

MINOR INTERNATIONAL PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2020

Independent Auditor's Report

To the shareholders of Minor International Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Minor International Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2020, 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 (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate income statements for the year then ended;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

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 Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions 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><i>Recoverable amount of brand</i></p> <p>Refer to Note 22 to the consolidated financial statements for critical accounting estimates and judgements related to brand.</p> <p>The Group has brand of Baht 45,800 million as at 31 December 2020, which mainly related to 2 business segments which were Hotel & Spa and Restaurant. The Group was required to, at least annually, test brand for impairment.</p> <p>For the year ended 31 December 2020, the management has performed an impairment assessment of the brand balance by:</p> <ol style="list-style-type: none">1. Calculating the value in use for each Cash Generating Unit ("CGU") using a discounted cash flow model. These models used cash flows (revenues and expenses) for each CGU for 5 years, with constant terminal growth rate applied after the 5th year. These cash flows were then discounted to net present value using the weighted average cost of capital (WACC). For this, the Group adopted the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19, in performing an impairment assessment of the brand.	<p>The audit procedures included the followings;</p> <ul style="list-style-type: none">• Understanding and evaluating the composition of management's cash flow forecasts and the process by which they were developed, including testing of the mathematical accuracy by the management.• Comparing the current year actual operating results with the figures included in the prior year forecast to consider whether any forecasts included assumptions that, with hindsight, have been optimistic.• Assessing management's key assumptions by comparing them to historical results and economic and industry outlook. Those assumptions included growth rate of the business, estimated cost and estimated expenses in the future, and also excluded the COVID-19 impact that might affect financial forecasts in the impairment assessment, following the framework of the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19.• Testing parameters used to determine the discount rate applied and re-performing the calculations.

Key audit matter	How my audit addressed the key audit matter
<p>2. Comparing the resulting value in use of each CGU to their respective book values.</p> <p>Based on the annual brand impairment test, the management concluded there was no brand impairment as at 31 December 2020. The key assumptions were disclosed in Note 22 to the financial statements.</p> <p>I focused on this area due to the size of brand balance of around 13% of total assets and the annual assessment process involved significant management judgement, which was based on assumptions that were affected by expected future market and economic conditions.</p>	<ul style="list-style-type: none"> ● Assessing an adequacy of their sensitivity calculations over their CGUs. The valuation of brand was sensitive to changes in key assumptions, in case they were not achieved, could reasonably be expected to give rise to impairment charge in the future. ● Evaluating the adequacy of the disclosures made in notes of the financial statements, including those regarding the key assumptions and sensitivity of those assumptions. <p>Based on the above procedures, I considered management's key assumptions used in assessing the brand impairment were reasonable based on available evidences, also in compliance with the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19.</p>
<p><i>Adoption of TFRS 16 - Leases</i></p> <p>Refer to Note 5 to the consolidated financial statements for the adoption of TFRS 16 - Leases.</p> <p>The Group has adopted TFRS 16 - Leases, with effect on 1 January 2020, for all contracts that were identified as leases under the framework of TFRS 16.</p>	<p>The audit procedures included the followings;</p> <ul style="list-style-type: none"> ● Understanding and assessment of the accounting policies applied by management to adopt the standard as from 1 January 2020. ● Testing of the completeness of information, checking the inclusion of all the contracts to identify the effect from the standard. ● Evaluating the reasonableness of assumptions considered by the management to estimate the discount rates and lease terms applied on the lease contracts that were affected by the adoption of the standard.

Key audit matter	How my audit addressed the key audit matter
<p>As stated in Note 6.15 to the consolidated financial statements, TFRS 16 lays down the principles for recognising, measuring, presenting and disclosing leases. The standard stipulated that a liability must be recognised at lease inception equalled to the present value of the lease instalments. The liability will include fixed instalments and those that are in substance fixed instalments, as well as variable instalments depending on an index or interest rate. In turn, an asset will be recognised representing the right of use of the underlying asset during the lease term.</p> <p>The Group has applied the modified retrospective approach, involving the recognition of right of use at the adoption date, as indicated in Note 5, amounting to Baht 84,735 million and a lease liability of Baht 88,641 million.</p> <p>The management has taken necessary steps to adopt the standard, which included analysing all the contracts affected by TFRS 16, considering the specific implications of each contract type to which it was applicable, determining lease terms, estimating discount rates and adapting systems to correctly recognise the first-time adoption of the standard.</p> <p>I focused on this area due to the implementation of the new standard has had considerable accounting impacts on the Group as regards the total value of its assets and liabilities. In addition, there were numerous contracts containing non-homogeneous clauses, which involved the assessment of management's judgements in interpreting the terms of the leases and the estimation of discount rates.</p>	<ul style="list-style-type: none"> ● Performing the tests of detail on the information relating to the leases recorded in the systems, checking, based on a sample of leases, their existence, the determination of lease terms and the amount, in accordance with the framework of the standards. ● Performing the assessment on the sufficiency and appropriateness of the information disclosed in the consolidated financial statements in relation to the first-time adoption of the standard. <p>Based on the above procedures, I considered management's reporting on TFRS 16 related balances, as well as the key assumptions, were completed and reasonable based on available evidences.</p>

Emphasis of matter

I draw attention to note 6.27 of the financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My conclusion is not modified in respect to this matter.

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 TFRS, 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's 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's 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 judgement 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's 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's 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

25 February 2021

Minor International Public Company Limited
 Statements of Financial Position
 As at 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	11	26,188,115,177	13,330,821,335	10,645,335,382	302,184,102
Trade and other receivables	12	12,285,893,681	15,554,016,990	4,778,266,452	1,626,296,403
Inventories	14	3,682,607,692	4,139,131,141	3,187,774	4,455,702
Land and real estates project for sales	15	1,957,656,021	1,427,789,963	-	-
Derivative assets	8	136,369,251	-	136,369,251	-
Other current assets	16	3,670,620,477	2,665,312,921	79,701,170	42,107,098
Non-current assets classified as held-for-sale	17	4,143,208,288	1,481,717,622	-	-
Total current assets		52,064,470,587	38,598,789,972	15,642,860,029	1,975,043,305
Non-current assets					
Trade and other receivables	12	2,238,025,949	3,087,693,029	241,557,170	-
Available-for-sale investments		-	25,631,724	-	23,661,565
Investments in subsidiaries	18	-	-	8,102,339,365	8,071,408,665
Investments in associates	18	8,413,477,152	6,359,569,618	2,787,458,871	2,783,765,824
Interests in joint ventures	18	2,437,174,867	2,614,326,059	-	-
Other long-term investments		-	166,326,237	-	-
Long-term loans to related parties	19	5,201,233,785	5,677,839,953	127,012,395,852	113,868,224,914
Investment properties	20	1,286,543,740	1,252,329,153	-	-
Property, plant and equipment	21	122,718,224,797	123,129,060,909	151,323,248	164,876,724
Right-of-use assets	23	89,076,419,349	-	383,362,105	-
Intangible assets	22	67,232,896,238	59,706,815,690	23,314,109	26,151,575
Prepaid rents		-	2,174,694,504	-	9,240,000
Derivative assets	8	559,775,675	-	559,775,675	-
Deferred tax assets	36	7,731,939,377	5,503,259,677	-	-
Other non-current assets	24	3,366,336,923	5,887,430,494	36,158,625	2,167,485,131
Total non-current assets		310,262,047,852	215,584,977,047	139,297,685,020	127,114,814,398
Total assets		362,326,518,439	254,183,767,019	154,940,545,049	129,089,857,703

Director _____

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Minor International Public Company Limited
 Statements of Financial Position
 As at 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	25	140,440,279	300,000,000	-	300,000,000
Trade and other payables	26	15,310,437,933	20,036,179,357	681,785,891	713,649,472
Short-term borrowings from related parties	19, 25	-	-	5,379,401,907	4,338,917,425
Current portion of long-term borrowings					
from financial institutions	25	1,705,669,746	5,659,718,000	-	2,935,438,202
Current portion of debentures	25	4,596,224,129	4,000,000,000	4,596,224,129	4,000,000,000
Current portion of deferred income		353,730,137	251,942,817	178,600	120,538
Income tax payable		430,302,737	1,859,595,861	-	-
Current portion of lease liabilities		12,782,363,002	-	170,802,720	-
Current portion of finance lease liabilities		-	11,500,436	-	-
Derivative liabilities	8	1,044,482,878	-	963,409,113	-
Other current liabilities	27	4,874,349,707	3,472,707,737	32,783,420	28,824,148
Total current liabilities		41,238,000,548	35,591,644,208	11,824,585,780	12,316,949,785
Non-current liabilities					
Long-term borrowings					
from financial institutions	25	70,097,857,804	39,010,772,801	25,351,716,289	16,268,952,920
Debentures	25	59,798,677,975	63,375,519,560	46,665,828,580	51,064,612,531
Lease liabilities		81,819,643,110	-	548,106,084	-
Finance lease liabilities		-	15,841,420	-	-
Employee benefit obligations	28	1,407,946,345	1,322,469,480	28,032,394	17,613,950
Derivative liabilities	8	3,492,479,390	-	3,465,462,817	-
Deferred tax liabilities	36	25,122,429,640	24,144,264,318	203,221,909	200,138,201
Other non-current liabilities	29	3,025,579,841	4,855,410,499	6,368,649	5,146,756
Total non-current liabilities		244,764,614,105	132,724,278,078	76,268,736,722	67,556,464,358
Total liabilities		286,002,614,653	168,315,922,286	88,093,322,502	79,873,414,143

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Minor International Public Company Limited
 Statements of Financial Position
 As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital	30				
Authorised share capital					
5,887,815,947 ordinary shares at par value of Baht 1 each (2019: 4,849,860,006 ordinary shares at par value of Baht 1 each)		<u>5,887,815,947</u>	<u>4,849,860,006</u>	<u>5,887,815,947</u>	<u>4,849,860,006</u>
Issued and paid-up share capital					
5,182,334,589 ordinary shares paid-up at Baht 1 each (2019: 4,619,004,550 ordinary shares paid-up at Baht 1 each)	30	5,182,334,589	4,619,004,550	5,182,334,589	4,619,004,550
Share premium ordinary shares	30	24,195,693,420	15,018,400,595	24,170,041,044	14,992,748,219
Expired warrants in a subsidiary		104,788,723	104,788,723	-	-
Retained earnings					
Appropriated - legal reserve	32	588,781,595	484,986,001	588,781,595	484,986,001
Unappropriated		15,087,318,549	40,916,449,877	6,775,514,981	5,916,609,913
Other components of equity		<u>(10,247,161,732)</u>	<u>(9,470,039,126)</u>	<u>(1,938,593,387)</u>	<u>(584,563,325)</u>
Total		<u>34,911,755,144</u>	<u>51,673,590,620</u>	<u>34,778,078,822</u>	<u>25,428,785,358</u>
Perpetual debentures	39	<u>32,069,143,725</u>	<u>23,787,658,202</u>	<u>32,069,143,725</u>	<u>23,787,658,202</u>
Equity attributable to owners of the parent		66,980,898,869	75,461,248,822	66,847,222,547	49,216,443,560
Non-controlling interests		<u>9,343,004,917</u>	<u>10,406,595,911</u>	<u>-</u>	<u>-</u>
Total equity		<u>76,323,903,786</u>	<u>85,867,844,733</u>	<u>66,847,222,547</u>	<u>49,216,443,560</u>
Total liabilities and equity		<u>362,326,518,439</u>	<u>254,183,767,019</u>	<u>154,940,545,049</u>	<u>129,089,857,703</u>

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Minor International Public Company Limited
Income Statement
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Revenues	10				
Revenues from hotel and related services operations		30,749,218,993	85,550,647,727	192,481,321	608,293,580
Revenues from mixed use operations		2,077,714,937	5,889,120,670	-	-
Sales of food and beverage		19,474,448,092	22,665,775,128	-	-
Sales from distribution and manufacturing		3,652,594,396	4,917,109,983	-	-
Dividends income		701,700	2,016,240	129,030,749	2,458,006,000
Interest income		576,293,763	721,974,306	4,307,746,852	4,035,684,539
Other income	33	2,164,663,174	9,314,957,011	26,915,884	564,590,457
Total revenues		58,695,635,055	129,061,601,065	4,656,174,806	7,666,574,576
Expenses	35				
Direct cost of hotel and related services operations		38,190,441,891	53,573,740,969	152,717,620	220,131,606
Direct cost of mixed use operations		698,841,047	2,267,462,854	-	-
Cost of sales of food and beverage		6,020,272,440	6,581,115,203	-	-
Cost of sales from distribution and manufacturing		2,344,425,172	2,771,653,077	-	-
Selling expenses		15,571,714,309	23,802,014,964	68,822,747	100,878,850
Administrative expenses		12,476,934,963	22,631,813,694	370,774,445	633,899,048
Other (gains) losses, net	34	625,215,095	892,767,946	363,334,330	778,449,170
Financial costs		7,452,436,707	4,081,485,853	2,235,140,515	1,998,208,723
Total expenses		83,380,281,624	116,602,054,560	3,190,789,657	3,731,567,397
Operating profit (loss)		(24,684,646,569)	12,459,546,505	1,465,385,149	3,935,007,179
Share of profit (loss) of investments in associates and joint ventures	18	(463,901,650)	827,509,233	-	-
Profit (loss) before income tax		(25,148,548,219)	13,287,055,738	1,465,385,149	3,935,007,179
Income tax	36	2,445,312,131	(2,292,951,302)	84,334,413	(88,850,806)
Profit (loss) for the year		(22,703,236,088)	10,994,104,436	1,549,719,562	3,846,156,373
Profit (loss) attributable to:					
Owners of the parent		(21,407,335,947)	10,697,926,668	1,549,719,562	3,846,156,373
Non-controlling interests		(1,295,900,141)	296,177,768	-	-
		(22,703,236,088)	10,994,104,436	1,549,719,562	3,846,156,373
Earnings (loss) per share (Baht)	37				
Basic earnings (loss) per share		(4.7077)	2.0371	0.0183	0.5537
Diluted earnings (loss) per share		(4.7077)	2.0371	0.0183	0.5537

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Minor International Public Company Limited
Statement of comprehensive income
For the year ended 31 December 2020

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Profit (loss) for the year		(22,703,236,088)	10,994,104,436	1,549,719,562	3,846,156,373
Other comprehensive income (expense):					
Item that will not be reclassified subsequently to income statement					
Gain (loss) on remeasuring of equity investments at fair value through other comprehensive income (expense)		(1,554,405)	-	(1,877,420)	-
Remeasurements of post-employment benefit obligations		46,509,293	-	(3,842,895)	-
Total item that will not be reclassified subsequently to income statement		44,954,888	-	(5,720,315)	-
Items that will be reclassified subsequently to income statement					
Cash flow hedges	7	(2,740,220)	-	(783,341,281)	-
Cost of hedging reserve	7	(535,165,928)	-	(568,811,361)	-
Gain (loss) on remeasuring of available-for-sale investments		-	(430,485)	-	(956,500)
Currency translation differences		300,031,856	(3,809,349,170)	-	-
Total items that will be reclassified subsequently to income statement		(237,874,292)	(3,809,779,655)	(1,352,152,642)	(956,500)
Other comprehensive income (expense) for the year, net of tax		(192,919,404)	(3,809,779,655)	(1,357,872,957)	(956,500)
Total comprehensive income (expense) for the year		(22,896,155,492)	7,184,324,781	191,846,605	3,845,199,873
Total comprehensive income (expense) attributable to:					
Owners of the parent		(22,096,274,260)	7,641,448,253	191,846,605	3,845,199,873
Non-controlling interests		(799,881,232)	(457,123,472)	-	-
		(22,896,155,492)	7,184,324,781	191,846,605	3,845,199,873

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Consolidated financial statements (Baht)															
Attributable to owners of the parent															
Notes						Other components of equity					Total other components of equity	Perpetual debentures	Total owners of the parent	Non-controlling interests	Total equity
	Issued and paid-up share capital	Share premium ordinary shares	Expired warrants in a subsidiary	Legal reserve	Unappropriated retained earnings	Discount on business combination under common control	Discount on additional investment in subsidiary	Impact from hyperinflationary economy	Remeasuring of available-for-sale investments	Translation adjustment					
Opening balance as at 1 January 2019 (as previously reported)	4,618,914,291	15,014,609,717	104,788,723	464,178,907	34,624,841,755	(755,412,590)	(1,841,755,212)	-	4,497,090	(4,088,817,307)	(6,681,488,019)	23,777,899,602	71,923,744,976	11,150,377,544	83,074,122,520
Retrospective adjustment from completion of fair value measurement	-	-	-	-	(708,000,000)	-	-	-	-	-	-	-	(708,000,000)	(65,129,077)	(773,129,077)
Application adjustment of TAS 29	-	-	-	-	(229,102,812)	-	-	229,102,812	-	-	-	229,102,812	-	-	-
Opening balance after adjustment (restated)	4,618,914,291	15,014,609,717	104,788,723	464,178,907	33,687,738,943	(755,412,590)	(1,841,755,212)	229,102,812	4,497,090	(4,088,817,307)	(6,452,385,207)	23,777,899,602	71,215,744,976	11,085,248,467	82,300,993,443
Impact from changes in accounting policy	-	-	-	-	(288,721,383)	-	-	-	-	-	-	-	(288,721,383)	(26,029,795)	(314,751,178)
Opening balance after adjustment	4,618,914,291	15,014,609,717	104,788,723	464,178,907	33,399,017,560	(755,412,590)	(1,841,755,212)	229,102,812	4,497,090	(4,088,817,307)	(6,452,385,207)	23,777,899,602	70,927,023,593	11,059,218,672	81,986,242,265
Changes in equity for the year															
Exercise warrants	90,259	3,790,878	-	-	-	-	-	-	-	-	-	-	-	3,881,137	3,881,137
Legal reserve	32	-	-	20,807,094	(20,807,094)	-	-	-	-	-	-	-	-	-	-
Adjustment fair value of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	4,439,003	4,439,003
Disposal of investment in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	48,915,760	48,915,760
Results from hyperinflation	-	-	-	-	-	-	-	38,824,496	-	-	38,824,496	-	38,824,496	26,209,064	65,033,560
Dividend paid	38	-	-	-	(1,847,544,926)	-	-	-	-	-	-	-	(1,847,544,926)	(275,063,116)	(2,122,608,042)
Interest paid on perpetual debentures	39	-	-	-	(1,312,142,331)	-	-	-	-	-	-	-	(1,312,142,331)	-	(1,312,142,331)
Discount on transaction of perpetual debentures	-	-	-	-	-	-	-	-	-	-	-	9,758,600	9,758,600	-	9,758,600
Total comprehensive income (expense) for the year	-	-	-	-	10,697,926,668	-	-	-	(430,485)	(3,056,047,930)	(3,056,478,415)	-	7,641,448,253	(457,123,472)	7,184,324,781
Closing balance as at 31 December 2019	4,619,004,550	15,018,400,595	104,788,723	484,986,001	40,916,449,677	(755,412,590)	(1,841,755,212)	267,927,308	4,066,605	(7,144,865,237)	(9,470,039,126)	23,787,658,202	75,461,248,822	10,406,595,911	85,867,844,733

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Consolidated financial statements (Baht)																		
Attributable to owners of the parent																		
Other components of equity																		
Other comprehensive income (expense)																		
Notes	Issued and paid-up share capital	Share premium ordinary shares	Expired warrants in a subsidiary	Legal reserve	Unappropriated retained earnings	Discount on business combination under common control	Discount on additional investment in subsidiary	Impact from hyperinflationary economy	Remeasuring of equity investments at fair value through other comprehensive income (expense)	Cash flow hedges	Cost of hedging reserve	Translation adjustment	Total other components of equity	Perpetual debentures	Total owners of the parent	Non-controlling interests	Total equity	
Opening balance as at 1 January 2020 (as previously reported)	4,619,004,550	15,018,400,595	104,788,723	484,986,001	40,916,449,877	(755,412,590)	(1,841,755,212)	267,927,308	4,066,605	-	-	(7,144,865,237)	(9,470,039,126)	23,787,658,202	75,461,248,822	10,406,595,911	85,867,844,733	
Impact from changes in accounting policy	5	-	-	-	(2,909,458,826)	-	-	-	-	(41,675,000)	-	-	(41,675,000)	-	(2,951,133,826)	(216,519,000)	(3,167,652,826)	
Opening balance after adjustment	4,619,004,550	15,018,400,595	104,788,723	484,986,001	38,006,991,051	(755,412,590)	(1,841,755,212)	267,927,308	4,066,605	(41,675,000)	-	(7,144,865,237)	(9,511,714,126)	23,787,658,202	72,510,114,996	10,190,076,911	82,700,191,907	
Changes in equity for the year																		
Additional ordinary shares	30	563,330,039	9,177,292,825	-	-	-	-	-	-	-	-	-	-	-	9,740,622,864	-	9,740,622,864	
Legal reserve	32	-	-	-	103,795,594	(103,795,594)	-	-	-	-	-	-	-	-	-	-	-	
Business combination	40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(38,197,319)	(38,197,319)	
Adjustment fair value of subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,355,487)	(2,355,487)	
Dividend paid - subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,637,956)	(6,637,956)	
Issuance of perpetual debentures	39	-	-	-	-	-	-	-	-	-	-	-	-	8,281,485,523	8,281,485,523	-	8,281,485,523	
Interest paid on perpetual debentures	39	-	-	-	(1,455,050,254)	-	-	-	-	-	-	-	-	-	(1,455,050,254)	-	(1,455,050,254)	
Total comprehensive income (expense) for the year		-	-	-	(21,360,826,654)	-	-	-	(1,555,825)	(2,740,220)	(535,165,928)	(195,985,633)	(735,447,606)	-	(22,096,274,260)	(799,881,232)	(22,896,155,492)	
Closing balance as at 31 December 2020		5,182,334,589	24,195,693,420	104,788,723	588,781,595	15,087,318,549	(755,412,590)	(1,841,755,212)	267,927,308	2,510,780	(44,415,220)	(535,165,928)	(7,340,850,870)	(10,247,161,732)	32,069,143,725	66,980,898,869	9,343,004,917	76,323,903,786

