiary to lease the land and building for the residential, hotel and related commerce for a period of 30 years commencing 1 March 2011. As at 31 December 2016, the subsidiary has a commitment to pay land and building rental fee to the Privy Purse Bureau at the rates stipulated in the agreement amounting to Baht 467 million by which the subsidiary has recorded a part of the rental fee as accrued project cost in statement of financial position amounting to Baht 272 million.
- A subsidiary 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 2016, the subsidiary has commitment to pay Baht 119 million as stipulated, by which Baht 47 million has been included as accrued project cost in the statement of financial position.
- As at 31 December 2016 and 2015, 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:

	<b>2016</b>		<b>2015</b>	
	<u>Baht Million</u>	<u>AUD Million</u>	<u>Baht Million</u>	<u>AUD Million</u>
Within 1 year	1,182	27	1,125	23
Between 2 and 5 years	919	63	1,022	52
After 5 years	18	125.0	27	8
Total	<u>2,119</u>	<u>102</u>	<u>2,174</u>	<u>83</u>

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

### 38 Commitments (Cont'd)

#### Subsidiaries (Cont'd)

##### 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 2009 to 2018, eight 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 each.
- A subsidiary has entered into a license agreement with an overseas company in order to obtain rights to use the trademark in selling 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.

### 39 Guarantees

Guarantees in the normal courses of business are as follows:

	31 December 2016										
	Consolidated financial statements					Separate financial statements					
	Baht Million	US\$ Million	AUD Million	EUR Million	CNY Million	AED Million	Baht Million	US\$ Million	AUD Million	EUR Million	BRL Million
Letters of guarantees issued by banks on behalf of the Group	1,021.7	11.1	11.6	0.3	130.3	15.0	626.8	3.1	-	-	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	6,418.1	463.0	144.5	16.2	125.0	-	4,624.5	463.0	144.5	15.0	5.0
	31 December 2015										
	Consolidated financial statements					Separate financial statements					
	Baht Million	US\$ Million	AUD Million	CNY Million	AED Million	Baht Million	US\$ Million	AUD Million			
Letters of guarantees issued by banks on behalf of the Group	989.5	8.46	53.11	49.0	15.0	56.1	3.1	20.7			
Guarantee given by the Group to financial institution to guarantee for credit facilities	6,408.1	463.0	144.5	125.0	-	4,594.5	463.0	144.5			

### 40 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.

### 41 Post statement of financial position events

In January 2017, Maikhao Vacation Villas Limited, a joint venture of the Company, was registered for dissolution.

**Minor International Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2016**

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In February 2017, a subsidiary of the Group invested in The Coffee Club (Technology) Pty. Ltd., a new established company, of AUD 100, representing 70% interest as a Group.