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Minor International Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2020

	Separate financial statements (Baht)									
	Notes	Other components of equity							Perpetual debentures	Total equity
		Issued and paid-up share capital	Share premium ordinary share	Legal reserve	Unappropriated retained earnings	Discount on business combination under common control	Other comprehensive income (expense)			
							Remeasuring of available-for-sale investments	Total other components of equity		
Opening balance as at 1 January 2019	4,618,914,291	14,988,957,341	464,178,907	5,250,947,891	(587,397,515)	3,790,690	(583,606,825)	23,777,899,602	48,517,291,207	
Changes in equity for the year										
Exercise warrants	90,259	3,790,878	-	-	-	-	-	-	3,881,137	
Legal reserve	32	-	20,807,094	(20,807,094)	-	-	-	-	-	
Dividend paid	38	-	-	(1,847,544,926)	-	-	-	-	(1,847,544,926)	
Interest paid on perpetual debentures	39	-	-	(1,312,142,331)	-	-	-	-	(1,312,142,331)	
Discount on transaction of perpetual debentures		-	-	-	-	-	-	9,758,600	9,758,600	
Total comprehensive income (expense) for the year		-	-	3,846,156,373	-	(956,500)	(956,500)	-	3,845,199,873	
Closing balance as at 31 December 2019	<u>4,619,004,550</u>	<u>14,992,748,219</u>	<u>484,986,001</u>	<u>5,916,609,913</u>	<u>(587,397,515)</u>	<u>2,834,190</u>	<u>(584,563,325)</u>	<u>23,787,658,202</u>	<u>49,216,443,560</u>	

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Minor International Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2020

	Consolidated		Separate		
	financial statements		financial statements		
	2020	2019	2020	2019	
Notes	Baht	Baht	Baht	Baht	
Cash flows from operating activities					
Profit (loss) before income tax	(25,148,548,219)	13,287,055,738	1,465,385,149	3,935,007,179	
Adjustments for:					
Depreciation and amortisation	20 - 23	18,241,204,124	8,914,429,018	90,064,881	36,039,395
Amortisation of borrowing cost	25	361,181,959	267,046,117	108,172,155	165,625,989
Allowance for impairment loss of receivables (reversal)		198,637,494	16,726,464	275,572	(12,023)
Inventory obsolescence (reversal)	14	124,436,871	13,989,207	-	-
Share of (profit) loss of investments in associates and joint ventures	18	463,901,650	(827,509,233)	-	-
Financial costs		7,452,436,707	4,081,485,853	2,235,140,515	1,998,208,723
Interest income		(576,293,763)	(721,974,306)	(4,307,746,852)	(4,035,684,539)
Dividends income		(701,700)	(2,016,240)	(129,030,749)	(2,458,006,000)
Translation adjustment		(6,829,760,288)	6,777,556,918	-	-
Unrealised (gain) loss on exchange rate		2,316,127,106	(4,258,934,038)	(3,695,387,779)	1,860,594,628
Reversal of impairment of general investments		-	(29,750,152)	-	-
Impairment of investment in associates	18	-	352,714,715	-	-
Gain on sales and leaseback	33	-	(4,743,436,894)	-	-
Loss from change status to investment in subsidiaries		52,542,589	-	-	-
Gain on disposal of investment in subsidiary and interests in joint venture		-	(1,350,340,011)	-	-
(Gain) loss on disposals, write-off and impairment charge of property, plant and equipment, investment properties, intangible assets and right-of-use assets		940,363,996	821,934,713	(196,767)	(5,437,511)
Employee benefits obligations	28	138,744,492	142,071,180	7,270,870	5,894,030
Unrealised (gain) loss from fair value adjustment to derivatives		4,742,332,539	-	4,599,899,683	-
Changes in operating assets and liabilities					
Trade and other receivables		4,252,311,024	(729,735,400)	(3,014,645,001)	(80,741,691)
Inventories		327,842,922	(426,114,490)	1,267,928	2,533,703
Land and real estates project for sales		(534,652,504)	457,578,048	-	-
Other current assets		(91,106,385)	(42,975,592)	(133,614)	29,119,275
Non-current assets classified as held-for-sale		143,215,264	575,352,101	-	-
Other non-current assets		1,028,567,132	(1,116,408,942)	(3,437,065)	(151,872)
Trade and other payables		(3,510,906,547)	(2,282,488,616)	(67,127,691)	(72,260,564)
Other current liabilities		(1,626,084,309)	350,800,658	11,804,410	(10,452,691)
Employee benefit paid	28	(86,668,753)	(74,885,257)	(1,656,045)	(4,597,790)
Other non-current liabilities		(325,253,283)	(229,730,849)	1,217,047	863,694
Cash generated from (used in) operations		2,053,870,118	19,222,440,710	(2,698,863,353)	1,366,541,935
Interest paid		(4,078,164,915)	(3,456,676,228)	(2,255,051,307)	(1,750,602,435)
Income tax paid		(475,381,431)	(1,000,007,321)	(18,290,234)	(59,791,072)
Net cash generated from (used in) operating activities		(2,499,676,228)	14,765,757,161	(4,972,204,894)	(443,851,572)

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Minor International Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2020

Notes	Consolidated financial statements		Separate financial statements		
	2020	2019	2020	2019	
	Baht	Baht	Baht	Baht	
Cash flows from investing activities					
Cash paid for long-term loans to related parties	19	(160,732,252)	(485,023,522)	(11,728,727,360)	(7,241,168,337)
Cash received from long-term loans to related parties	19	342,374,443	224,574,276	4,586,044,854	26,997,452,615
Decrease (Increase) in loans to other companies		253,121,277	95,537,145	(19,811,944)	(60,000)
Acquisition of subsidiaries, net cash acquired	40	(4,024,145,570)	(2,500,459,422)	-	-
Proceed from disposal of assets under sale and leaseback arrangement, net cash paid		-	9,544,612,082	-	-
Repayment of loans related to acquisition of subsidiary		-	(182,490,206)	-	-
Cash invested in available-for-sale investments		-	(207,600)	-	(102,400)
Cash invested in investments in subsidiaries		-	-	(3,000,000)	(1,899,829,375)
Cash invested in investments in associate	18	(1,090,160,763)	(4,867,780)	(3,693,047)	(4,102,648)
Cash invested in interests in joint ventures	18	(16,230,807)	(29,336,893)	-	-
Cash received from disposal of investments		-	1,350,323,530	-	-
Cash received from disposal of interests in joint venture	18	-	85,212,890	-	-
Proceeds from sale of general investments		-	331,847,806	-	-
Interest received		613,058,573	721,974,306	4,059,857,872	4,035,684,539
Dividends received		160,602,512	1,459,061,876	101,100,049	2,458,006,000
Purchases for investment properties		(20,661,194)	(251,724,173)	-	-
Purchases of property, plant and equipment		(6,003,449,226)	(13,611,198,155)	(3,282,018)	(16,219,494)
Purchases of intangible assets	22	(721,320,766)	(841,950,701)	(1,933,326)	(17,182,642)
Proceeds from disposals of property, plant and equipment, investment properties, intangible assets and right-of-use assets		136,306,939	313,285,742	274,238	22,101,660
Net cash generated from (used in) investing activities		(10,531,236,834)	(3,780,828,799)	(3,013,170,682)	24,334,579,918
Cash flows from financing activities					
Increase (decrease) in short-term borrowings from related parties	19	-	-	1,065,426,420	2,276,435,570
Receipts from short-term borrowings from financial institutions		35,730,521,876	52,397,768,414	35,641,329,668	52,397,768,414
Repayments of short-term borrowings from financial institutions		(35,976,640,876)	(55,439,250,625)	(35,976,640,876)	(55,433,441,875)
Receipts from long-term borrowings from financial institutions	25	30,457,389,799	19,883,384,288	8,056,865,615	4,588,452,254
Repayments of long-term borrowings from financial institutions	25	(6,762,319,419)	(53,134,380,336)	(2,962,917,133)	(52,767,568,958)
Repayments of lease liabilities		(11,107,191,747)	-	(109,701,646)	-
Repayments of finance lease liabilities		-	(28,178,916)	-	-
Receipts from issuance of debentures		-	32,894,070,000	-	32,894,070,000
Repayments of debentures	25	(4,000,000,000)	(4,500,000,000)	(4,000,000,000)	(4,500,000,000)
Receipts from issuance of ordinary shares	30	9,787,729,539	3,881,137	9,787,729,539	3,881,137
Receipts from issuance of perpetual bond	39	8,281,485,523	-	8,281,485,523	-
Interest paid on perpetual debentures	39	(1,455,050,254)	(1,312,142,331)	(1,455,050,254)	(1,312,142,331)
Dividends paid to shareholders	38	-	(1,847,544,926)	-	(1,847,544,926)
Dividends paid to non-controlling interests		(6,637,956)	(275,063,116)	-	-
Net cash received from (used in) financing activities		24,949,286,485	(11,357,456,411)	18,328,526,856	(23,700,090,715)

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

Notes	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Net increase (decrease) in cash and cash equivalents	11,918,373,423	(372,528,049)	10,343,151,280	190,637,631
Cash and cash equivalents at the beginning	13,330,821,335	12,712,987,630	302,184,102	111,546,471
Gain on exchange rate	916,950,672	990,361,754	-	-
Cash and cash equivalents, closing balance	<u>26,166,145,430</u>	<u>13,330,821,335</u>	<u>10,645,335,382</u>	<u>302,184,102</u>

Cash and cash equivalents as at 31 December

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Cash and deposits with banks	11	26,188,115,177	13,330,821,335	10,645,335,382	302,184,102
Bank overdrafts	25	(21,969,747)	-	-	-
		<u>26,166,145,430</u>	<u>13,330,821,335</u>	<u>10,645,335,382</u>	<u>302,184,102</u>

Supplementary information for cash flows

Non-cash transactions

Significant non-cash activities for the years ended 31 December 2020 and 2019 are as follows:

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Acquisition of property, plant and equipment by payable		883,941,689	111,249,023	18,918,655	1,356,315
Contingent asset from adjustment to purchase price		253,115,460	-	-	-

The notes to the consolidated and separate financial statements are an integral part of the financial statements.

1 General information

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

Bangkok: 88 The Parq Building, 12th Floor, Ratchadaphisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok 10110.

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

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

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

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

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 25 February 2021.

2 Significant events during the current year

In the beginning of 2020, the outbreak of Coronavirus Disease 2019 (“COVID-19”) throughout 2020 has effects on the overall markets.

Hotel business

Most of hotel business in Thailand and several regions gradually restarted its operations since the second quarter of 2020. While Europe was hit with the second wave of COVID-19 in September, and therefore the hotels which had been re-opened then, temporarily closed depending on the evolving situation. Hotels in Australia and New Zealand remained operational throughout the pandemic outbreak.

Food business

Since the second quarter of 2020, most of restaurants in Thailand started to re-open and continued to focus on the delivery and takeaway channels.

In People’s Republic of China, after temporarily closing of most of the outlets in February, the Group has re-opened most outlets in the beginning of March. As the situation is almost back to normal with some isolated second wave cases, the Group has started to open new outlets in China.

2 Significant events during the current year (Cont'd)

Retail business

Retail business re-opened almost all outlets in May 2020. Present, all outlets are back to normal operations. The Group also focus on e-commerce sales to catch up with changing behaviour of consumers.

For all business segments, the Group is now paying close attention to the development of the COVID-19 situation, evaluating its impact on the operation while strategising effective solutions.

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

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

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

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.

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

a) Financial instruments

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

4 New and amended financial reporting standards (Cont'd)

b) **TFRS 16, Leases**

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

- c) **Amendment to TAS 12, Income tax** clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.
- d) **Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement)** clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.
- e) **Amendment to TAS 23, Borrowing costs** clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.
- f) **Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures)** clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. The Group must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.
- g) **Amendment to TFRS 3, Business combinations** clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The previously held interest is therefore re-measured.
- h) **Amendment to TFRS 11, Joint arrangements** clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.

4 New and amended financial reporting standards (Cont'd)

i) **TFRIC 23, Uncertainty over income tax treatments** explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

4.2 **New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Group**

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis;
- Presentation and disclosure, including classification of income and expenses in other comprehensive income;
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity; and
- Derecognition of assets and liabilities.

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) **Amendment to TFRS 3, Business combinations** amended the definition of a 'business' which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

4 New and amended financial reporting standards (Cont'd)

- c) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: Disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.
- d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.
- e) **Amendment to TFRS 16, Leases** amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce lease payments due from 1 June 2020 to 30 June 2021. The amendment is effective for the annual accounting period beginning on or after 1 June 2020 where early application is permitted.

The Group has chosen not to early apply the exemption for the current reporting period.

4.3 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and have significant impacts to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group.

Amendment to TFRS 16, Leases amended to include a practical expedient for leases that are modified as a direct consequence of IBOR reform (e.g. replacement of THBFIX as a benchmark interest rate due to the cancellation of LIBOR) for lessee to remeasure the lease liability by discounting the revised lease payments using a discount rate that reflects the change in the interest rate. An early application of the amendment is permitted.

The Group has chosen not to early apply the exemption for the current reporting period.

5 Impacts from initial application of the new and revised financial reporting standards

This note explains the impact of the adoption of TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments: Disclosures, TFRS 9 Financial Instruments and TFRS 16 Leases on the Group's consolidated financial statements and the Company's separate financial statements.

The Group and the Company have adopted those accounting policies from 1 January 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 January 2020.

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows:

	Consolidated financial statements			
	As at	TAS 32 and		As at
	31 December	TFRS 9	TFRS 16	1 January
	2019	Reclassifications	Reclassifications	2020
Baht Million	and adjustments	and adjustments	Baht Million	
	Baht Million	Baht Million	Baht Million	Baht Million
Assets				
Current assets				
Trade and other receivables	15,554	(492)	594	15,656
Land and real estates project for sales	1,428	-	33	1,461
Derivative assets	-	486	-	486
Total current assets	16,982	(6)	627	17,603
Non-current assets				
Trade and other receivables	3,088	(727)	1,274	3,635
Available-for-sale investments	26	(26)	-	-
Other investments	166	(166)	-	-
Long-term loan to related parties	5,678	(284)	-	5,394
Property, plant and equipment	123,129	-	(44)	123,085
Right-of-use assets	-	-	84,735	84,735
Intangible assets	59,707	-	(1,002)	58,705
Prepaid rents	2,175	-	(2,175)	-
Derivative assets	-	3,436	-	3,436
Deferred tax assets	5,503	17	1,505	7,025
Other non-current assets	5,887	(1,964)	(379)	3,544
Total non-current assets	205,359	286	83,914	289,559
Total assets	222,341	280	84,541	307,162

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

	Consolidated financial statements			
	As at 31 December 2019 Baht Million	TAS 32 and TFRS 9 Reclassifications and adjustments Baht Million	TFRS 16 Reclassifications and adjustments Baht Million	As at 1 January 2020 Baht Million
Liabilities and equity				
Current liabilities				
Trade and other payables	20,036	2	(681)	19,357
Current portion of lease liabilities	-	-	14,944	14,944
Current portion of finance lease liabilities	12	-	(12)	-
Derivative liabilities	-	9	-	9
Other current liabilities	3,473	(7)	-	3,466
Total current liabilities	23,521	4	14,251	37,776
Non-current liabilities				
Lease liabilities	-	-	73,697	73,697
Finance lease liabilities	16	-	(16)	-
Derivative liabilities	-	883	-	883
Deferred tax liabilities	24,144	94	699	24,937
Other non-current liabilities	4,855	(36)	(1,587)	3,232
Total non-current liabilities	29,015	941	72,793	102,749
Total liabilities	52,536	945	87,044	140,525
Equity				
Retained earnings	40,916	(623)	(2,286)	38,007
Other components of equity	(9,470)	(42)	-	(9,512)
Total equity attribute to owners of the parent	31,446	(665)	(2,286)	28,495
Non-controlling interests	10,407	-	(217)	10,190
Total equity	41,853	(665)	(2,503)	38,685
Total liabilities and equity	94,389	280	84,541	179,210

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

	Separate financial statements			
	As at 31 December 2019 Baht Million	TAS 32 and		As at 1 January 2020 Baht Million
		Reclassifications	TFRS 16	
		and adjustments	and adjustments	
	Baht Million	Baht Million	Baht Million	
Assets				
Current assets				
Trade and other receivables	1,626	(5)	80	1,701
Derivative assets	-	486	-	486
Total current assets	1,626	481	80	2,187
Non-current assets				
Trade and other receivables	-	-	310	310
Available-for-sale investments	24	(24)	-	-
Right-of-use assets	-	-	394	394
Prepaid rents	9	-	(9)	-
Derivative assets	-	3,436	-	3,436
Deferred tax assets	-	-	2	2
Other non-current assets	2,167	(2,132)	-	35
Total non-current assets	2,200	1,280	697	4,177
Total assets	3,826	1,761	777	6,364

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

	Separate financial statements			
	As at 31 December 2019 Baht Million	TAS 32 and IFRS 9 Reclassifications and adjustments Baht Million	IFRS 16 Reclassifications and adjustments Baht Million	As at 1 January 2020 Baht Million
Liabilities and equity				
Current liabilities				
Trade and other payables	714	2	(4)	712
Current portion of lease liabilities	-	-	159	159
Derivative liabilities	-	9	-	9
Other current liabilities	29	(7)	-	22
Total current liabilities	743	4	155	902
Non-current liabilities				
Lease liabilities	-	-	626	626
Derivative liabilities	-	788	-	788
Deferred tax liabilities	200	94	-	294
Total non-current liabilities	200	882	626	1,708
Total liabilities	943	886	781	2,610
Equity				
Retained earnings	5,917	875	(4)	6,788
Total equity	5,917	875	(4)	6,788
Total liabilities and equity	6,860	1,761	777	9,398

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

5.1 Financial instruments

The total impact on the Group's and the Company's unappropriated retained earnings as of 1 January 2020 are as follows:

	Consolidated financial statements Baht Million	Separate financial statements Baht Million
	<u> </u>	<u> </u>
Unappropriated retained earnings as of 31 December 2019 (as previously reported)	40,916	5,917
Increase in provision for trade and other receivables	(1,219)	(5)
Increase in provision for loans to related parties	(284)	-
Fair value adjustments on derivatives	974	974
Increase in deferred tax assets / deferred tax liabilities related to the above adjustments	(94)	(94)
	<u> </u>	<u> </u>
Total adjustments to opening unappropriated retained earnings from adoption of TFRS 9	(623)	875
	<u> </u>	<u> </u>
Unappropriated retained earnings as of 1 January 2020 after reflecting TFRS 9 adoption (before impact from TFRS 16)	<u>40,293</u>	<u>6,792</u>

On 1 January 2020 (the date of initial application), the management has assessed which business models apply to the financial assets and financial liabilities and has classified its financial instruments into the appropriate TFRS 9 categories and related fair values were as disclosed in Note 13.

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

a) Available-for-sale equity investments classified as FVOCI

As of 1 January 2020, the Group and the Company elected to present in OCI changes in the fair value of all its equity investments previously classified as available-for-sale because these investments are held as long-term strategic investments. As a result, the Group's and the Company's assets with a fair value of Baht 26 million and Baht 24 million, respectively were reclassified from available-for-sale investment to financial assets at FVOCI, which are presented in the other non-current assets.

b) General investments classified as FVPL and FVOCI

As of 1 January 2020, the Group reclassified general investments in equity instruments to investments at FVPL of Baht 70 million and at FVOCI of Baht 96 million. Those are presented in the other non-current assets.

c) Recognition of derivative at fair value through profit or loss

As of 1 January 2020, net derivative assets and liabilities were recognised at their fair values of Baht 3,030 million and Baht 3,125 million, respectively in the consolidated and separate financial statements.

The Group and the Company recognised derivatives at their fair values with a corresponding adjustment to opening retained earnings of Baht 974 million.

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

d) Reclassifications of financial instruments on adoption of TFRS 9

On 1 January 2020 (the date of initial application), the measurement categories and carrying amounts of financial assets and financial liabilities were as follows.

	Consolidated financial statements				
	Measurement categories		Carrying value		
	Previously reported (TAS 105 and other TAS)	New (TFRS 9)	Previously reported Baht Million	New Baht Million	Difference Baht Million
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	13,331	13,331	-
Trade and other receivables	Amortised cost	Amortised cost	15,554	15,062	(492)
Derivative assets	Recognised at ending market rate	FVPL	-	486	486
Non-current financial assets					
Trade and other receivables	Amortised cost	Amortised cost	3,088	2,361	(727)
Available-for-sale investments	FVOCI	FVOCI	26	26	-
Other investments	Cost less impairment	FVOCI/FVPL	166	166	-
Long-term loan to related parties	Amortised cost	Amortised cost	5,678	5,394	(284)
Derivative assets	Recognised at ending market rate	FVPL	-	3,436	3,436
Current financial liabilities					
Bank overdrafts and short-term borrowings from financial institutions	Amortised cost	Amortised cost	300	300	-
Trade and other payables	Amortised cost	Amortised cost	20,036	20,038	2
Current portion of long-term borrowings from financial institutions	Amortised cost	Amortised cost	5,660	5,660	-
Current portion of debentures	Amortised cost	Amortised cost	4,000	4,000	-
Derivative liabilities	Recognised at ending market rate	FVPL	-	9	9
Non-current financial liabilities					
Long-term borrowings from financial institutions	Amortised cost	Amortised cost	39,011	39,011	-
Debentures	Amortised cost	Amortised cost	63,376	63,376	-
Derivative liabilities	Recognised at ending market rate	FVOCI/FVPL	-	883	883

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5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

	Separate financial statements				
	Measurement categories		Carrying value		
	Previously reported (TAS 105 and other TAS)	New (TFRS 9)	Previously reported Baht Million	New Baht Million	Difference Baht Million
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	302	302	-
Trade and other receivables	Amortised cost	Amortised cost	1,626	1,621	(5)
Derivative assets	Recognised at ending market rate	FVPL	-	486	486
Non-current financial assets					
Available-for-sale investments	FVOCI	FVOCI	24	24	-
Long-term loans to related parties	Amortised cost	Amortised cost	113,868	113,868	-
Derivative assets	Recognised at ending market rate	FVPL	-	3,436	3,436
Current financial liabilities					
Bank overdrafts and short-term borrowings from financial institutions	Amortised cost	Amortised cost	300	300	-
Trade and other payables	Amortised cost	Amortised cost	714	716	2
Short-term borrowings from related parties	Amortised cost	Amortised cost	4,339	4,339	-
Current portion of long-term borrowings from financial institutions	Amortised cost	Amortised cost	2,935	2,935	-
Current portion of debentures	Amortised cost	Amortised cost	4,000	4,000	-
Derivative liabilities	Recognised at ending market rate	FVPL	-	9	9
Non-current financial liabilities					
Long-term borrowings from financial institutions	Amortised cost	Amortised cost	16,269	16,269	-
Debentures	Amortised cost	Amortised cost	51,065	51,065	-
Derivative liabilities	Recognised at ending market rate	FVPL	-	788	788

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

e) Impairment of financial assets

The Group and the Company have following financial assets that are subject to the expected credit loss model:

- trade and other receivables
- loans to related parties and other companies

Trade and other receivables

The Group applies the simplified approach in measuring expected credit losses, which uses a lifetime expected loss allowance for trade and other receivables.

To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The Group has therefore concluded that the expected loss rates for trade and other receivables are a reasonable approximation of the loss rates. The expected loss rates are based on the historical payment profiles of sales, the corresponding historical credit losses experienced as well as forward-looking information that may affect the ability of the customers to settle the receivables.

Loans to related parties and other companies

The Group assessed impairment of loans to related parties and other companies by considering the followings as indicators evidence of impairment; significant financial difficulties of the debtor, default or late payments, etc.

f) Derivatives and hedging activities

Before 1 January 2020, the Group and the Company recognised receivables and payables related to derivatives in the financial statements and recognised changes in the derivatives value by offsetting with corresponding gain or loss from exchange rate and interest expense.

On 1 January 2020, the Group recognised derivative assets and liabilities with the corresponding adjustment to retained earnings in the consolidated and separate financial statements, and applied hedge accounting for the first time. The cross currency interest swap and interest rate swaps qualified as cash flow hedges as disclosed in Note 7.

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

The Group and the Company recognises adjustments of the fair value of the derivatives in cash flow hedges reserve and retained earnings as follows:

	Consolidated financial statements		Separate financial statements	
	Cash flow hedges reserve Baht Million	Retained earnings Baht Million	Cash flow hedges reserve Baht Million	Retained earnings Baht Million
As at 1 January 2020				
Current assets				
Cross currency interest rate swaps				
- not applied hedge accounting	-	444	-	444
Interest rate swaps - not applied hedge accounting				
	-	42	-	42
Total derivative assets - current	-	486	-	486
Non-current assets				
Cross currency interest rate swaps				
- not applied hedge accounting	-	3,348	-	3,348
Interest rate swaps - not applied hedge accounting				
	-	88	-	88
Total derivative assets - non-current	-	3,436	-	3,436
Current liabilities				
Foreign currency forwards - not applied hedge accounting				
	-	9	-	9
Total derivative liabilities - current	-	9	-	9
Non-current liabilities				
Cross currency interest rate swaps				
- not applied hedge accounting	-	260	-	260
Interest rate swaps - not applied hedge accounting				
	-	563	-	528
Interest rate swaps - apply cash flow hedges	42	-	-	-
Total derivative liabilities - non-current	42	823	-	788

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

5.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was around 3.00% - 12.76%.

Some of the associated right-of-use assets were measured on a retrospective basis as if the new rules had always been applied in which the incremental borrowing rate for the whole lease term is applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right-of-use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

	Consolidated financial statements	Separate financial statements
	Baht Million	Baht Million
	<u> </u>	<u> </u>
Operating lease commitments disclosed as at 31 December 2019	96,754	852
Less: Discounted using the lessee's incremental borrowing rate of at the date of initial application	(6,537)	(67)
Add: Finance lease liabilities recognised as at 31 December 2019	27	-
Less: Short-term leases recognised on a straight-line basis as expense	(740)	-
Less: Low-value leases recognised on a straight-line basis as expense	(5)	-
Less: Service portion included in leases	(858)	-
	<u>88,641</u>	<u>785</u>
Lease liability recognised as at 1 January 2020		
Current lease liabilities	14,944	159
Non-current lease liabilities	73,697	626

5 Impacts from initial application of the new and revised financial reporting standards (Cont'd)

In applying TFRS 16 for the first time, the Group used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application;
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease; and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an arrangement contains a Lease.

6 Accounting policies

6.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights 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 consolidated from the date on which control is transferred to the Group until the date that control ceases.

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

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

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

6 Accounting policies (Cont'd)

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

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

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

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

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

6 Accounting policies (Cont'd)

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

6.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred;
- liabilities incurred to the former owners of the acquiree; and
- equity interests issued by the Group.

Identifiable assets and liabilities acquired 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 initially 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.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in the consolidated financial statements.

Step-up acquisition

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 re-measured are recognised in profit or loss.

6 Accounting policies (Cont'd)

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

6.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's and the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

6 Accounting policies (Cont'd)

c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for income statement and statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

6.4 Segment reporting

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

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

6.5 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 from acquisition date or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

6.6 Trade accounts receivable

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

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

6 Accounting policies (Cont'd)

6.7 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 the weighted average method for raw materials and finished goods for manufacturing and spa products and by the first-in, first-out method for fashion. 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.

6.8 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.

6.9 (Group of) non-current assets held-for-sale and discontinued operation

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of the carrying amount and fair value less cost to sell.

6.10 Financial asset

For the year ended 31 December 2020

a) Classification

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value either through other comprehensive income or through profit or loss and
- those to be measured at amortised cost.

6 Accounting policies (Cont'd)

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Subsequent measurement of equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the income statement.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

6 Accounting policies (Cont'd)

e) Impairment

From 1 January 2020, the Group applies the TFRS 9 simplified approach in measuring the impairment of trade and other receivables, which applies lifetime expected credit loss, from initial recognition, for all receivables.

To measure the expected credit losses, trade and other receivables has been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The expected loss rates are based on the payment profiles of sales over a period of 36 and 60 months, varied on the business before 1 January 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

Nevertheless, the Group applied COVID-19 accounting relief as disclosed in Note 6.27.

6 Accounting policies (Cont'd)

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts;
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss.

Classification and measurement of financial assets for the year ended 31 December 2020 is disclosed in Note 5.

For the year ended 31 December 2019

Investments in debt and equity securities

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

Trading and available-for-sale investments

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available-for-sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

General investments

General investments are carried at cost less impairment.

Disposal of investments

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

6 Accounting policies (Cont'd)

6.11 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
Building 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.

6 Accounting policies (Cont'd)

6.12 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 and 5 - 30 years
Building and building improvement	lease period and 5 - 60 years
Machines, furniture and other equipment	3 - 15 years
Vehicles	4 - 5 years

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

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

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

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

When existing outlets are re-modernised, the related expenditures will be capitalised as building 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 5 years.

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

6 Accounting policies (Cont'd)

6.13 Intangible assets

Asset management rights

Asset management rights are recognised at cost less any accumulated amortisation and any accumulated impairment losses. The cost of the right is amortised on a straight-line basis over the contract period or the useful life of the building, which has been assessed to be not in excess of 40 years.

The rights 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 asset management rights portfolio and in-house developed recipes and equipments that give the Group a relative advantage over its competitors. Intellectual properties are amortised over their estimated useful lives during 10 - 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 - 30 years. Capitalised development cost is not revalued, its carrying amount is reviewed annually and adjusted for impairment where it is considered necessary.

Initial franchise fees

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

Goodwill

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

6 Accounting policies (Cont'd)

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 or collective marks that have achieved consumer awareness and recognition through continuous use in commerce are not subject to amortisation; however, its carrying amount is annually tested and adjusted 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 or sell;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

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

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

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

6 Accounting policies (Cont'd)

6.14 Impairment of assets

Assets that have an indefinite useful life, for example goodwill and brand, 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.

6.15 Leases

For the year ended 31 December 2020

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

6 Accounting policies (Cont'd)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

Leases - where the Group 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 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.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

For the year ended 31 December 2019

Leases - where the Group 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.

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 lower of the fair 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. Assets acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

6 Accounting policies (Cont'd)

Leases - where the Group 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.

6.16 Financial liabilities

For the year ended 31 December 2020

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

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 reporting date.

As at 31 December 2020, the Group had perpetual bonds of Baht 23,788 million in equity. In accordance with TAS 32, Financial Instruments: Presentation, these perpetual bonds must be presented as financial liabilities. However, the Federation of Accounting Professions (TFAC) issued an announcement no. 95/2562 to provide a relief from reclassification of the perpetual bonds that was issued and paid-up before 31 December 2019. The relief is granted until 31 December 2022.

6 Accounting policies (Cont'd)

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost and fair value.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in profit or loss.

For the year ended 31 December 2019

Borrowings

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 reporting date.

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

6.17 **Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

6 Accounting policies (Cont'd)

6.18 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.

6.19 Employee benefits

The Group operates various retirement benefits schemes which 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 contributions are recognised as employee benefit expense when they are due.

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.

6 Accounting policies (Cont'd)

6.20 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.

The current income tax 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.

6 Accounting policies (Cont'd)

6.21 Share capital

Ordinary shares are classified as equity.

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

Where any companies within the Group purchase 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.

6.22 Perpetual debentures

Perpetual debentures are recognised as equity when the Group has the sole right and discretion to early redemption as stipulated in terms and conditions of debentures, and the interest and cumulative interest payment are unconditionally deferred without time and number limitation and payable at the Group's discretion. Accordingly, any interest payments are recognised similar as dividends and directly in equity when payment obligation arises. Interest payments are presented in the statement of cash flows at the same way as dividends paid to ordinary shareholders.

The Group and the company apply a relief from reclassification of the perpetual bonds as disclosed in Note 6.16.

6.23 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, and presented net of sales taxes and discounts.

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 asset management rights revenue is recognised on a pro rata basis over the course of the asset management rights agreement. The variable portion of income arising from asset management rights is recognised as it is earned through either the sale of goods as they are supplied or through the provision of services as they are performed.

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

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

6 Accounting policies (Cont'd)

Revenue from sales of real estate and sales of furniture and fixtures are recognised when transferring of real estate, furniture and fixtures to the buyer.

Revenue from sales of time sharing resort is recognised when the Group transfers 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
- Interest and commission income
- Dividend income
- With a continuous service provision on straight line basis over the contract term
- As it accrues unless collectibility is in doubt.
- When the shareholder's right to receive payment is established.

6.24 Hyperinflationary economies

The Group recognised all cumulative effects of hyperinflationary on non-monetary items as part of acquisition transaction. Any results from exposure to hyperinflation after the acquisition were recorded to income statement and other components of equity.

In 2018, a subsidiary of the Group located in Argentina was declared a hyperinflationary economy due to, among other causes, the fact that the accumulated inflation rate of its economy exceeded 100% over a continuous period of three years. As a result, the Group has applied TAS 29 - Financial Reporting in Hyperinflationary economies to the financial statements of Argentine companies.

6.25 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.

6 Accounting policies (Cont'd)

6.26 Derivatives and hedging activities

a) Embedded derivative and derivatives that do not qualify for hedge accounting

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other gains (losses).

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

b) Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as either:

- hedges of the fair value of i) recognised assets or liabilities or ii) unrecognised firm commitments (fair value hedges);
- hedges of a particular risk associated with the cash flows of i) recognised assets and liabilities and ii) highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in Note 8. Movements in the hedging reserve in shareholders' equity are shown in the statement of changes in equity.

6 Accounting policies (Cont'd)

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the derivative counterparty.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchases. It may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan; and
- differences in critical terms between the interest rate swaps and loans.

6 Accounting policies (Cont'd)

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in other gain (losses).

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rates borrowings is recognised in profit or loss within finance costs at the same time as the interest expense on the hedged borrowings.

6.27 COVID-19 accounting relief

The Group has chosen to apply temporary measures to relieve the impact from COVID-19 as announced by TFAC as follows:

- (a) Not to include information related to COVID-19 as an impairment indicator and as assumptions in the financial projections to consider for impairment testing for property, plant and equipment, goodwill and brand under TAS 36 Impairment of Assets.
- (b) Not to include forward-looking information in valuing expected credit loss of receivables under simplified model.
- (c) For exemption and discount received on rental fee as a result of COVID-19 situation, reducing lease liabilities on the exempted portion throughout the year that the Group has received the exemption and discount of rental fee. The Group also reversed depreciation charges on the right-of-use assets and interest expense on the lease liabilities. The differences between the reduction of the lease liabilities and the reversal of the depreciation expenses are recognised in the income statement instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification.
- (d) The unquoted equity investments at the end of the reporting period was presented at the same amount as their fair values on 1 January 2020.
- (e) Not to taking into account the information related to COVID-19 in its financial projections for the purpose of fair valuing investment properties as at 31 December 2020.

6 Accounting policies (Cont'd)

- (f) Excluding information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it's not probable that the future taxable profit will be available for utilising the deductible temporary differences.

The Group believes that upon the expiration of the temporary accounting relief, which is after 31 December 2020, there could be an impact on the carrying value of assets in the financial statements that apply the relief. Management is in the process to assess the impact, which will be recorded in the following financial reporting period. However, the Group is in the process of securing an impairment carve out from its financial covenants for the next 4 years.

7 Financial risk management

7.1 Financial risk

Financial risks and how these risks could affect the future financial performance are as follows:

Risk	Exposure arising from	Measurement	Management
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Thai Baht	Cash flow forecasts Sensitivity analysis	Foreign currency forwards Cross currency interest rate swaps ("CCIRS")
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps ("IRS")
Market risk - security prices	Investment in equity securities	Sensitivity analysis	Portfolio diversification
Credit risk	Cash and cash equivalents, trade and other receivables, derivative financial instruments	Aging analysis Credit ratings	Credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising exchange gain (loss) according to fixed contract rate and recognising interest expense at the contract rate as specified in each CCIRS and IRS contracts.

7 Financial risk management (Cont'd)

Hedging reserve

The Group and the Company's hedging reserves are shown in the statement of changes in equity relate to the following hedging instruments:

	Consolidated financial statements			
	Cash flow hedge reserve			
	Cost of hedging reserve	Cross currency interest rate swaps	Interest rate swaps	Total hedge reserves
	Baht Million	Baht Million	Baht Million	Baht Million
Opening balance 1 January 2020				
- as restated	-	-	(42)	(42)
Add: Change in fair value of hedging instrument recognised in OCI	-	10	(20)	(10)
Add: Costs of hedging deferred and recognised in OCI	(535)	-	-	-
Less: Deferred tax	-	-	8	8
Closing balance 31 December 2020	(535)	10	(54)	(44)

	Separate financial statements		
	Cash flow hedge reserve		
	Cost of hedging reserve	Cross currency interest rate swaps	Total hedge reserves
	Baht Million	Baht Million	Baht Million
Opening balance 1 January 2020			
- as restated	-	-	-
Add: Change in fair value of hedging instrument recognised in OCI	-	(783)	(783)
Add: Costs of hedging deferred and recognised in OCI	(569)	-	-
Closing balance 31 December 2020	(569)	(783)	(783)

There were no reclassifications from the cash flow hedge reserve to profit or loss during the year in relation to the CCIRS and IRS.

7 Financial risk management (Cont'd)

7.1.1 Market risk

a) Foreign exchange risk

The Group is exposed to foreign exchange risk from future commercial transactions, net investments in foreign operations, and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

The Group uses CCIRS and forward foreign exchange contracts in a consistent manner to hedge firm and anticipated foreign exchange commitments and manage their foreign exchange risk arising from future commercial transactions. The Group is required to manage its foreign exchange risk against its functional currency. Foreign currency borrowings are swapped into the entity's functional currency using cross currency swaps except where the foreign currency borrowings are repaid with cash flows generated in the same foreign currency. The purpose of these hedges is to mitigate the impact of movements in foreign exchange rates on assets and liabilities and the profit and loss account of the Group.

The Group uses CCIRS to hedge its exposure to foreign currency risk. Under the Group's policy, the critical terms of the CCIRS must align with the hedged items.

7 Financial risk management (Cont'd)

Exposures

The Group and the Company's significant exposures to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements		
	As at 31 December 2020		
	USD	EUR	AUD
	Baht Million	Baht Million	Baht Million
Assets			
Cash and cash equivalents	985	-	-
Trade and other receivables	510	8	-
Loans to related parties	749	-	-
Loans to other companies	130	-	-
Liabilities			
Long-term loans from financial institutions	10,138	13,474	742
Debentures	1,502	2,950	-
Equity			
Perpetual debentures	17,165	-	-

7 Financial risk management (Cont'd)

	Separate financial statements		
	As at 31 December 2020		
	USD	EUR	AUD
	Baht Million	Baht Million	Baht Million
Assets			
Cash and cash equivalents	985	-	-
Loans to related parties	10,519	69,657	3,238
Liabilities			
Loans from related parties	3,467	-	-
Long-term loans from financial institutions	8,050	13,474	742
Debentures	1,502	2,950	-
Equity			
Perpetual debentures	17,165	-	-

The Group uses financial instrument to hedge against foreign exchange rate risk. Details are disclosed in the following sections.

7 Financial risk management (Cont'd)

Effects of hedge accounting on the financial position and performance

	Consolidated financial statements
	2020
	Baht Million
<i>Cross currency interest rate swaps</i>	
Carrying amount (liabilities)	(63)
Notional amount	24,000
Maturity date	March 2022 - March 2034
Hedge ratio	1:1
Change in spot value of outstanding hedging instruments since 1 May	(2,406)
Change in value of hedged item used to determine hedge effectiveness	(1,143)
Change in value of hedged item used to determine hedge ineffectiveness	(69)
Foreign currency exchange rate and interest rate for outstanding hedging instruments	
- Foreign currency exchange rate (THB: 1 EUR)	35.55 - 35.70
- Interest rate	3.1% - 4.62%

7 Financial risk management (Cont'd)

	Separate financial statements
	2020
	Baht Million
<i>Cross currency interest rate swap</i>	
Carrying amount (liabilities)	(63)
Notional amount	24,000
Maturity date	March 2022 - March 2034
Hedge ratio	1:1
Change in spot value of outstanding hedging instruments since 1 May	(2,406)
Change in value of hedged item used to determine hedge effectiveness	(1,649)
Change in value of hedged item used to determine hedge ineffectiveness	(148)
Foreign currency exchange rate and interest rate for outstanding hedging instruments	
- Foreign currency exchange rate (THB: 1 EUR)	35.55 - 35.70
- Interest rate	3.1% - 4.62%

7 Financial risk management (Cont'd)

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht and USD, Euro, and AUD exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities that were not hedged against foreign exchange rate risk.

	Consolidated financial statements		
	As at 31 December 2020		
	USD	EUR	AUD
	Baht Million	Baht Million	Baht Million
Impact to net profit			
- to Baht exchange rate - increase 1%	(93)	(164)	(7)
- to Baht exchange rate - decrease 1%	93	164	7
	Separate financial statements		
	As at 31 December 2020		
	USD	EUR	AUD
	Baht Million	Baht Million	Baht Million
Impact to net profit			
- to Baht exchange rate - increase 1%	(15)	283	25
- to Baht exchange rate - decrease 1%	15	(283)	(25)

7 Financial risk management (Cont'd)

b) Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed through the use of derivative financial instruments such as CCIRS and IRS. Management monitors interest rate exposures on a monthly basis by currency and business unit, taking into consideration proposed financing and hedging arrangements.

The effects of the foreign currency-related hedging instruments on the Group and the Company's financial position and performance are as follows:

	Consolidated financial statements
	2020
	Baht Million
<i>Interest rate swap</i>	
Carrying amount (liability)	(81)
Notional amount	2,292
Maturity date	15 December 2022
Hedge ratio	1:1
Change in intrinsic value of outstanding hedge instruments since 1 January	22
Change in value of hedged item used to determine hedge effectiveness	22
Change in value of hedged item used to determine hedge ineffectiveness	-
Interest rate for outstanding hedging instruments	1.90%

As at 31 December 2020, the Group's interest rate hedge was 3% of its total borrowings with an average tenor of 6 years.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Some borrowings at floating rates therefore expose the Group to cash flow interest rate risk. The Group manages this risk by using interest rate swaps converting borrowings from floating rate to fixed rate.

7 Financial risk management (Cont'd)

Fair value interest rate risk is the risk that the value of a financial asset or liability and derivative financial instruments will fluctuate because of changes in market interest rates. The Group manages its fair value interest rate risk by entering into interest rate swaps which have the effect of converting borrowings from fixed rate to floating rate, to maintain the Group's fixed rate instruments within the Group's guideline.

c) Price risk

The Group and the Company's exposure to equity securities price risk arises from investments held by the Group which are classified either as at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVPL). Total investments of this type totaling Baht 183 million and Baht 21 million, respectively, which their fair valuation are disclosed in Note 13.

7.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on the assessments in accordance with limits set by the Company. The compliance with credit limits by customers is regularly monitored by line management.

7 Financial risk management (Cont'd)

b) Impairment of financial assets

Consideration of impairment of financial assets is disclosed in Note 5.

The reconciliations of loss allowance for trade and other receivables for the year ended 31 December 2020 are as follows:

	Consolidated financial statements	Separate financial statements
	2020	2020
	Baht Million	Baht Million
Opening loss allowance as at 1 January - calculated under TFRS 9 (2019: TAS 101)	(1,762)	(5)
Loss allowance recognised in profit or loss during the year	(200)	-
As of 31 December - calculated under TFRS 9	<u>(1,962)</u>	<u>(5)</u>

Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Previous accounting policy for impairment of trade receivables for comparative period

In year 2019, the Group assesses impairment of trade receivables based on incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. Other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables, the estimated impairment losses were recognised in a separate provision for impairment. The Group considered the following indicators evidence of impairment:

- significant financial difficulties of the debtor;
- probability that the debtor will enter bankruptcy or financial restructuring; and
- default or late payments.

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

7 Financial risk management (Cont'd)

Loans to related parties and loans to other companies

Loans to related parties and loans to other companies measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

7.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 24,757 million (2019: Baht 12,289 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Financing arrangements

The Group has access to the undrawn credit facilities as at 31 December 2020 in Note 25.

b) Maturity of financial liabilities

The tables shown in Note 25 analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For CCIRS and IRS, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

7 Financial risk management (Cont'd)

7.2 Capital management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders; and
- 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.

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the gearing ratio not more than 1.75.

However, The Group has obtained waivers with respect to its credit facilities and debentures, which each waive any failure of the Company to be in compliance with its financial covenants through 31 December 2020.

8 Fair value

Fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value, are disclosed in Note 13.

Proportion of the financial instruments' contract value grouped by counterparties are as follows:

	Consolidated and separate financial statements	
	2020	2019
	%	%
Financial institutions	100	100

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8 Fair value (Cont'd)

The following table presents fair value of financial assets and liabilities recognised or disclosed by their fair value hierarchy as at 31 December 2020.

	Consolidated financial statements (Baht Million)				
	Level 1	Level 2	Level 3	Fair value total	Carrying amounts
Assets					
Financial assets at fair value through profit or loss					
Equity securities	-	-	73	73	73
Interest rate swaps	-	153	-	153	153
Cross currency interest rate swaps	-	307	-	307	307
Financial assets at fair value through other comprehensive income					
Equity securities	21	-	89	110	110
Hedging derivatives					
Cross currency interest rate swaps	-	236	-	236	236
Total assets	21	696	162	879	879
Liabilities					
Financial liabilities at fair value through profit or loss					
Foreign exchange contracts	-	22	-	22	22
Interest rate swaps	-	854	-	854	854
Cross currency interest rate swaps	-	3,283	-	3,283	3,283
Debentures	-	11,665	-	11,665	11,665
Hedging derivatives					
Interest rate swaps	-	80	-	80	80
Cross currency interest rate swaps	-	298	-	298	298
Total liabilities	-	16,202	-	16,202	16,202

8 Fair value (Cont'd)

	Separate financial statements (Baht Million)				
	Level 1	Level 2	Level 3	Fair value total	Carrying amounts
Assets					
Financial assets at fair value through profit or loss					
Interest rate swaps	-	153	-	153	153
Cross currency interest rate swaps	-	307	-	307	307
Financial assets at fair value through other comprehensive income					
Listed equity securities	21	-	-	21	21
Hedging derivatives					
Cross currency interest rate swaps	-	236	-	236	236
Total assets	21	696	-	717	717
Liabilities					
Financial liabilities at fair value through profit or loss					
Trading derivatives - Foreign exchange contracts					
Interest rate swaps	-	826	-	826	826
Cross currency interest rate swaps	-	3,283	-	3,283	3,283
Hedging derivatives					
Cross currency interest rate swaps	-	298	-	298	298
Total liabilities	-	4,429	-	4,429	4,429

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1 : The fair value of financial instruments is based on the closing price by reference to the Stock Exchange of Thailand and other countries.

Level 2 : The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3 : The fair value of financial instruments is not based on observable market data.

8 Fair value (Cont'd)

The Group's valuation processes

Chief Financial Officer (CFO) and a valuation team discuss valuation processes and results at least every quarter.

Significant unobservable input of fair value hierarchy level 3 is risk adjusted discount rate. It is estimated based on public companies' weighted average cost of capital that, are in opinion of the Group, in a comparable financial position with the counterparty in the contract.

9 Critical accounting estimates and judgements

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

a) Fair value of certain financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the end of each reporting period.

b) Goodwill and brand impairment

The recoverable amounts of cash-generating units (CGUs) have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 22. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

9 Critical accounting estimates and judgements (Cont'd)

c) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

d) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions; and
- Make adjustments specific to the lease, e.g. term, country, currency and security.

e) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

10 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 6.4 Set out below is the information which CODM use for evaluating the segment’s performance.

10 Segment information (Cont'd)

10.1 Financial information by operating segments

	For the year ended 31 December (Baht Million)											
	Hotel & Spa		Mixed use		Restaurant		Retail		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues												
Total revenues	31,323	92,939	3,003	7,305	20,923	24,082	3,647	4,932	(200)	(196)	58,696	129,062
Costs												
Total costs	(24,197)	(46,679)	(689)	(2,413)	(5,958)	(6,533)	(2,309)	(2,733)	-	-	(33,153)	(58,358)
Gross profit and other income	7,126	46,260	2,314	4,892	14,965	17,549	1,338	2,199	(200)	(196)	25,543	70,704
Selling and administrative expenses	(10,348)	(25,881)	(2,017)	(3,179)	(10,818)	(14,442)	(1,551)	(1,901)	200	196	(24,534)	(45,207)
EBITDA	(3,222)	20,379	297	1,713	4,147	3,107	(213)	298	-	-	1,009	25,497
Depreciation and amortisation	(14,698)	(7,005)	(241)	(170)	(3,004)	(1,587)	(298)	(195)	-	-	(18,241)	(8,957)
Financial costs	(6,472)	(3,406)	(311)	(247)	(617)	(391)	(52)	(37)	-	-	(7,452)	(4,081)
Sharing profit (loss) from associates and joint ventures	(348)	621	68	(36)	(184)	243	-	-	-	-	(464)	828
Result before tax	(24,740)	10,589	(187)	1,260	342	1,372	(563)	66	-	-	(25,148)	13,287
Tax	2,653	(1,851)	(65)	(144)	(174)	(292)	31	(6)	-	-	2,445	(2,293)
Net profit (loss)	<u>(22,087)</u>	<u>8,738</u>	<u>(252)</u>	<u>1,116</u>	<u>168</u>	<u>1,080</u>	<u>(532)</u>	<u>60</u>	<u>-</u>	<u>-</u>	<u>(22,703)</u>	<u>10,994</u>
Timing of revenue recognition												
At a point of time	66	4,884	1,942	5,584	18,332	21,274	3,647	4,917	-	-	23,987	36,659
Overtime	31,257	88,055	1,061	1,721	2,591	2,808	-	15	(200)	(196)	34,709	92,403
Total revenue	<u>31,323</u>	<u>92,939</u>	<u>3,003</u>	<u>7,305</u>	<u>20,923</u>	<u>24,082</u>	<u>3,647</u>	<u>4,932</u>	<u>(200)</u>	<u>(196)</u>	<u>58,696</u>	<u>129,062</u>

10 Segment information (Cont'd)

10.2 Financial information by geographical segments

	For the year ended 31 December (Baht Million)											
	Hotel & Spa		Mixed use		Restaurant		Retail		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues												
Thailand	3,472	9,791	803	3,050	13,952	15,485	3,647	4,932	(200)	(196)	21,674	33,062
Europe	19,937	65,863	-	-	224	334	-	-	-	-	20,161	66,197
Australia and New Zealand	4,028	5,596	-	-	2,090	2,563	-	-	-	-	6,118	8,159
Maldives and Middle East	1,124	1,945	-	-	166	438	-	-	-	-	1,290	2,383
The People's Republic of China	11	23	12	17	2,817	3,392	-	-	-	-	2,840	3,432
Latin America	1,681	5,884	-	-	-	-	-	-	-	-	1,681	5,884
Others	1,070	3,837	2,188	4,238	1,674	1,870	-	-	-	-	4,932	9,945
Total	31,323	92,939	3,003	7,305	20,923	24,082	3,647	4,932	(200)	(196)	58,696	129,062
Net profit (loss)												
Thailand	(1,892)	157	283	897	287	1,031	(532)	60	-	-	(1,854)	2,145
Europe	(16,657)	6,510	-	-	2	(57)	-	-	-	-	(16,655)	6,453
Australia and New Zealand	(622)	45	-	-	52	117	-	-	-	-	(570)	162
Maldives and Middle East	120	836	-	-	6	26	-	-	-	-	126	862
The People's Republic of China	(5)	28	3	9	(106)	138	-	-	-	-	(108)	175
Latin America	(1,484)	116	-	-	-	-	-	-	-	-	(1,484)	116
Others	(1,547)	1,046	(538)	210	(73)	(175)	-	-	-	-	(2,158)	1,081
Total	(22,087)	8,738	(252)	1,116	168	1,080	(532)	60	-	-	(22,703)	10,994
Total assets											362,327	254,184
Total liabilities											286,003	168,316

10 Segment information (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.

Countries in Europe - The Group operates hotel and restaurant businesses.

Australia and New Zealand - The Group operates hotels and food and beverage outlets.

Republic of Maldives and Middle East - The Group operates hotels, spa and food and beverage outlets.

The People's Republic of China - The Group operates food and beverage outlets, spa services and real estates for sales.

Latin America - The Group operates hotel business.

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

11 Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Cash on hand	231,460,302	449,424,590	629,324	189,042
Cash at banks	24,756,653,857	12,288,550,950	9,444,705,040	301,995,060
Time deposits				
(maturity less than 3 months)	1,200,001,018	592,845,795	1,200,001,018	-
Total cash and cash equivalents	26,188,115,177	13,330,821,335	10,645,335,382	302,184,102

As at 31 December 2020, the average effective interest rate of time deposits was 0.4% per annum and had a maturity less than 3 months (2019: 3.8% per annum and had a maturity less than 3 months).

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12 Trade and other receivables

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Current				
Trade receivables - third parties, gross	3,999,583,278	7,077,631,596	3,732,787	14,512,279
<u>Less</u> Provision for impairment of trade receivables	(822,491,590)	(420,000,909)	(796,387)	(92,352)
Trade receivables - third parties, net	3,177,091,688	6,657,630,687	2,936,400	14,419,927
Current portion of trade receivables				
long-term contracts	3,512,996,812	3,301,521,326	-	-
Current portion of lease receivables	562,217,233	-	-	-
Prepayments	900,247,941	1,104,857,750	16,463,456	9,472,333
Receivables from others	3,218,970,654	3,501,144,443	9,724,062	28,105,125
Receivables from related parties, net (Note 19)	914,369,353	988,862,784	4,749,142,534	1,574,299,018
Total trade and other receivables	12,285,893,681	15,554,016,990	4,778,266,452	1,626,296,403

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Not yet due	2,303,638,682	4,805,122,447	3,412,957	13,964,164
Overdue				
Under 90 days	1,021,142,419	1,681,115,545	12,786	46,223
91 days to 180 days	186,661,132	256,897,807	950	196,802
181 days to 365 days	234,876,760	149,897,257	3,688	3,879
Over 365 days	253,264,285	184,598,540	302,406	301,211
Trade receivables - third parties, gross	3,999,583,278	7,077,631,596	3,732,787	14,512,279
<u>Less</u> Provision for impairment of trade receivables	(822,491,590)	(420,000,909)	(796,387)	(92,352)
Trade receivables - third parties, net	3,177,091,688	6,657,630,687	2,936,400	14,419,927

Minor International Public Company Limited
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12 Trade and other receivables (Cont'd)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
<u>Non-current</u>				
Trade receivables long-term contracts	2,355,049,751	3,467,516,612	-	-
<u>Less</u> Unearned interest income	(192,138,069)	(256,337,188)	-	-
<u>Less</u> Provision for impairment of trade receivables	(870,373,147)	(123,486,395)	-	-
Trade receivables long-term contracts, net	1,292,538,535	3,087,693,029	-	-
Lease receivables	945,487,414	-	-	-
Receivables from related parties (Note 19)	-	-	241,557,170	-
Total trade and other receivables	2,238,025,949	3,087,693,029	241,557,170	-

13 Financial assets and liabilities

Financial assets and liabilities can be analysed by valuation method, together with fair value as follows:

	Consolidated financial statements									
	31 December 2020					1 January 2020				
	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value
Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
Current assets										
Cash and cash equivalents	-	-	26,188	26,188	26,188	-	-	13,331	13,331	13,331
Trade and other receivables	-	-	13,328	13,328	13,328	-	-	16,568	16,568	16,568
<u>Less:</u> Provision for impairment of trade receivables	-	-	(1,042)	(1,042)	(1,042)	-	-	(912)	(912)	(912)
Derivative asset	136	-	-	136	136	486	-	-	486	486
Other current assets	-	-	3,671	3,671	3,671	-	-	2,665	2,665	2,665
Non-current assets										
Trade and other receivables	-	-	3,108	3,108	3,108	-	-	4,485	4,485	4,485
<u>Less:</u> Provision for impairment of trade receivables	-	-	(870)	(870)	(870)	-	-	(850)	(850)	(850)
Loans to related parties	-	-	5,485	5,485	5,485	-	-	5,678	5,678	5,678
<u>Less:</u> Provision for loans to related parties	-	-	(284)	(284)	(284)	-	-	(284)	(284)	(284)
Derivative asset	324	236	-	560	560	3,436	-	-	3,436	3,436
Other non-current assets										
- Long-term investments	73	110	-	183	183	70	122	-	192	192
- Other non-current assets	-	-	3,183	3,183	3,183	-	-	3,352	3,352	3,352

13 Financial assets and liabilities (Cont'd)

	Consolidated financial statements									
	31 December 2020					1 January 2020				
	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value
Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
Current liabilities										
Bank overdrafts and short-term borrowings										
from financial institutions	-	-	140	140	140	-	-	300	300	300
Trade and other payables	-	-	15,310	15,310	15,310	-	-	19,357	19,357	19,357
Current portion of long-term borrowings										
from financial institutions	-	-	1,706	1,706	1,706	-	-	5,660	5,660	5,660
Current portion of debentures	-	-	4,596	4,596	4,596	-	-	4,000	4,000	4,000
Income tax payable	-	-	430	430	430	-	-	1,860	1,860	1,860
Derivative liabilities	964	80	-	1,044	1,044	9	-	-	9	9
Other current liabilities	-	-	4,874	4,874	4,874	-	-	3,466	3,466	3,466
Non-current liabilities										
Long-term borrowings from financial institutions	-	-	70,098	70,098	70,098	-	-	39,011	39,011	39,011
Debentures										
- Recognised through profit or loss	11,665	-	-	11,665	11,665	-	-	-	-	-
- Recognised at amortised cost	-	-	48,134	48,134	48,134	-	-	63,376	63,376	63,376
Derivative liabilities	3,195	298	-	3,493	3,493	883	-	-	883	883
Other non-current liabilities	-	-	3,026	3,026	3,026	-	-	3,232	3,232	3,232

13 Financial assets and liabilities (Cont'd)

	Separate financial statements									
	31 December 2020					1 January 2020				
	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value
	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
Current assets										
Cash and cash equivalents	-	-	10,645	10,645	10,645	-	-	302	302	302
Trade and other receivables	-	-	4,783	4,783	4,783	-	-	1,706	1,706	1,706
<u>Less:</u> Provision for impairment of trade receivables	-	-	(5)	(5)	(5)	-	-	(5)	(5)	(5)
Derivative assets	136	-	-	136	136	486	-	-	486	486
Other current assets	-	-	80	80	80	-	-	42	42	42
Non-current assets										
Trade and other receivables	-	-	242	242	242	-	-	-	-	-
Loans to related parties	-	-	127,012	127,012	127,012	-	-	113,868	113,868	113,868
Derivative asset	324	236	-	560	560	3,436	-	-	3,436	3,436
Other non-current assets										
- Long-term investments	-	21	-	21	21	-	24	-	24	24
- Other non-current assets	-	-	15	15	15	-	-	11	11	11

13 Financial assets and liabilities (Cont'd)

	Separate financial statements									
	31 December 2020					1 January 2020				
	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value	FVPL	FVOCI	Amortised cost	Total carrying amounts	Fair value
Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million
Current liabilities										
Bank overdrafts and short-term borrowings										
from financial institutions	-	-	-	-	-	-	-	300	300	300
Trade and other payables	-	-	682	682	682	-	-	712	712	712
Short-term borrowings from related parties	-	-	5,379	5,379	5,379	-	-	4,339	4,339	4,339
Current portion of long-term borrowings										
from financial institutions	-	-	-	-	-	-	-	2,935	2,935	2,935
Current portion of debentures	-	-	4,596	4,596	4,596	-	-	4,000	4,000	4,000
Derivative liabilities	964	-	-	964	964	9	-	-	9	9
Other current liabilities	-	-	33	33	33	-	-	22	22	22
Non-current liabilities										
Long-term borrowings from financial institutions	-	-	25,352	25,352	25,352	-	-	16,269	16,269	16,269
Debentures	-	-	46,666	46,666	46,666	-	-	51,065	51,065	51,065
Derivative liabilities	3,167	298	-	3,465	3,465	788	-	-	788	788
Other non-current liabilities	-	-	6	6	6	-	-	5	5	5

13 Financial assets and liabilities (Cont'd)

Amounts recognised in profit or loss and other comprehensive income

	Consolidated financial statements			
	2020		2019	
	Profit or loss	Other comprehensive income	Profit or loss	Other comprehensive income
	Baht Million	Baht Million	Baht Million	Baht Million
Fair value gains (losses) on equity investments at FVOCI (2019: relating to available-for-sale investments)	-	(2)	-	(1)
Fair value gains (losses) on equity investments at FVPL (2019: relating to general investment)	3	-	11	-
Dividends from equity investments held at FVOCI recognised in profit or loss				
- Related to investments held at the end of the reporting year	1	-	2	-
	Separate financial statements			
	2020		2019	
	Profit or loss	Other comprehensive income	Profit or loss	Other comprehensive income
	Baht Million	Baht Million	Baht Million	Baht Million
Fair value gains (losses) on equity investments at FVOCI (2019: relating to available-for-sale investments)	-	(2)	-	(1)
Dividends from equity investments held at FVOCI recognised in profit or loss				
- Related to investments held at the end of the reporting year	1	-	2	-

Significant acquisitions and disposals during the year

During the year 2020, the Group and the Company do not acquire and dispose investments in listed securities.

Expected credit losses for the year

During the year 2020, the Group and the Company recognised impairment of financial assets at amortised cost, loans to related parties as disclosed in Note 5, and trade and other receivables as disclosed in Note 7.

14 Inventories

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Food and beverage	469,543,708	564,876,219	1,747,073	2,954,139
Finished goods (net with allowance)	1,426,096,992	1,878,143,114	81,299	89,602
Raw materials (net with allowance)	1,253,891,445	1,001,325,894	-	-
Work in process	12,561,953	13,852,529	-	-
Goods in transit	113,428,290	221,244,116	-	-
Supplies and others	407,085,304	459,689,269	1,359,402	1,411,961
Total inventories	<u>3,682,607,692</u>	<u>4,139,131,141</u>	<u>3,187,774</u>	<u>4,455,702</u>

The cost of inventories recognised as expense and included in cost of sales amounted to Baht 10,968 million (2019: Baht 15,299 million).

During 2020, Baht 124 million was recorded to the income statement for allowance for obsolete and damaged inventories (2019: Baht 14 million).

15 Land and real estates project for sales

	Consolidated	
	financial statements	
	2020	2019
	Baht	Baht
Residential units	1,919,150,021	1,293,988,105
Time sharing resort	38,506,000	133,801,858
Total land and real estates project for sales	<u>1,957,656,021</u>	<u>1,427,789,963</u>

The cost of land and real estates project sold recognised during the year amounting to Baht 467 million (2019: Baht 2,032 million).

16 Other current assets

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Tax receivables	3,187,754,120	2,325,393,686	58,572,531	40,924,017
Deposits	38,220,936	49,403,237	-	-
Advance payments	9,943,617	7,262,074	-	-
Current portion of loans to other companies	102,071,305	86,153,450	20,451,944	-
Others	332,630,499	197,100,474	676,695	1,183,081
Total other current assets	3,670,620,477	2,665,312,921	79,701,170	42,107,098

17 Non-current assets classified as held-for-sale

Details of assets and liabilities of disposal group classified as held-for-sale were as follows:

	Consolidated	
	financial statements	
	2020	2019
	Baht	Baht
Property, plant and equipment	3,959,581,172	354,007,894
Intangible assets	84,961,874	-
Investments	-	1,125,989,442
Others	98,665,242	1,720,286
Total assets	4,143,208,288	1,481,717,622
Trade and other payables	100,697,832	87,161,162
Long-term borrowings	326,301,637	-
Others	194,286,633	-
Total liabilities	621,286,102	87,161,162

Loss related to discontinued operations was Baht 2.4 million (2019: Profit of Baht 1.7 million).

Non-current assets held-for-sale during the year was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair valuation is non-recurring, was determined using the market approach.

18 Investments in subsidiaries, associates and interests in joint ventures

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Investment in subsidiaries	-	-	8,102,339,365	8,071,408,665
Investment in associates	8,413,477,152	6,359,569,618	2,787,458,871	2,783,765,824
Interests in joint ventures	2,437,174,867	2,614,326,059	-	-
Total investments in subsidiaries, associates and interests in joint ventures	<u>10,850,652,019</u>	<u>8,973,895,677</u>	<u>10,889,798,236</u>	<u>10,855,174,489</u>

a) Investments in subsidiaries

	Separate	
	financial statements	
	2020	2019
	Baht	Baht
At 1 January	8,071,408,665	6,171,579,290
Additions	80,930,700	1,899,829,375
Decrease in investment from liquidation of subsidiary	(50,000,000)	-
At 31 December	<u>8,102,339,365</u>	<u>8,071,408,665</u>

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

Subsidiaries which are directly held by the Company are as follows:

Company	Nature of business	Country of incorporation	Separate financial statements	
			Investment portion held by the Company (%)	
			31 December 2020	31 December 2019
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	81.2	81.2
Hua Hin Resort Limited	Sale of property	Thailand	100	100
Maerim Terrace Resort Limited ("MTR")	Hotel operation	Thailand	45.3 ⁽¹⁾	45.3 ⁽¹⁾
Samui Resort and Spa Limited	Hotel operation	Thailand	100	100
Rajadamri Hotel Public Company Limited	Hotel operation	Thailand	99.2	99.2
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	Under liquidation process	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 & property developer	Thailand	100	100
The Minor Food Group Public Company Limited	Sale of food and beverage	Thailand	99.7	99.7
Royal Garden Plaza Limited	Shopping mall	Thailand	100	100
M Spa International Limited	Spa services	Thailand	100	100
Samui Beach Residence Limited	Sale of property	Thailand	100	100
Coco Residence Limited	Sale of property	Thailand	100	100

⁽¹⁾ Investment portion of 45.3% represents direct holding in MTR another 25.7% indirect holding is invested through a subsidiary.

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

Company	Nature of business	Country of incorporation	Separate financial statements	
			Investment portion held by the Company (%)	
			31 December 2020	31 December 2019
Minor Hotel Group Limited ("MHG")	Hotel management	Thailand	100	27.8 ⁽²⁾
Minor Supply Chain Solutions Limited	Supply chain management	Thailand	100	100
Minor Global Solutions Limited	Liquidation	Thailand	-	100
Chao Phaya Resort and Residence Limited	Hospitality business school	Thailand	100	100
Minor Corporation Public Company Limited ("MINOR")	Distribution	Thailand	91.4 ⁽³⁾	91.4 ⁽³⁾
RGR International Limited	Management	British Virgin Islands	100	100
R.G.E. (HKG) Limited	Management	Hong Kong	100	100
M&H Management Limited	Management	Republic of Mauritius	100	100
Lodging Investment (Labuan) Limited	Holding investment	Malaysia	100	100
Minor International (Labuan) Limited	Hotel operation	Malaysia	100	100
AVC Club Developer Limited	Vacation club point sale	Republic of Mauritius	100	100
AVC Vacation Club Limited	Vacation club point sale	Republic of Mauritius	100	100
Phuket Beach Club Owner Limited	Management	Thailand	100	100
MHG Phuket Limited ("MHGP")	Hotel operation	Thailand	96.9 ⁽⁴⁾	96.9 ⁽⁴⁾
Minor Sky Rider Limited	Entertainment operation	Thailand	100	100
Minor Continental Holding (Mauritius)	Holding investment	Republic of Mauritius	100	100

⁽²⁾ Investment portion of 27.8% represent direct holding in MHG. Another 72.2% indirect holding is invested through a subsidiary.

⁽³⁾ Investment portion of 91.4% represents direct holding in MINOR. Another 8.6% indirect holding is invested through a subsidiary.

⁽⁴⁾ Investment portion of 96.9% represents direct holding in MHGP. Another 3.1% indirect holding is invested through a subsidiary.

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

Significant subsidiaries not directly held by the Company included in the preparation of the consolidated financial statements are:

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Investment portion held by the Group (%)	
			31 December 2020	31 December 2019
MHG Continental Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
Lodging Management (Mauritius) Limited	Hotel management	Republic of Mauritius	100	100
Minor Hotel Group MEA DMCC	Hotel management	The United Arab Emirates	100	100
NH Hotel Group S.A. and its subsidiaries ⁽¹⁾	Hotel operation	Countries in Europe and Latin America	94.1	94.1
Minor Hotels Portugal, S.A. and its subsidiaries	Hotel operation	Portuguese Republic	100	100
Rajadamri Lodging Limited	Hotel operation and sale of property	Thailand	100	100
Swensen's (Thai) Limited	Sale of food and beverage	Thailand	100	100
Minor Cheese Limited	Manufacturing and sale of cheese	Thailand	100	100
Minor Dairy Limited	Manufacturing and sale of ice-cream	Thailand	100	100
Minor DQ Limited	Sale of food and beverage	Thailand	100	100
Burger (Thailand) Limited	Sale of food and beverage	Thailand	97	97
SLRT Limited	Sale of food and beverage	Thailand	100	100
Over Success Enterprise Pte. Ltd. and its subsidiaries	Sale of food and beverage	People's Republic of China	100	100
Minor Food Group (Singapore) Pte. Ltd. and its subsidiaries	Sale of food and beverage	Singapore	92	92
Oaks Hotels & Resorts Limited ("OAKS") and its subsidiaries	Providing services for accommodation	Australia and New Zealand	100	100
Minor DKL Food Group Pty. Ltd.	Holding investment	Australia and New Zealand	70	70
Minor Food Holding Limited	Holding investment	Thailand	100	100

⁽¹⁾ NH Hotel Group S.A. has disclosed its financial statements in the public.

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

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Investment portion held by the Group (%)	
			31 December 2020	31 December 2019
<u>Minor DKL Food Group Pty. Ltd.'s subsidiaries</u>				
Espresso Pty. Ltd.	Property investment	Australia	100	100
The Coffee Club Investment Pty. Ltd.	Franchise owner	Australia	100	100
The Coffee Club Franchising Company Pty. Ltd.	Franchise business	Australia	100	100
The Coffee Club (Technology) Pty. Ltd.	Holding investment	Australia	100	100
First Avenue Company Pty. Ltd.	Sale of food and beverage	Australia	100	100
Ribs and Rumps Holding Pty. Ltd.	Holding investment	Australia	-	100
Minor DKL Construction Pty. Ltd.	Management services	Australia	100	100
Minor DKL Management Pty. Ltd.	Management services	Australia	100	100
Minor DKL Stores Pty. Ltd.	Sale of food and beverage	Australia	100	100
Nomad Coffee Group Pty. Ltd.	Holding investment	Australia	70	70
<u>Espresso Pty. Ltd.'s subsidiaries</u>				
The Coffee Club (Vic) Pty. Ltd.	Property investment	Australia	100	100
The Coffee Club (Properties) Pty. Ltd.	Property investment	Australia	100	100
The Coffee Club Properties (NSW) Pty. Ltd.	Property investment	Australia	100	100

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

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Investment portion held by the Group (%)	
			31 December 2020	31 December 2019
<u>Ribs and Rumps Holding Pty. Ltd.'s subsidiaries</u>				
Ribs and Rumps Operating Company Pty. Ltd.	Sale of food and beverage	Australia	-	100
Ribs and Rumps Properties Pty. Ltd.	Sale of food and beverage	Australia	-	100
Ribs and Rumps International Pty. Ltd.	Sale of food and beverage	Australia	-	100
Ribs and Rumps System Pty. Ltd.	Franchise owner	Australia	-	100
<u>Minor DKL Stores Pty. Ltd. 's subsidiaries</u>				
TCC Operations Pty. Ltd.	Sale of food and beverage	Australia	100	100
TGT Operations Pty. Ltd.	Sale of food and beverage	Australia	100	100
<u>The Coffee Club Investment Pty. Ltd.'s subsidiaries</u>				
The Coffee Club Pty. Ltd. (as trustee for The Coffee Club Unit Trust)	Franchise owner	Australia	100	100
<u>The Coffee Club Pty. Ltd. (as trustee for The Coffee Club Unit Trust) 's subsidiaries</u>				
The Coffee Club (International) Pty. Ltd.	Franchise owner	Australia	100	100
<u>The Coffee Club (International) Pty. Ltd. 's subsidiaries</u>				
The Coffee Club (Korea) Pty. Ltd.	Franchise owner	Australia	100	100
The Coffee Club (Mena) Pty. Ltd.	Franchise owner	Australia	100	100
The Coffee Club (NZ) Pty. Ltd.	Franchise owner	Australia	100	100

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

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Investment portion held by the Group (%)	
			31 December 2020	31 December 2019
<u>Nomad Coffee Group Pty. Ltd.'s subsidiaries</u>				
Veneziano Coffee Roasters Holdings Pty. Ltd.	Holding investment	Australia	100	100
Coffee Hit Holdings Pty. Ltd.	Holding investment	Australia	100	100
Nomad Coffee management Pty. Ltd.	Management services	Australia	100	100
Inigo Montoya Limited	Holding investment	New Zealand	70	70
<u>Inigo Montoya Limited's subsidiaries</u>				
Flight Coffee Limited	Sale of food and beverage	New Zealand	100	100
The Hanger Limited	Sale of food and beverage	New Zealand	100	100
Good Time Gang Limited	Sale of food and beverage	New Zealand	100	100
<u>Veneziano Coffee Roasters Holdings Pty. Ltd.'s subsidiaries</u>				
Veneziano (SA) Pty. Ltd.	Sale of food and beverage	Australia	57.5	57.5
Veneziano Coffee Roasters Pty. Ltd.	Sale of food and beverage	Australia	100	100
Veneziano Coffee Assets Pty. Ltd.	Assets investment	Australia	100	100
Black Bag Roasters Pty. Ltd.	Sale of food and beverage	Australia	100	100
Nitro Coffee Pty. Ltd.	Holding investment	Australia	70	70
<u>Coffee Hit Holdings Pty. Ltd. 's subsidiaries</u>				
Coffee Hit System Pty. Ltd.	Franchise owner	Australia	100	100
Coffee Hit Properties Pty. Ltd.	Property investment	Australia	100	100
<u>Minor Food Holding Limited's subsidiaries</u>				
Chicken Time Co., Ltd.	Sale of food and beverage	Thailand	100	100
Spoonful (Thailand) Limited	Sale of food and beverage	Thailand	70	-

The Group has pledged a subsidiary's shares together with hotel properties at book value approximately Baht 12,514 million, to secure borrowings and guarantor's performance from a financial institution as disclosed in Note 25.

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

Significant changes in investments in subsidiaries for the year ended 31 December 2020 comprise:

- A subsidiary of the Group acquired Spoonful Pte. Ltd. and Spoonful (Thailand) Co., Ltd. Details of the acquisition are described in Note 40.
- A subsidiary of the Group acquired Roco Hospitality Group S.r.l., New York Palace Kft and AGAGA s.r.o. Details of the acquisition are described in Note 40.
- During the year 2020, the liquidation process of Minor Global Solutions Limited (“MGS”) was completed. The Company disposed the investment in this subsidiary at cost of Baht 50 million and received the ordinary shares of Minor Hotel Group Limited (“MHG”) which was held by MGS in return, comprising 779,305 shares representing net assets value of Baht 78 million. The investment portion has increased from 27.8% to 100%.

Summarised financial information for subsidiaries

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

Summarised statement of financial position

	As at 31 December 2020		
	NH Hotel Group S.A. Baht Million	Minor DKL Food Group Pty. Ltd. Baht Million	Total Baht Million
Current			
Assets	16,064	1,210	17,274
Liabilities	19,287	1,043	20,330
Total current net assets	(3,223)	167	(3,056)
Non-current			
Assets	146,156	3,285	149,441
Liabilities	111,389	2,814	114,203
Total non-current net assets	34,767	471	35,238
Net assets	31,544	638	32,182
Accumulated NCI	7,086	1,076	8,162

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

Summarised statement of comprehensive income

	For the year ended 31 December 2020		
	NH Hotel Group S.A. Baht Million	Minor DKL Food Group Pty. Ltd. Baht Million	Total Baht Million
Revenue	18,950	2,085	21,035
Post-tax profit (loss) from continuing operations	(13,765)	82	(13,683)
Total comprehensive income (loss)	(13,765)	82	(13,683)
Total comprehensive income (loss) allocated to non-controlling interests	(967)	31	(936)

Summarised statement of cash flows

	For the year ended 31 December 2020		
	NH Hotel Group S.A. Baht Million	Minor DKL Food Group Pty. Ltd. Baht Million	Total Baht Million
Net cash generated from (used in) operating activities	(8,344)	338	(8,006)
Net cash generated from (used in) investing activities	(8,703)	(171)	(8,874)
Net cash generated from (used in) financing activities	19,119	(80)	19,039
Net increase (decrease) in cash and cash equivalents	2,072	87	2,159

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

b) Investments in associates

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
At 1 January	6,359,569,618	7,159,591,855	2,783,765,824	2,779,663,176
Additions	1,090,160,763	4,867,780	3,693,047	4,102,648
Transfer from other accounts	1,224,618,622	-	-	-
Share of profit (loss) of investments				
in associates	(329,425,281)	984,928,899	-	-
Dividends received	(159,900,812)	(1,432,045,636)	-	-
Impairment charge	-	(352,714,715)	-	-
Translation adjustment	228,454,242	(5,058,565)	-	-
At 31 December	<u>8,413,477,152</u>	<u>6,359,569,618</u>	<u>2,787,458,871</u>	<u>2,783,765,824</u>

Investments in associates are as follows:

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2020	31 December 2019
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	Sale of food and beverage	Thailand	51 ⁽¹⁾	51 ⁽¹⁾
Harbour View Corporation Limited	Hotel operation	Vietnam	30.4	30.4
Zuma Bangkok Limited	Sale of food and beverage	Thailand	51 ⁽²⁾	51 ⁽²⁾

⁽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%.

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

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2020	31 December 2019
S&P Syndicate Public Company Limited	Sale of food and beverage	Thailand	35.9	35.9
Rani Minor Holding Limited	Hotel operation	United Arab Emirates	25	25
Serendib Hotels PLC	Hotel operation	Sri Lanka	25	25
MHG Lesotho (Proprietary) Limited	Hotel operation	Lesotho	46.9	46.9
NYE and RGP Development Co., Ltd.	Sale of property	Thailand	40	40
Breadtalk Group Limited	Sale of food and beverage	Singapore	-	14.2 ⁽³⁾
BTG Holding Company Pte. Ltd.	Holding investment	Singapore	25.1	-
Cardamom Tented Camp Co., Ltd.	Hotel operation	The Kingdom of Cambodia	35	35
Borakay Beach, S.L.	Hotel operation	Spain	50	50
Consortio Grupo Hotelero T2, S. A. de C. V.	Hotel operation	Mexico	10	10
Hotelera del Mar, S.A.	Hotel operation	Argentina	20	20
Inmobiliaria 3 Poniente, S.A. De C.V.	Hotel operation	Mexico	27	27
Mil Novecientos Doce, S.A. de C.V.	Hotel operation	Mexico	25	25
Sotocaribe SI	Hotel operation	Spain	35.5	35.5

⁽³⁾ Investment portion in Breadtalk Group Limited is 14.2% but the Group has significant influence over this associate.

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

Company	Nature of business	Country of incorporation	Separate financial statements	
			Investment portion (%)	
			31 December 2020	31 December 2019
S&P Syndicate Public Company Limited	Sale of food and beverage	Thailand	35.9	35.9

Significant changes in investments in associates for the year ended 31 December 2020 comprise:

- During the year of 2020, BTG Holding Company Pte. Ltd., an associate of the Group, has completed a voluntary conditional cash offer to acquire share of Breadtalk Group Limited. As a result, the Group has the investment portion in Breadtalk Group Limited through BTG Holding Company Pte. Ltd. from 14.2% to 25.1%. The change does not affect to the preparation of consolidated financial statements.
- During the year of 2020, a subsidiary of the Group has reclassified from "Non-current assets classified as held-for-sale" of Sotocaribe SI to "Investment in associates" amounting to Baht 1,245 million. The investment portion is 35.5%.

Summarised financial information for associates

The following information 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.

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

Summarised statement of financial position

	As at 31 December 2020		
	S&P Syndicate		Total Baht Million
	Public Company	BTG Holding	
	Limited	Company Pte.Ltd.	
Baht Million	Baht Million	Baht Million	
Current assets			
Cash and cash equivalents	577	2,372	2,949
Other current assets	971	2,118	3,089
Total current assets	1,548	4,490	6,038
Non-current assets	3,841	25,238	29,079
Total assets	5,389	29,728	35,117
Current liabilities			
Trade and other payables	647	2,367	3,014
Financial liabilities	89	2,119	2,208
Other current liabilities	550	6,031	6,581
Total current liabilities	1,286	10,517	11,803
Non-current liabilities			
Financial liabilities	93	5,136	5,229
Other non-current liabilities	1,615	4,863	6,478
Total non-current liabilities	1,708	9,999	11,707
Total liabilities	2,994	20,516	23,510
Net assets	2,395	9,212	11,607

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

As at 31 December 2020, the fair value of S&P Syndicate Public Company Limited shares held by the Group which is computed by using closing price announced by SET is Baht 2,256 million (2019: Baht 2,762 million).

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

Summarised statement of comprehensive income

	For the year ended 31 December 2020		
	S&P Syndicate		
	Public Company	BTG Holding	Total
	Limited	Company Pte.Ltd.	
	Baht Million	Baht Million	Baht Million
Revenue	5,199	10,411	15,610
Post-tax profit (loss)			
from continuing operations	182	(672)	(490)
Other comprehensive income (loss)	3	14	17
Total comprehensive income (loss)	185	(658)	(473)
Dividends received from associates	100	-	100

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

Reconciliation of summarised financial information

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

	For the year ended 31 December 2020		
	S&P Syndicate		
	Public Company	BTG Holding	Total
	Limited	Company Pte.Ltd.	
	Baht Million	Baht Million	Baht Million
Summarised financial information			
Opening net assets 1 January	2,536	-	2,536
Impact from change in accounting policy	(45)	-	(45)
Issuance of ordinary shares	-	9,844	9,844
Profit (loss) for the period	182	(672)	(490)
Other component of equity	3	26	29
Foreign exchange differences	-	14	14
Dividend paid	(281)	-	(281)
Closing net assets	2,395	9,212	11,607
Interest portion as a Group	35.9%	25.1%	
Interest in associates	861	2,312	3,173
Goodwill	2,099	-	2,099
Carrying amount	2,960	2,312	5,272

18 Investments in subsidiaries, associates and interests in joint ventures (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.

	2020 Baht Million
Aggregate carrying amount of individually immaterial associates	3,141
Aggregate amounts of the reporting entity's share of:	
Post-tax profit (loss) from continuing operations	(328)
Total comprehensive income (loss)	(328)

c) Interests in joint ventures

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
At 1 January	2,614,326,059	2,801,463,271	-	-
Additions	16,230,807	29,336,893	-	-
Change status to				
investment in subsidiaries	(56,408,782)	-	-	-
Disposal	-	(85,212,890)	-	-
Share of profit (loss) of interests in				
joint ventures	(134,476,369)	(157,419,666)	-	-
Adjustment of fair value	-	55,487,531	-	-
Dividends received	-	(25,000,000)	-	-
Translation adjustment	(2,496,848)	(4,329,080)	-	-
At 31 December	2,437,174,867	2,614,326,059	-	-

18 Investments in subsidiaries, associates and 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 2020	31 December 2019
PH Resorts (Private) Ltd.	Hotel operation	Sri Lanka	49.9	49.9
MHG Deep Blue Financing	Management	Republic of Mauritius	50	50
O Plus E Holdings Private Limited	Holding company	The Republic of the Maldives	50	50
Pecan Deluxe (Thailand) Co. Ltd.	Manufacturing food ingredients	Thailand	49.9	49.9
Liwa Minor Food & Beverage LLC	Sale 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	50	43.8
MHG Npark Development Company Limited	Sale of property	Thailand	50	50
MHG Signity Assets Holding (Mauritius) Limited	Holding company	Republic of Mauritius	50	50
Patara Fine Thai Cuisine Limited	Sale of food and beverage	The United Kingdom	50	50
PT Wika Realty Minor Development	Hotel operation	Republic of Indonesia	50	50
MHG GP Pte. Ltd.	Holding company	Singapore	50	50

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

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2020	31 December 2019
Avadina Hills Limited	Sale of property	Thailand	50	50
Layan Hill Residence Limited	Sale of property	Thailand	50	50
Layan Bang Tao Development Limited	Sale of property	Thailand	50	50
Plexus Maldives Private Limited	Hotel operation	The Republic of Maldives	50	50
H&A Park Limited	Hotel operation	Thailand	50	50
Art of Baking Co., Ltd.	Manufacturing food ingredients	Thailand	51 ⁽¹⁾	51 ⁽¹⁾
Ya Hua International Pte. Ltd.	Sale of food and beverage	Singapore	-	50
Barbarons Beach Hotel MHG Limited	Airport lounge	Seychelles	40	40
TCC Holding Joint Stock Company	Sale of food and beverage	Vietnam	50	50
Dining Collective Pte. Ltd.	Sale of food and beverage	Singapore	50	50
Le Kein Investment Co., Ltd.	Sale of food and beverage	Singapore	50	50
City Donut Pte. Ltd.	Sale of food and beverage	Singapore	50	-
Verita MHG Co., Ltd.	Healthcare business	Thailand	50	-

⁽¹⁾ Although the Group holds equity interest of 51%, the Group has the jointly control as agreed in the agreement; therefore, this investment is still classified as interests in joint venture.

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

Significant changes in interests in joint ventures for the year ended 31 December 2020 comprise:

A subsidiary of the Group additionally acquired 350,000 shares of Ya Hua International Pte. Ltd. ("Ya Hua") totalling SGD 1 or equivalent to Baht 23, representing the increase in investment portion from 50% to 100% interest. The investment in Ya Hua changed status from "Interests in joint ventures" to "Investments in subsidiaries" at the date that the Group has significant control of Ya Hua. The Group adjusted fair value of this investment at that date and recognise loss on fair value adjustment of Baht 56 million in the consolidated income statement for the year ended 31 December 2020.

Commitments and contingent liabilities in respect of joint ventures

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

Summarised financial information for joint ventures

Set out below are the summarised financial information of joint ventures as at 31 December 2020, 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.

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

Summarised statement of financial position

	As at 31 December 2020		
	PH Resorts (Private) Ltd. Baht Million	PT Wika Realty Minor Development Baht Million	Total Baht Million
Current assets			
Cash and cash equivalents	107	15	122
Other current assets (excluding cash)	20	52	72
Total current assets	127	67	194
Non-current assets	920	1,089	2,009
Total assets	1,047	1,156	2,203
Current liabilities			
Trade and other payables	139	223	362
Other current liabilities	6	1	7
Total current liabilities	145	224	369
Non-current liabilities			
Financial liabilities	635	571	1,206
Other non-current liabilities	15	-	15
Total non-current liabilities	650	571	1,221
Total liabilities	795	795	1,590
Net assets	252	361	613

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

Summarised statement of comprehensive income

	For the year ended 31 December 2020		
	PT Wika		Total
	PH Resorts (Private) Ltd.	Realty Minor Development	
	Baht Million	Baht Million	Baht Million
Revenue	127	-	127
Interest expense	38	-	38
Profit (loss) from			
continuing operations	(76)	(1)	(77)
Income tax expense	(4)	-	(4)
Post-tax profit (loss)			
from continuing operations	(80)	(1)	(81)
Other comprehensive income (loss)	(12)	-	(12)
Total comprehensive income (loss)	(92)	(1)	(93)

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 2020		
	PT Wika		Total
	PH Resorts (Private) Ltd.	Realty Minor Development	
	Baht Million	Baht Million	Baht Million
Opening net assets 1 January	344	362	706
Loss for the year	(80)	(1)	(81)
Other component of equity	(12)	-	(12)
Closing net assets	252	361	613
Interests in joint venture	50%	50%	
Carrying amount	126	181	307
Goodwill	158	44	202
Carrying amount, net	284	225	509

18 Investments in subsidiaries, associates and 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.

	2020
	Baht Million
	<u> </u>
Aggregate carrying amount of individually immaterial associates	1,928
Aggregate amounts of the reporting entity's share of:	
Post-tax profit (loss) from continuing operations	<u>(113)</u>
Total comprehensive income (loss)	<u><u>(113)</u></u>

19 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.

19 Related party transactions (Cont'd)

19.1 Sales and purchase of goods and services

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
For the year ended 31 December				
Subsidiaries				
Sales of goods and services	-	-	36,248,496	66,160,359
Dividend income	-	-	27,930,764	2,329,518,091
Interest income	-	-	3,981,779,775	3,993,092,315
Other income	-	-	19,787,195	1,440,000
Purchases	-	-	(304,262)	(1,048,136)
Services expenses	-	-	(45,137,841)	(87,062,704)
Interest expenses	-	-	(67,978,357)	(58,484,419)
Associates				
Sales of goods and services	89,512,474	440,723,473	-	-
Dividend income	-	-	100,398,284	126,486,374
Interest income	51,850,903	58,390,788	-	-
Other income	993,942	2,268,275	-	-
Purchases	(48,687,884)	(87,912,340)	-	-
Joint ventures				
Sales of goods and services	89,031,015	119,851,277	7,361,175	23,651,028
Interest income	115,947,491	107,635,988	44,945,375	39,138,834
Other income	11,889,199	1,437,246	8,502,291	-
Purchases	(67,233,959)	(89,052,459)	-	-
Service expenses	(598,380)	-	-	-
Related parties				
Sales of goods and services	3,874,306	3,708,834	-	-
Other income	-	234,262	-	-
Purchases	(72,417,736)	(78,835,888)	-	-
Services expenses	(7,882,694)	(25,196,356)	-	-
Other expenses	(27,312,701)	(37,157,720)	(9,227,150)	(21,751,917)

19 Related party transactions (Cont'd)

Management remuneration

Management benefit expenses of the Group and the Company for the year ended 31 December 2020 amounted to Baht 280 million and Baht 121 million, respectively (2019: Baht 349 million and Baht 143 million, respectively). Management remuneration comprised short-term benefits such as salaries, bonus and other allowances.

19.2 Outstanding balance arising from sales/purchases of goods/service

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
As at 31 December				
a) Receivables from:				
Subsidiaries	-	-	4,902,057,759	1,506,826,226
Associates	401,283,453	464,794,814	-	3,972,574
Joint ventures	512,484,276	521,594,226	88,609,918	62,534,456
Related parties	601,624	2,473,744	32,027	965,762
Total receivables from				
related parties, net (Note 12)	914,369,353	988,862,784	4,990,699,704	1,574,299,018
b) Payables to:				
Subsidiaries	-	-	42,887,273	21,580,860
Associates	7,496,339	16,630,692	3,162	3,162
Joint ventures	31,358,167	15,676,408	32	161,465
Related parties	5,020,569	32,475,418	-	13,454,855
Total payables to				
related parties (Note 26)	43,875,075	64,782,518	42,890,467	35,200,342

19 Related party transactions (Cont'd)

19.3 Long-term loans to related parties

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
As at 31 December				
Long-term loans to related parties:				
Subsidiaries	-	-	126,224,653,759	113,003,327,166
Associates	1,164,433,964	1,268,639,086	-	-
Joint ventures	4,036,799,821	4,409,200,867	787,742,093	864,897,748
Total long-term loans to related parties	<u>5,201,233,785</u>	<u>5,677,839,953</u>	<u>127,012,395,852</u>	<u>113,868,224,914</u>

The movement in loans to related parties can be analysed as below:

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Subsidiaries				
At 1 January	-	-	113,003,327,166	140,904,047,306
Additions	-	-	11,617,915,415	6,984,168,337
Settlements	-	-	(4,398,544,854)	(26,997,452,615)
Unrealised gain (loss) on exchange rate	-	-	6,001,956,032	(7,887,435,862)
At 31 December	<u>-</u>	<u>-</u>	<u>126,224,653,759</u>	<u>113,003,327,166</u>
Associates				
At 1 January	1,268,639,086	1,172,642,707	-	-
Impact from changes in accounting policy (Note 5)	(100,800,000)	-	-	-
Beginning balance after adjustment	1,167,839,086	1,172,642,707	-	-
Additions	-	193,116,951	-	-
Settlements	-	(7,959,737)	-	-
Translation adjustment	(3,405,122)	(89,160,835)	-	-
At 31 December	<u>1,164,433,964</u>	<u>1,268,639,086</u>	<u>-</u>	<u>-</u>

19 Related party transactions (Cont'd)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Joint ventures				
At 1 January	4,409,200,867	4,587,185,099	864,897,748	617,080,948
Impact from changes in accounting policy (Note 5)	(183,346,000)	-	-	-
Beginning balance after adjustment	4,225,854,867	4,587,185,099	864,897,748	617,080,948
Additions	160,732,252	291,906,571	110,811,945	257,000,000
Settlements	(342,374,443)	(216,614,539)	(187,500,000)	-
Unrealised gain (loss) on exchange rate	(467,600)	(9,183,200)	(467,600)	(9,183,200)
Translation adjustment	(6,945,255)	(244,093,064)	-	-
At 31 December	4,036,799,821	4,409,200,867	787,742,093	864,897,748

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. Loans to associates and joint ventures are granted pursuant to the shareholders' agreements based on the percentage of shares holding.

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 2020, the provision of loan facilities of the Treasury Center to the oversea entities in the Group is Baht 49 million or equivalent to USD 1.5 million. In addition, the permission from the Bank of Thailand for the Company to be able to lend to its subsidiaries with the loan facility agreement in Thai Baht has ended on 15 March 2020. Conclusively, the accumulated loan facilities balance is Baht 1,696 million or equivalent to USD 51 million, which will be repaid in align with condition in loan facility agreements. The Bank of Thailand, however, still permits the Company to be able to lend to its subsidiaries with the loan facility agreement made in foreign currencies.

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

19 Related party transactions (Cont'd)

19.4 Borrowings from related parties

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
As at 31 December				
Short-term borrowings from related parties				
Subsidiaries	-	-	5,379,401,907	4,338,917,425
Total short-term borrowings				
from related parties (Note 25)	-	-	5,379,401,907	4,338,917,425

The movement in borrowings from related parties can be analysed as below:

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Subsidiaries				
At 1 January	-	-	4,338,917,425	2,089,180,139
Additions	-	-	1,761,657,717	2,427,394,263
Settlements	-	-	(696,231,297)	(150,958,693)
Unrealised (gain) loss on exchange rate	-	-	(24,941,938)	(26,698,284)
At 31 December	-	-	5,379,401,907	4,338,917,425

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

20 Investment properties

	Consolidated financial statements		
	Land and land	Building	Total
	improvement	and building improvement	
Baht	Baht	Baht	
At 1 January 2019			
Cost	24,360,515	2,470,589,789	2,494,950,304
<u>Less</u> Accumulated depreciation	(1,261,576)	(1,307,443,814)	(1,308,705,390)
Net book amount	23,098,939	1,163,145,975	1,186,244,914
Fair value			1,372,195,000
For the year ended 31 December 2019			
Opening net book amount	23,098,939	1,163,145,975	1,186,244,914
Additions	43,617,316	208,106,857	251,724,173
Write-offs, net	-	(337,326)	(337,326)
Disposals, net	-	(90,845)	(90,845)
Depreciation charge	(9,712)	(69,574,313)	(69,584,025)
Impairment charge	-	(109,288,764)	(109,288,764)
Translation adjustment	(1,284,786)	(5,054,188)	(6,338,974)
Closing net book amount	65,421,757	1,186,907,396	1,252,329,153
As at 31 December 2019			
Cost	66,693,045	2,671,118,758	2,737,811,803
<u>Less</u> Accumulated depreciation	(1,271,288)	(1,374,922,598)	(1,376,193,886)
Provision for impairment	-	(109,288,764)	(109,288,764)
Net book amount	65,421,757	1,186,907,396	1,252,329,153
Fair value			1,347,339,320

20 Investment properties (Cont'd)

	Consolidated financial statements		
	Land and land	Building	Total
	improvement	and building improvement	
Baht	Baht	Baht	
For the year ended 31 December 2020			
Opening net book amount	65,421,757	1,186,907,396	1,252,329,153
Additions	176,000	20,485,194	20,661,194
Write-offs, net	-	(613,703)	(613,703)
Reclassification	44,337,508	(44,337,508)	-
Transferred from other accounts	-	80,097,827	80,097,827
Depreciation charge	(11,796)	(78,280,005)	(78,291,801)
Impairment reversal	-	3,171,370	3,171,370
Translation adjustment	3,947,353	5,242,347	9,189,700
Closing net book amount	113,870,822	1,172,672,918	1,286,543,740
As at 31 December 2020			
Cost	182,102,618	2,670,765,976	2,852,868,594
<u>Less</u> Accumulated depreciation	(68,231,796)	(1,381,784,892)	(1,450,016,688)
Provision for impairment	-	(116,308,166)	(116,308,166)
Net book amount	113,870,822	1,172,672,918	1,286,543,740
Fair value			1,424,022,538

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

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

20 Investment properties (Cont'd)

Fair value measurements using significant unobservable inputs (Level 3)

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

For the year ended 31 December 2020, the Group does not taking into account the information related to COVID-19 in its financial projections for the purpose of fair valuing investment properties.

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 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:

	2020	2019
	Baht	Baht
	<hr/>	<hr/>
Rental income	136,069,979	304,978,543
Direct operating expense arised from investment property that generated rental income	78,291,801	69,584,025

21 Property, plant and equipment

	Consolidated financial statements (Baht)					Total
	Land and land improvement	Building and building improvement	Machines, furniture and other equipment	Vehicles	Construction in progress	
At 1 January 2019 (restated)						
Cost	51,600,777,239	116,009,193,036	37,951,009,338	458,947,569	6,048,711,213	212,068,638,395
<u>Less</u> Accumulated depreciation	(370,780,681)	(51,203,983,372)	(26,553,247,034)	(336,338,549)	-	(78,464,349,636)
Provision for impairment	-	(452,968,950)	(104,169,641)	-	-	(557,138,591)
Net book amount	<u>51,229,996,558</u>	<u>64,352,240,714</u>	<u>11,293,592,663</u>	<u>122,609,020</u>	<u>6,048,711,213</u>	<u>133,047,150,168</u>
For the year ended 31 December 2019						
Opening net book amount (as previously reported)	51,229,996,558	64,352,240,714	11,371,341,711	122,609,020	6,048,711,213	133,124,899,216
Retrospective adjustment of fair value	-	-	(77,749,048)	-	-	(77,749,048)
Opening net book amount (as restated)	51,229,996,558	64,352,240,714	11,293,592,663	122,609,020	6,048,711,213	133,047,150,168
Additions	39,825,698	5,384,175,091	2,961,600,023	45,867,765	5,827,188,644	14,258,657,221
Acquisition from investment in subsidiaries, net	-	315,770,752	87,244,746	2,320,700	8,033,441	413,369,639
Disposals of assets under sale and leaseback	(1,511,649,075)	(3,719,415,667)	(348,626,817)	-	-	(5,579,691,559)
Disposals, net	(1,763,280)	(940,752,561)	(163,459,407)	(1,216,135)	(3,128,818)	(1,110,320,201)
Write-offs, net	-	(281,425,893)	(123,349,239)	(927,217)	(1,109,057)	(406,811,406)
Reclassification	787,735,348	3,520,600,005	1,304,872,853	11,696,381	(5,624,904,587)	-
Transfer from (to) other accounts	(879,773)	99,609,878	(102,306,175)	-	(37,083,447)	(40,659,517)
Depreciation charge	(18,437,564)	(4,568,313,712)	(2,702,862,166)	(41,799,485)	-	(7,331,412,927)
Impairment reversal (charge)	(160,655,260)	75,871,766	(139,552,536)	-	-	(224,336,030)
Translation adjustment	(4,360,260,989)	(4,594,984,175)	(593,520,255)	(2,264,133)	(345,854,927)	(9,896,884,479)
Closing net book amount	<u>46,003,911,663</u>	<u>59,643,376,198</u>	<u>11,473,633,690</u>	<u>136,286,896</u>	<u>5,871,852,462</u>	<u>123,129,060,909</u>
At 31 December 2019						
Cost	46,538,088,441	108,330,846,707	36,469,890,499	482,166,906	5,871,852,462	197,692,845,015
<u>Less</u> Accumulated depreciation	(378,253,756)	(48,342,364,612)	(24,764,510,635)	(345,880,010)	-	(73,831,009,013)
Provision for impairment	(155,923,022)	(345,105,897)	(231,746,174)	-	-	(732,775,093)
Net book amount	<u>46,003,911,663</u>	<u>59,643,376,198</u>	<u>11,473,633,690</u>	<u>136,286,896</u>	<u>5,871,852,462</u>	<u>123,129,060,909</u>

21 Property, plant and equipment (Cont'd)

	Consolidated financial statements (Baht)					Total
	Land and land improvement	Building and building improvement	Machines, furniture and other equipment	Vehicles	Construction in progress	
For the year ended 31 December 2020						
Opening net book amount (as previously reported)	46,003,911,663	59,643,376,198	11,473,633,690	136,286,896	5,871,852,462	123,129,060,909
Impact from changes in accounting policy (Note 5)	-	(149,567,537)	-	-	105,445,418	(44,122,119)
Opening net book amount after adjustment	46,003,911,663	59,493,808,661	11,473,633,690	136,286,896	5,977,297,880	123,084,938,790
Additions	522,374	2,082,798,524	1,535,181,695	5,819,773	2,585,600,064	6,209,922,430
Acquisition from investment in subsidiaries, net (Note 40)	-	8,495,882	47,126,208	3,359,003	15,115,889	74,096,982
Disposals, net	(308,212,595)	(168,223,691)	(88,951,235)	(164,160)	(2,346,172)	(567,897,853)
Write-offs, net	(87,073,790)	(435,196,423)	(26,837,228)	(519,809)	(70,203,327)	(619,830,577)
Reclassification	546,903,868	766,052,054	826,705,192	35,329,494	(2,174,990,608)	-
Transfer from (to) other accounts	(1,823,345,784)	(1,841,517,862)	(487,526,815)	127,705	(536,424,421)	(4,688,687,177)
Depreciation charge	(14,481,948)	(4,641,629,007)	(2,879,955,266)	(47,704,658)	-	(7,583,770,879)
Impairment reversal (charge)	-	(31,303,241)	165,732,380	-	-	134,429,139
Translation adjustment	968,850,596	4,131,498,950	1,058,289,364	(2,265,931)	518,650,963	6,675,023,942
Closing net book amount	<u>45,287,074,384</u>	<u>59,364,783,847</u>	<u>11,623,397,985</u>	<u>130,268,313</u>	<u>6,312,700,268</u>	<u>122,718,224,797</u>
At 31 December 2020						
Cost	45,797,842,707	112,613,620,208	38,574,022,165	501,118,368	6,312,855,739	203,799,459,187
<u>Less</u> Accumulated depreciation	(340,306,058)	(53,106,962,893)	(26,583,823,725)	(370,850,055)	-	(80,401,942,731)
Provision for impairment	(170,462,265)	(141,873,468)	(366,800,455)	-	(155,471)	(679,291,659)
Net book amount	<u>45,287,074,384</u>	<u>59,364,783,847</u>	<u>11,623,397,985</u>	<u>130,268,313</u>	<u>6,312,700,268</u>	<u>122,718,224,797</u>

Depreciation expense has been charged in cost of sales and services of Baht 5,696 million (2019: Baht 5,733 million), in selling expenses of Baht 1,299 million (2019: Baht 1,343 million) and in administrative expenses of Baht 589 million (2019: Baht 255 million).

21 Property, plant and equipment (Cont'd)

	Separate financial statements (Baht)					Total
	Land and land Improvement	Building and building improvement	Machines, furniture and other equipment	Vehicles	Construction in progress	
At 1 January 2019						
Cost	10,034,983	757,509,178	667,593,139	19,747,739	5,631,669	1,460,516,708
<u>Less</u> Accumulated depreciation	(486,177)	(705,137,110)	(544,957,302)	(13,146,773)	-	(1,263,727,362)
Net book amount	9,548,806	52,372,068	122,635,837	6,600,966	5,631,669	196,789,346
For the year ended 31 December 2019						
Opening net book amount	9,548,806	52,372,068	122,635,837	6,600,966	5,631,669	196,789,346
Additions	99,899	5,458,646	10,660,949	-	-	16,219,494
Write-offs, net	-	(10,040)	(135,136)	-	-	(145,176)
Disposals, net	-	(4,463,390)	(11,437,875)	-	(352,999)	(16,254,264)
Reclassification	-	285,000	1,796,020	-	(2,081,020)	-
Depreciation charge	(13,701)	(8,918,312)	(19,491,942)	(3,044,012)	-	(31,467,967)
Impairment charge	-	-	(264,709)	-	-	(264,709)
Closing net book amount	9,635,004	44,723,972	103,763,144	3,556,954	3,197,650	164,876,724
At 31 December 2019						
Cost	10,134,883	695,067,750	523,505,064	19,747,739	3,197,650	1,251,653,086
<u>Less</u> Accumulated depreciation	(499,879)	(650,343,778)	(419,477,211)	(16,190,785)	-	(1,086,511,653)
Provision for impairment	-	-	(264,709)	-	-	(264,709)
Net book amount	9,635,004	44,723,972	103,763,144	3,556,954	3,197,650	164,876,724

Minor International Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2020

21 Property, plant and equipment (Cont'd)

	Separate financial statements (Baht)					Total
	Land and land Improvement	Building and building improvement	Machines, furniture and other equipment	Vehicles	Construction in progress	
For the year ended 31 December 2020						
Opening net book amount	9,635,004	44,723,972	103,763,144	3,556,954	3,197,650	164,876,724
Additions	-	9,226,814	11,656,427	-	-	20,883,241
Write-offs, net	-	(56,099)	(5)	-	-	(56,104)
Disposals, net	-	(68)	(21,299)	-	-	(21,367)
Depreciation charge	(24,762)	(10,190,838)	(21,099,634)	(3,044,012)	-	(34,359,246)
Closing net book amount	9,610,242	43,703,781	94,298,633	512,942	3,197,650	151,323,248
At 31 December 2020						
Cost	10,134,883	667,931,845	523,226,449	19,747,739	3,197,650	1,224,238,566
<u>Less</u> Accumulated depreciation	(524,641)	(624,228,064)	(428,663,107)	(19,234,797)	-	(1,072,650,609)
Provision for impairment	-	-	(264,709)	-	-	(264,709)
Net book amount	9,610,242	43,703,781	94,298,633	512,942	3,197,650	151,323,248

21 Property, plant and equipment (Cont'd)

Borrowing cost amounting to Baht 507 million from loan for construction of building was recorded as part of cost of the asset and included in addition of assets. The Group applied capitalised interest rate of 3% per annum in calculation of borrowing cost to be included in cost of the assets.

Subsidiaries of the Group have mortgaged land and building amounting to Baht 15,520 million (31 December 2019: Baht 8,747 million) to secure loans with banks (Note 25).

Capital commitments

	Consolidated financial statements	
	Baht Million	EUR Million
Commitments in respect of building renovation and construction contracts and purchases of assets as at 31 December 2020	312	17
Commitments in respect of building renovation and construction contracts and purchases of assets as at 31 December 2019	634	38

22 Intangible assets

Consolidated financial statements (Baht)									
	Asset management rights	Intellectual property rights	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Computer software under installation	Total
At 1 January 2019 (restated)									
Cost	9,721,927,070	586,361,615	166,931,768	240,903,297	8,522,475,650	46,313,478,908	4,663,905,482	321,101,513	70,537,085,303
<u>Less</u> Accumulated amortisation	(3,264,714,120)	(114,297,058)	(164,128,158)	(158,260,676)	(396,493,478)	-	(2,771,093,180)	-	(6,868,986,670)
Provision for impairment	(2,969,343)	(3,224,124)	-	(2,646,334)	-	(35,439,131)	(396,139,683)	-	(440,418,615)
Net book amount	<u>6,454,243,607</u>	<u>468,840,433</u>	<u>2,803,610</u>	<u>79,996,287</u>	<u>8,125,982,172</u>	<u>46,278,039,777</u>	<u>1,496,672,619</u>	<u>321,101,513</u>	<u>63,227,680,018</u>
For the year ended 31 December 2019									
Opening net book amount (as previously reported)	6,702,741,526	468,840,433	2,803,610	79,996,287	7,383,394,841	45,865,745,546	1,496,672,619	321,101,513	62,321,296,375
Retrospective adjustment of fair value	(248,497,919)	-	-	-	742,587,331	412,294,231	-	-	906,383,643
Opening net book amount (as restated)	6,454,243,607	468,840,433	2,803,610	79,996,287	8,125,982,172	46,278,039,777	1,496,672,619	321,101,513	63,227,680,018
Additions	47,414,844	5,060,899	4,688,654	10,119,901	-	-	575,808,544	147,556,614	790,649,456
Acquisition from investment in subsidiaries	412,540,958	-	-	6,926,120	1,840,479,311	-	6,069,454	-	2,266,015,843
Adjust fair value as at acquisition date	-	-	-	-	(58,149,129)	13,931,760	-	-	(44,217,369)
Disposals, net	(39,709,157)	(2,073,545)	-	-	-	-	(4,982,475)	(204,125)	(46,969,302)
Write-offs, net	-	-	(276,829)	(4,945,596)	-	-	(3,465,041)	(40,624)	(8,728,090)
Reclassification	(394,726,492)	-	-	-	-	-	553,933,504	(159,207,012)	-
Transfer from (to) other accounts	41,304,371	-	-	-	-	-	5,288,616	(6,150,791)	40,442,196
Amortisation charge	(575,900,253)	(1,865,155)	(286,135)	(11,669,649)	-	-	(731,596,792)	-	(1,321,317,984)
Impairment reversal (charge)	-	2,137,397	-	818,279	-	(142,502,223)	810,505	-	(138,736,042)
Translation adjustment	(855,894,623)	(40,472,462)	1,204,710	1,432,196	(350,363,577)	(3,825,805,574)	13,973,742	(2,077,448)	(5,058,003,036)
Closing net book amount	<u>5,089,273,255</u>	<u>431,627,567</u>	<u>8,134,010</u>	<u>82,677,538</u>	<u>9,557,948,777</u>	<u>42,323,663,740</u>	<u>1,912,512,676</u>	<u>300,978,127</u>	<u>59,706,815,690</u>
At 31 December 2019									
Cost	7,986,780,665	540,432,920	171,343,593	253,003,721	9,954,442,255	42,468,608,101	5,088,875,673	300,978,127	66,764,465,055
<u>Less</u> Accumulated amortisation	(2,894,771,014)	(107,793,707)	(163,209,583)	(168,498,128)	(396,493,478)	-	(3,175,760,311)	-	(6,906,526,221)
Provision for impairment	(2,736,396)	(1,011,646)	-	(1,828,055)	-	(144,944,361)	(602,686)	-	(151,123,144)
Net book amount	<u>5,089,273,255</u>	<u>431,627,567</u>	<u>8,134,010</u>	<u>82,677,538</u>	<u>9,557,948,777</u>	<u>42,323,663,740</u>	<u>1,912,512,676</u>	<u>300,978,127</u>	<u>59,706,815,690</u>

22 Intangible assets (Cont'd)

	Consolidated financial statements (Baht)								
	Asset management rights	Intellectual property right	Franchise development expenses	Initial franchise fees	Goodwill	Brand	Computer software	Computer software under installation	Total
For the year ended 31 December 2020									
Opening net book amount (as previously reported)	5,089,273,255	431,627,567	8,134,010	82,677,538	9,557,948,777	42,323,663,740	1,912,512,676	300,978,127	59,706,815,690
Impact from changes in accounting policy (Note 5)	(1,002,186,101)	-	-	-	-	-	-	-	(1,002,186,101)
Opening net book amount after adjustment	4,087,087,154	431,627,567	8,134,010	82,677,538	9,557,948,777	42,323,663,740	1,912,512,676	300,978,127	58,704,629,589
Additions	91,841,826	68,527,175	1,340,352	9,217,250	-	-	477,803,775	72,590,388	721,320,766
Acquisition from investment in subsidiaries (Note 40)	1,890,919,220	-	-	-	3,002,593,754	-	590,001	-	4,894,102,975
Adjust fair value as at acquisition date (Note 40)	-	-	-	-	(293,361,390)	-	-	-	(293,361,390)
Disposals, net	(27,920,235)	-	-	-	-	-	(2,324,868)	(395,050)	(30,640,153)
Write-offs, net	(1,081,913)	(903,916)	-	(6,939,964)	-	-	(4,463,030)	(26,993,771)	(40,382,594)
Reclassification	-	-	-	-	-	-	118,274,933	(118,274,933)	-
Transfer from (to) other accounts	41,455,599	-	-	-	-	-	32,469,372	(478,470)	73,446,501
Amortisation charge	(393,868,542)	(20,787,924)	(320,054)	(15,494,402)	-	-	(744,797,345)	-	(1,175,268,267)
Impairment reversal (charge)	-	903,920	-	1,828,055	-	-	(809,842)	-	1,922,133
Translation adjustment	481,362,553	29,326,745	(3,500,702)	4,967,029	311,647,815	3,475,844,486	77,210,487	268,265	4,377,126,678
Closing net book amount	6,169,795,662	508,693,567	5,653,606	76,255,506	12,578,828,956	45,799,508,226	1,866,466,159	227,694,556	67,232,896,238
At 31 December 2020									
Cost	7,955,112,379	614,723,552	8,655,659	264,666,537	12,945,195,364	45,946,651,636	5,816,629,528	227,694,556	73,779,329,211
<u>Less</u> Accumulated amortisation	(1,782,337,273)	(106,029,985)	(3,002,053)	(188,411,031)	(366,366,408)	-	(3,948,750,841)	-	(6,394,897,591)
Provision for impairment	(2,979,444)	-	-	-	-	(147,143,410)	(1,412,528)	-	(151,535,382)
Net book amount	6,169,795,662	508,693,567	5,653,606	76,255,506	12,578,828,956	45,799,508,226	1,866,466,159	227,694,556	67,232,896,238

Amortisation has been charged in the cost of sales and services of Baht 889 million (2019: Baht 854 million), in selling expenses of Baht 53 million (2019: Baht 49 million) and in administrative expenses of Baht 233 million (2019: Baht 418 million).

22 Intangible assets (Cont'd)

	Separate financial statements (Baht)		
	Computer software	Computer software under installation	Total
At 1 January 2019			
Cost	44,478,716	19,642,645	64,121,361
<u>Less</u> Accumulated amortisation	(41,341,000)	-	(41,341,000)
Net book amount	3,137,716	19,642,645	22,780,361
For the year ended 31 December 2019			
Opening net book amount	3,137,716	19,642,645	22,780,361
Additions	3,748,622	2,346,020	6,094,642
Reclassification	21,988,665	(21,988,665)	-
Amortisation charge	(2,723,428)	-	(2,723,428)
Closing net book amount	26,151,575	-	26,151,575
At 31 December 2019			
Cost	72,120,745	-	72,120,745
<u>Less</u> Accumulated amortisation	(45,969,170)	-	(45,969,170)
Net book amount	26,151,575	-	26,151,575
For the year ended 31 December 2020			
Opening net book amount	26,151,575	-	26,151,575
Additions	1,933,326	-	1,933,326
Amortisation charge	(4,770,792)	-	(4,770,792)
Closing net book amount	23,314,109	-	23,314,109
At 31 December 2020			
Cost	72,645,539	-	72,645,539
<u>Less</u> Accumulated amortisation	(49,331,430)	-	(49,331,430)
Net book amount	23,314,109	-	23,314,109

A subsidiary of the Group has mortgaged asset management rights amounting to AUD 152 million or equivalent to Baht 3,493 million (2019: AUD 162 million or equivalent to Baht 3,417 million) to secure loans with banks (Note 25).

22 Intangible assets (Cont'd)

Goodwill and brand

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 and brand are allocated to the Group's CGUs identified according to business segment.

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

	Consolidated financial statements (Baht million)							
	31 December 2020				31 December 2019			
	Hotel & Spa	Restaurant	Retail	Total	Hotel & Spa	Restaurant	Retail	Total
Goodwill	3,697	8,826	56	12,579	3,043	6,514	-	9,557
Brand	39,242	6,558	-	45,800	36,148	6,176	-	42,324

For the year ended 31 December 2020, the Group applied COVID-19 accounting relief on impairment as announced by the TFAC, as disclosed in Note 6.27.

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

	Hotel and Spa	Restaurant
Gross margin ¹	29% - 68%	39% - 67%
Growth rate ²	1% - 20%	2% - 19%
Discount rate ³	5% - 12%	5% - 12%

¹ Budgeted gross margin

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

³ Pre-tax discount rate applied to the cash flow projections

22 Intangible assets (Cont'd)

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 key assumption that will affect the value in use is discount rate. The management has considered the sensitivity of the change in the discount rate to some CGUs under the hotel, spa and restaurant business which have value in use higher than the carrying value of approximately Baht 2,492 million. In this case, if the pre-tax discount had been 1% per annum higher than management's estimate, the Group would have recognised impairment loss of approximately Baht 480 million. However, other cash generating units still have their value in use higher than the carrying value.

23 Right-of-use assets

As at 31 December 2020, right-of-use assets balance are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
	<u>Baht</u>	<u>Baht</u>
Land and properties	88,938,087,182	377,243,309
Machinery and equipment	108,904,361	459,744
Vehicles	29,427,806	5,659,052
Total	<u>89,076,419,349</u>	<u>383,362,105</u>

23 Right-of-use assets (Cont'd)

For the year ended 31 December 2020, amounts charged to profit or loss and cash flows relating to leases are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
Amortisation charge of right-of-use assets:		
Land and properties	9,362,065,222	48,785,053
Machinery and equipment	18,146,821	253,987
Vehicles	23,661,134	1,895,803
Total	9,403,873,177	50,934,843
Addition to the right-of-use assets during the year	9,192,704,043	73,951,739
Total cash outflow for leases	11,107,191,747	109,701,646
Expense relating to short-term leases	132,386,092	-
Expense relating to leases of low-value assets	8,126,644	-
Expense relating to variable lease payments	365,340,464	-

24 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Loans to other companies	977,889,691	1,240,863,823	-	-
Deposits	1,886,181,281	1,788,990,285	11,988,551	10,868,546
Deferred charges	100,459,738	108,256,422	218,276	538,641
Financial assets measured at FVPL	73,274,322	-	-	-
Financial assets measured at FVOCI	109,544,392	-	21,314,790	-
Others	218,987,499	2,749,319,964	2,637,008	2,156,077,944
Total other non-current assets	3,366,336,923	5,887,430,494	36,158,625	2,167,485,131

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25 Borrowings

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Current				
Bank overdrafts	21,969,747	-	-	-
Short-term borrowings				
from financial institutions	118,470,532	300,000,000	-	300,000,000
Sub-total	140,440,279	300,000,000	-	300,000,000
Borrowings from related parties (Note 19)	-	-	5,379,401,907	4,338,917,425
Current portion of long-term				
borrowings from financial institutions	1,705,669,746	5,659,718,000	-	2,935,438,202
Current portion of debenture	4,596,224,129	4,000,000,000	4,596,224,129	4,000,000,000
Total current borrowings	6,442,334,154	9,959,718,000	9,975,626,036	11,574,355,627
Non-current				
Long-term borrowings				
from financial institutions	70,097,857,804	39,010,772,801	25,351,716,289	16,268,952,920
Debentures	59,798,677,975	63,375,519,560	46,665,828,580	51,064,612,531
Total non-current borrowings	129,896,535,779	102,386,292,361	72,017,544,869	67,333,565,451
Total borrowings	136,338,869,933	112,346,010,361	81,993,170,905	78,907,921,078

25 Borrowings (Cont'd)

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

	Consolidated financial statements Baht	Separate financial statements Baht
	<u>Baht</u>	<u>Baht</u>
For the year ended 31 December 2020		
Opening amount	44,670,490,801	19,204,391,122
Additions	30,457,389,799	8,056,865,615
Repayments	(6,762,319,419)	(2,962,917,133)
Transfer to other account	(326,301,637)	-
Amortisation of financial fees	229,728,047	53,600,856
Unrealised (gain) loss on exchange rate	994,367,533	999,775,829
Translation adjustment	2,540,172,426	-
	<u>71,803,527,550</u>	<u>25,351,716,289</u>
Closing amount	<u>71,803,527,550</u>	<u>25,351,716,289</u>

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25 Borrowings (Cont'd)

Borrowings from financial institutions

As at 31 December 2020, significant long-term borrowings from financial institutions by the Group and the Company comprise:

Due date	Currency	Consolidated	Separate	Condition	Interest rate
		financial statements	financial statements		
		31 December	31 December		
		2020	2020		
		Million	Million		
During 2023 - 2025	THB	4,000.0	4,000.0	Secured, use a subsidiary's properties and shares as collateral (Note 18 and Note 21)	Variable, BIBOR plus a margin
In 2022	USD	30.0	30.0	Unsecured	Variable, LIBOR plus a margin
In 2023	USD	238.0	238.0	Unsecured	Variable, LIBOR plus a margin
In 2023	EUR	168.9	168.9	Unsecured	Variable, EURIBOR plus a margin
In 2026	EUR	196.5	196.5	Unsecured	Variable, EURIBOR plus a margin
During 2018 - 2022	AUD	32.4	-	Secured	Variable, BBSY plus a margin
In 2021	USD	19.5	-	Secured	Variable, LIBOR plus a margin
During 2021 - 2022	LKR	50.0	-	Secured	Fixed
In 2022	AUD	171.8	-	Secured, use a subsidiary's assets as collateral (Note 21 and Note 22)	Variable, BBSY plus a margin
In 2023	AUD	18.7	-	Secured, use a subsidiary's properties as collateral (Note 21)	Variable, BBSY plus a margin
During 2018 - 2039	EUR	10.9	-	Secured	Variable, EURIBOR plus a margin
During 2019 - 2025	USD	4.4	-	Secured	Variable, cost of fund plus margin
During 2021 - 2026	MYR	132.8	-	Secured	Variable, KLIBOR plus a margin
During 2020 - 2023	MYR	50.9	-	Secured	Variable, KLIBOR plus a margin
During 2020 - 2036	EUR	263.8	-	Secured, use a subsidiary's properties as collateral (Note 21)	Variable and fixed
During 2020 - 2037	EUR	381.1	-	Unsecured	Variable
In 2024	EUR	345.3	-	Secured	Variable, EURIBOR plus a margin
During 2022 - 2031	THB	1,007.8	-	Secured, use a subsidiary's properties as collateral (Note 21)	Variable, MLR plus margin
During 2021 - 2025	GBP	4.0	-	Secured	Variable, LIBOR plus a margin
During 2020 - 2021	AUD	9.6	-	Secured	Variable, BBSY plus a margin
In 2023	SGD	42.2	-	Secured	Variable, SOR plus a margin

The carrying amounts of long-term borrowings from financial institutions as of 31 December 2020 approximate to their fair values.

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25 Borrowings (Cont'd)

Debentures

Debentures comprise:

Issued date	Due date	Period (Years)	Consolidated financial statements		Separate financial statements		Interest rate	Condition
			31 December 2020	31 December 2019	31 December 2020	31 December 2019		
			Baht Million	Baht Million	Baht Million	Baht Million		
Oct 2011	Oct 2021	10	300	300	300	300	Fixed	Unsecured, senior and without a debenture holders' representative
Aug 2012	Aug 2022	10	2,700	2,700	2,700	2,700	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2025	10	4,000	4,000	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2021	5	2,800	2,800	2,800	2,800	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2031	15	1,200	1,200	1,200	1,200	Fixed	Unsecured, senior and without a debenture holders' representative
Apr 2017	Oct 2023	6	13,590	12,311	-	-	Fixed	Secured, senior and with a debenture holders' representative
Jul 2017	Jul 2027	10	1,502	1,508	1,502	1,508	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2017	Sep 2024	7	1,000	1,000	1,000	1,000	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2017	Sep 2032	15	1,000	1,000	1,000	1,000	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2018	Mar 2028	10	1,000	1,000	1,000	1,000	Fixed	Unsecured, senior and without a debenture holders' representative
Oct 2018	Oct 2033	15	2,950	2,698	2,950	2,698	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2019	Mar 2021	2	1,500	1,500	1,500	1,500	Fixed	Unsecured, senior and with a debenture holders' representative
Mar 2019	Mar 2022	3	7,700	7,700	7,700	7,700	Fixed	Unsecured, senior and with a debenture holders' representative
Mar 2019	Mar 2024	5	6,800	6,800	6,800	6,800	Fixed	Unsecured, senior and with a debenture holders' representative
Mar 2019	Mar 2029	10	7,500	7,500	7,500	7,500	Fixed	Unsecured, senior and with a debenture holders' representative
Mar 2019	Mar 2031	12	4,000	4,000	4,000	4,000	Fixed	Unsecured, senior and with a debenture holders' representative
Mar 2019	Mar 2034	15	5,500	5,500	5,500	5,500	Fixed	Unsecured, senior and with a debenture holders' representative

The movements in debentures can be analysed as below:

	Consolidated financial statements	Separate financial statements
	Baht	Baht
For the year ended 31 December 2020		
Opening amount	67,375,519,560	55,064,612,531
Repayments	(4,000,000,000)	(4,000,000,000)
Amortisation of underwriting fees	131,453,912	54,571,299
Unrealised (gain) loss on exchange rate	142,868,880	142,868,879
Adjusted fair value from hedging	(335,024,535)	-
Translation adjustment	1,080,084,287	-
Closing amount	64,394,902,104	51,262,052,709

25 Borrowings (Cont'd)

All of the above debentures have certain terms and conditions of the debentures holders' rights and contain certain covenants, including the maintenance of a certain debt to equity ratio, and limits on the payment of cash dividends and the disposal, transfer and mortgage of certain operating assets of the Company which are used in its main operations.

Total aggregated amount of all outstanding debentures issued by the Company at any time of not exceeding Baht 120,000 million (Revolving Principal Basis). As at 31 December 2020, a total amount of Baht 35,526 million debentures remains available for issuance under this shareholders' resolutions.

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

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2020	2019	2020	2019
	Baht Million	Baht Million	Baht Million	Baht Million
Debentures	64,395	67,376	65,525	71,390

	Separate financial statements			
	Carrying amounts		Fair values	
	2020	2019	2020	2019
	Baht Million	Baht Million	Baht Million	Baht Million
Debentures	51,262	55,065	52,452	59,039

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.

25 Borrowings (Cont'd)

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht Million	Baht Million	Baht Million	Baht Million
Borrowings:				
- at fixed rates	64,866	54,810	51,452	45,922
- at floating rates	71,473	57,536	30,541	32,986
Total borrowings	136,339	112,346	81,993	78,908

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	%	%	%	%
Borrowings from financial institutions	2.05	2.36	1.95	2.99
Debentures	3.80	3.17 - 3.76	3.81	3.76

The fair values of long-term borrowings are based on the discounted cash flows using a discount rate based upon the borrowing rate which the management expects would be available to the Group and the Company at the statement of financial position date. The fair values are within Level 2 of the fair value hierarchy. The carrying amounts of short-term borrowings approximate their fair values.

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht Million	Baht Million	Baht Million	Baht Million
Next year	1,706	5,660	-	2,935
Between 2 and 5 years	60,474	32,567	18,122	13,626
Over 5 years	9,624	6,443	7,230	2,643
Total long-term borrowings	71,804	44,670	25,352	19,204

25 Borrowings (Cont'd)

Borrowing facilities

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

	31 December 2020							Separate	
	Consolidated financial statements						financial statements		
	USD Million	EUR Million	CNY Million	BRL Million	AUD Million	MYR Million	Baht Million	USD Million	Baht Million
Floating interest rate									
Short-term	248	18	50	5	4	-	8,920	248	8,700
Long-term	-	3	-	-	10	6	692	-	-
	<u>248</u>	<u>21</u>	<u>50</u>	<u>5</u>	<u>14</u>	<u>6</u>	<u>9,612</u>	<u>248</u>	<u>8,700</u>
	31 December 2019							Separate	
	Consolidated financial statements						financial statements		
	USD Million	EUR Million	CNY Million	BRL Million	INR Million	MYR Million	Baht Million	USD Million	Baht Million
Floating interest rate									
Short-term	339	15	125	5	65	-	8,200	339	8,200
Long-term	-	121	-	-	-	3	1,028	-	4,097
	<u>339</u>	<u>136</u>	<u>125</u>	<u>5</u>	<u>65</u>	<u>3</u>	<u>9,228</u>	<u>339</u>	<u>12,297</u>

26 Trade and other payables

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Trade payables - third parties	8,486,579,718	11,242,774,344	2,241,855	8,187,742
Trade payables - related parties (Note 19)	40,038,689	45,685,687	11,822,512	24,817,993
Amounts due to related parties (Note 19)	3,836,386	19,096,831	31,067,955	10,382,349
Accrued expenses	4,986,888,391	6,831,586,650	588,783,250	657,212,788
Account payable - contractors	202,138,653	286,783,023	38,884	38,884
Other payables	1,590,956,096	1,610,252,822	47,831,435	13,009,716
Total trade and other payables	<u>15,310,437,933</u>	<u>20,036,179,357</u>	<u>681,785,891</u>	<u>713,649,472</u>

27 Other current liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Booking deposits	1,387,891,196	774,675,094	16,294,051	16,466,170
Other tax payable	860,381,246	351,766,510	1,724,126	1,520,987
Others	2,626,077,265	2,346,266,133	14,765,243	10,836,991
Total other current liabilities	4,874,349,707	3,472,707,737	32,783,420	28,824,148

28 Employee benefits obligations

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.

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Employee benefit obligations	1,407,946,345	1,322,469,480	28,032,394	17,613,950

The movement in the defined obligations during the year can be analysed as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
At 1 January	1,322,469,480	1,367,807,578	17,613,950	16,317,710
Actuarial (gain) loss	(58,136,616)	-	4,803,619	-
Past service cost	-	47,802,962	-	3,554,720
Current service cost	132,028,126	85,982,529	6,808,467	1,854,258
Interest expense	6,716,366	8,285,689	462,403	485,052
Benefit payment	(86,668,753)	(74,885,257)	(1,656,045)	(4,597,790)
Translation adjustment	91,537,742	(112,524,021)	-	-
At 31 December	1,407,946,345	1,322,469,480	28,032,394	17,613,950

28 Employee benefits obligations (Cont'd)

The amounts recognised in the income statements are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Past service cost	-	47,802,962	-	3,554,720
Current service cost	132,028,126	85,982,529	6,808,467	1,854,258
Interest cost	6,716,366	8,285,689	462,403	485,052
Total (included in staff costs)	138,744,492	142,071,180	7,270,870	5,894,030

The defined benefit obligations are composed by country as follows:

	Consolidated financial statements (Baht Million)												
	2020							2019					
	Thailand	UAE	South Africa	Australia	Sri Lanka	Europe	Total	Thailand	South Africa	Australia	Sri Lanka	Europe	Total
Present value of obligation	303	9	6	8	3	1,079	1,408	324	9	8	3	978	1,322
Total	303	9	6	8	3	1,079	1,408	324	9	8	3	978	1,322

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	1.4% - 1.6%	1.2% - 4.0%	1.4%	1.4% - 4.0%
Inflation rate	2.5%	2.5%	2.5%	2.5%
Salary growth rate	0.0% - 5.0%	0.5% - 7.0%	0.0% - 5.0%	3.0% - 7.0%

28 Employee benefits obligations (Cont'd)

Sensitivity analysis

	Consolidated financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2020	2019	2020	2019	2020	2019
Discount rate	0.5%	1.0%	Decrease by 15.88%	Decrease by 31.19%	Increase by 18.62%	Increase by 27.17%
Salary growth rate	0.5%	1.0%	Increase by 3.67%	Increase by 7.30%	Decrease by 2.53%	Decrease by 5.32%
Withdrawn rate	10.0%	20.0%	Decrease by 8.94%	Decrease by 15.95%	Increase by 10.44%	Increase by 21.36%

The above sensitivity analysis 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 obligations 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 statements of financial position.

	Hotel & Spa	Restaurant	Retail
The weighted average duration of the defined benefit obligation	9 years	11 years	10 years

Expected maturity analysis of undiscounted retirement plans for key business units in Thailand:

	Consolidated financial statements		
	Less than a year	Between 1-2 years	Between 2-5 years
	Baht Million	Baht Million	Baht Million
At 31 December 2020			
Defined benefit obligations	20	18	78
Total	20	18	78
At 31 December 2019			
Defined benefit obligations	13	22	121
Total	13	22	121

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29 Other non-current liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Deferred income	315,962,018	351,432,632	419,905	38,680
Rental deposits	134,314,076	114,813,023	2,181,455	2,233,305
Accrued land rental	-	453,432,729	-	-
Accrued decommissioning	332,933,351	359,560,054	887,672	-
Others	2,242,370,396	3,576,172,061	2,879,617	2,874,771
Total other non-current liabilities	3,025,579,841	4,855,410,499	6,368,649	5,146,756

30 Share capital and premium on share capital

	Consolidated financial statements			
	Number of	Ordinary	Share	Total
	ordinary	shares	premium	
	shares	Baht	Baht	Baht
At 1 January 2019	4,618,914,291	4,618,914,291	15,014,609,717	19,633,524,008
Issuance of shares	90,259	90,259	3,790,878	3,881,137
At 31 December 2019	4,619,004,550	4,619,004,550	15,018,400,595	19,637,405,145
Additional ordinary shares	563,293,156	563,293,156	9,176,526,401	9,739,819,557
Exercise warrants	36,883	36,883	766,424	803,307
At 31 December 2020	5,182,334,589	5,182,334,589	24,195,693,420	29,378,028,009
	Separate financial statements			
	Number of	Ordinary	Share	Total
	ordinary	shares	premium	
	shares	Baht	Baht	Baht
At 1 January 2019	4,618,914,291	4,618,914,291	14,988,957,341	19,607,871,632
Issuance of shares	90,259	90,259	3,790,878	3,881,137
At 31 December 2019	4,619,004,550	4,619,004,550	14,992,748,219	19,611,752,769
Additional ordinary shares	563,293,156	563,293,156	9,176,526,401	9,739,819,557
Exercise warrants	36,883	36,883	766,424	803,307
At 31 December 2020	5,182,334,589	5,182,334,589	24,170,041,044	29,352,375,633

30 Share capital and premium on share capital (Cont'd)

At the Annual General Meeting of Shareholders of the Company held on 19 June 2020, the shareholders passed a resolution to approve the allocation of new ordinary shares for an offering to the existing shareholders. The Company allotted 563,293,276 new ordinary shares for an offering to the existing shareholders of the Company in proportion to their respective shareholdings (Right Offerings) at the ratio of 8.2 existing ordinary shares to 1 new ordinary share with the offering price of 17.50 Baht per share during 17 July 2020 - 23 July 2020 (5 business days in total). On 30 July 2020, the Company reported the result which 563,293,156 shares were subscribed with the net amount received of Baht 9,739.8 million. Issuance of shares are presented net of issuance cost of Baht 117.81 million.

As at 31 December 2020, the registered shares comprise 5,887,815,947 ordinary shares (2019: 4,849,860,006 ordinary shares) at a par value of Baht 1 each. The issued and fully paid-up shares comprise 5,182,334,589 ordinary shares (2019: 4,619,004,550 ordinary shares).

31 Warrants

The Group has outstanding 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	Allocated to	Approval date	Determined exercising date		As at	Increase	Decrease during the year					As at
			First exercise	Last exercise	31 December 2019	during the year	Exercise ratio for ordinary shares per 1 warrant	Issue of ordinary shares during the period	Exercise price	Amount	Outstanding warrant	
					Outstanding warrant	Warrant	Exercise	Exercise ratio for ordinary shares per 1 warrant	Issue of ordinary shares during the period	Exercise price	Amount	Outstanding warrant
					Million unit	Million unit	Million unit	1 warrant	Share	Baht	Baht	Million unit
The Company	Existing-shareholder (MINT-W6)	4 June 2019	15 August 2019	30 September 2021	231	-	0.0003	1	310	43	13,330	231
The Company	Existing-shareholder (MINT-W7)	19 June 2020	16 November 2020	31 July 2023	-	236	0.0366	1	36,573	21.6	789,977	236
	Total issuance by the Company				231	236	0.0369		36,883		803,307	467

At the Annual General Meeting of the Shareholders of the Company held on 22 April 2019, the shareholders passed a resolution to approve the issuance of the Company's warrants on ordinary shares (MINT-W6), not exceeding 230,945,715 units for offering to existing shareholders, having a term of not exceeding 2 years from the initial issuance date, and having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price of Baht 43 per share.

On 25 June 2020, the Company have notified the adjustment of exercise price and exercise ratio of MINT-W6 warrants to subscribe for ordinary shares from Baht 43 to Baht 41.878 per share and from 1 ordinary share to 1.027 ordinary share per 1 unit of warrant. The adjustment is effective on 26 June 2020.

At the Annual General Meeting of the Shareholders of the Company held on 19 June 2020, the shareholders passed a resolution to approve the issuance of the Company's warrants on ordinary shares (MINT-W7), not exceeding 313,831,156 units for offering to existing shareholders, having a term of not exceeding 3 years from the initial issuance date, and having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price of Baht 21.6 per share.

32 Legal reserve

	Consolidated and Separate financial statements	
	2020	2019
	Baht	Baht
At 1 January	484,986,001	464,178,907
Appropriation during the year	103,795,594	20,807,094
At 31 December	588,781,595	484,986,001

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.

33 Other income

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Rental income	85,833,359	255,571,676	-	-
Premium sales income	124,085,939	163,540,321	-	-
Freight charges	191,890,966	200,418,875	-	-
Subsidy income	147,238,880	177,507,930	-	-
Advisory income	113,112,849	133,144,205	-	-
Sales of raw material to franchisees	58,335,154	27,248,025	-	-
Maintenance fee income	67,341,039	61,316,967	-	-
Property tax	24,539,757	13,787,586	-	-
Trademark fee income	98,074,492	109,992,303	-	-
Gain on sale and leaseback	-	4,743,436,894	-	-
Gain on disposals of investments	-	1,350,340,011	-	-
Others	1,254,210,739	2,078,652,218	26,915,884	564,590,457
Total other income	2,164,663,174	9,314,957,011	26,915,884	564,590,457

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34 Other (gains) losses, net

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
(Gain) loss on exchange rate, net	(3,554,997,131)	892,767,946	(3,654,098,708)	778,449,170
(Gain) loss on measurement of financial instruments, net	4,180,212,226	-	4,017,433,038	-
Total other (gains) losses, net	625,215,095	892,767,946	363,334,330	778,449,170

35 Expenses by nature

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Depreciation on investment properties (Note 20)	78,291,801	69,584,025	-	-
Depreciation on property, plant and equipment (Note 21)	7,583,770,879	7,331,412,927	34,359,246	31,467,967
Impairment charge (reversal) of property, plant and equipment (Note 21)	(134,429,139)	224,336,030	-	264,709
Write-off of property, plant and equipment (Note 21)	619,830,577	406,811,406	56,104	145,176
Amortisation of intangible assets (Note 22)	1,175,268,267	1,321,317,984	4,770,792	2,723,428
Impairment charge (reversal) of intangible assets (Note 22)	(1,922,133)	138,736,042	-	-
Amortisation of right-of-use assets (Note 23)	9,403,873,177	-	50,934,843	-
Amortisation of prepaid rents	-	192,114,082	-	1,848,000
Impairment of investment in associates (Note 18)	-	352,714,715	-	-
Doubtful account (reversal)	198,637,494	16,726,464	275,572	(12,023)
Staff costs	22,169,850,822	32,053,420,438	324,700,205	407,545,194

36 Deferred income taxes and income taxes

Deferred income taxes

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Deferred income tax assets	7,731,939,377	5,503,259,677	-	-
Deferred income tax liabilities	(25,122,429,640)	(24,144,264,318)	(203,221,909)	(200,138,201)
Deferred income taxes, net	<u>(17,390,490,263)</u>	<u>(18,641,004,641)</u>	<u>(203,221,909)</u>	<u>(200,138,201)</u>

Deferred income tax assets and deferred income tax 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.

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

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

	Consolidated financial statements					
	1 January 2019 Baht	Charged/ (Credited) to profit or loss Baht	Charged/ (Credited) to other comprehensive income Baht	Business acquisitions Baht	Translation adjustment Baht	31 December 2019 Baht
Deferred tax assets						
Consignment sales	88,705,660	14,551,793	-	-	-	103,257,453
Provision for impairment of assets	158,679,601	53,567,257	-	-	-	212,246,858
Employee benefit obligations	287,285,970	64,133,146	-	-	-	351,419,116
Depreciation	66,632,228	7,710,013	-	-	-	74,342,241
Unearned income	16,634,215	3,500,565	-	-	-	20,134,780
Tax loss carried forward	3,738,280,201	(537,528,535)	-	-	-	3,200,751,666
Translation adjustment	329,991,354	-	-	-	117,585,456	447,576,810
Others	(67,600)	-	-	-	-	(67,600)
	<u>4,686,141,629</u>	<u>(394,065,761)</u>	<u>-</u>	<u>-</u>	<u>117,585,456</u>	<u>4,409,661,324</u>
Deferred tax liabilities						
Accounts receivable	(168,810,363)	168,754,696	-	-	-	(55,667)
Asset management right	(1,102,557,806)	52,386,834	-	-	-	(1,050,170,972)
Financial lease revenue	(622,652,233)	21,870,735	-	-	-	(600,781,498)
Unrealised gain on available-for-sale securities	(211,161,547)	-	184,661	-	-	(210,976,886)
Unrealised gain on sale of assets in the Group	(26,842,591)	(1,576,709)	-	-	-	(28,419,300)
Fair value adjustment of net assets at acquisition date	(24,212,546,690)	347,593,593	-	102,511,825	-	(23,762,441,272)
Translation adjustment	1,070,731,559	-	-	-	1,590,321,290	2,661,052,849
Others	235,657,652	(294,530,871)	-	-	-	(58,873,219)
	<u>(25,038,182,019)</u>	<u>294,498,278</u>	<u>184,661</u>	<u>102,511,825</u>	<u>1,590,321,290</u>	<u>(23,050,665,965)</u>
Deferred tax liabilities, net	<u>(20,352,040,390)</u>	<u>(99,567,483)</u>	<u>184,661</u>	<u>102,511,825</u>	<u>1,707,906,746</u>	<u>(18,641,004,641)</u>

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

	Consolidated financial statements					
	1 January 2020 Baht	Charged/ (Credited) to profit or loss Baht	Charged/ (Credited) to other comprehensive income Baht	Business acquisitions Baht	Translation adjustment Baht	31 December 2020 Baht
Deferred tax assets						
Consignment sales	103,257,453	(7,294,581)	-	-	-	95,962,872
Provision for impairment of assets	212,246,858	129,268,353	-	-	-	341,515,211
Employee benefit obligations	351,419,116	7,428,820	(11,627,323)	-	-	347,220,613
Depreciation	74,342,241	7,730,754	-	-	-	82,072,995
Unearned income	20,134,780	1,862,671	-	-	-	21,997,451
Tax loss carried forward	3,200,751,666	2,168,042,275	-	-	-	5,368,793,941
Lease liabilities	804,343,009	1,106,062,872	-	-	-	1,910,405,881
Translation adjustment	447,576,810	-	-	-	(143,663,863)	303,912,947
Cash flow hedge reserve	17,860,642	-	6,461,488	-	-	24,322,130
Others	(67,600)	-	-	-	-	(67,600)
	<u>5,231,864,975</u>	<u>3,413,101,164</u>	<u>(5,165,835)</u>	<u>-</u>	<u>(143,663,863)</u>	<u>8,496,136,441</u>
Deferred tax liabilities						
Accounts receivable	(55,667)	(13,190,193)	-	-	-	(13,245,860)
Asset management right	(1,050,170,972)	(46,221,058)	-	-	-	(1,096,392,030)
Financial lease revenue	(600,781,498)	10,891,595	-	-	-	(589,889,903)
Unrealised gain on available-for-sale securities	(210,976,886)	-	403,195	-	-	(210,573,691)
Unrealised gain on sale of assets in the Group	(28,419,300)	4,253,412	-	-	-	(24,165,888)
Fair value adjustment of net assets at acquisition date	(23,762,441,272)	924,542,054	-	(220,834,068)	-	(23,058,733,286)
Unrealised gain from derivatives	(93,735,689)	87,654,546	-	-	-	(6,081,143)
Translation adjustment	2,661,052,849	-	-	-	(3,512,662,134)	(851,609,285)
Others	(58,873,219)	22,937,601	-	-	-	(35,935,618)
	<u>(23,144,401,654)</u>	<u>990,867,957</u>	<u>403,195</u>	<u>(220,834,068)</u>	<u>(3,512,662,134)</u>	<u>(25,886,626,704)</u>
Deferred tax liabilities, net	<u>(17,912,536,679)</u>	<u>4,403,969,121</u>	<u>(4,762,640)</u>	<u>(220,834,068)</u>	<u>(3,656,325,997)</u>	<u>(17,390,490,263)</u>

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

	Separate financial statements			
	1 January	Charged/	Charged/(Credited) to	31 December
	2019	(Credited) to	other comprehensive	2019
	Baht	profit or loss	income	Baht
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Provision for impairment of assets	1,399,960	18,470	-	1,418,430
Provisions	3,263,542	2,382,780	-	5,646,322
Tax loss carried forward	65,480,609	(61,162,914)	-	4,317,695
Effective interest rate	2,470,240	(2,470,240)	-	-
	72,614,351	(61,231,904)	-	11,382,447
Deferred income tax liabilities				
Unrealised gain on				
available-for-sales securities	(211,759,773)	-	239,125	(211,520,648)
Deferred income tax liabilities, net	(139,145,422)	(61,231,904)	239,125	(200,138,201)

	Separate financial statements			
	1 January	Charged/	Charged/(Credited) to	31 December
	2020	(Credited) to	other comprehensive	2020
	Baht	profit or loss	income	Baht
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Provision for impairment of assets	1,418,430	1,095,232	-	2,513,662
Provisions	5,646,322	(1,597,979)	960,724	5,009,067
Unearned income	-	91,482	-	91,482
Tax loss carried forward	4,317,695	3,022,722	-	7,340,417
Lease liabilities	1,892,200	1,660,095	-	3,552,295
	13,274,647	4,271,552	960,724	18,506,923
Deferred income tax liabilities				
Unrealised gain on				
available-for-sales securities	(211,520,648)	-	469,355	(211,051,293)
Derivatives	(93,735,690)	83,058,151	-	(10,677,539)
	(305,256,338)	83,058,151	469,355	(221,728,832)
Deferred income tax liabilities, net	(291,981,691)	87,329,703	1,430,079	(203,221,909)

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

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax loss carried forward of Baht 2,742 million will be expired during 2021 - 2025, and Baht 4,115 million will be expired after 2025 onward, according applicable tax regulations in relevant country. The Company has unceognised tax loss carried forward of Baht 1,680 million will be expired during 2021 - 2025.

Income taxes

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Current tax:				
Current tax on profits for the year	1,974,862,089	2,230,497,004	-	24,315,722
Adjustments in respect of prior year	(16,205,099)	(37,113,185)	2,995,290	3,303,180
Total current tax	1,958,656,990	2,193,383,819	2,995,290	27,618,902
Deferred tax:				
Origination and reversal of temporary differences	(4,403,969,121)	99,567,483	(87,329,703)	61,231,904
Total deferred tax	(4,403,969,121)	99,567,483	(87,329,703)	61,231,904
Total income tax	(2,445,312,131)	2,292,951,302	(84,334,413)	88,850,806

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

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Profit (loss) before tax	(25,148,548,219)	13,287,055,738	1,465,385,149	3,935,007,179
Tax calculated at a tax rate of 20%	(5,029,709,644)	2,657,411,148	293,077,030	787,001,436
Tax effect of:				
Associates' results reported net of tax	92,780,330	(736,255,423)	-	-
Effect of different tax rate	(1,211,273,643)	(2,586,501,750)	(267,456,534)	(178,286,190)
Additional tax deductible	(100,260,105)	(41,046,753)	(100,260,105)	(41,046,753)
Expenses not deductible for tax purpose	3,004,463,767	4,634,322,632	1,867,996	1,517,351
Income not subject to tax	(45,561,400)	(1,878,971,049)	(25,806,150)	(491,601,200)
Adjustments in respect of prior year	(16,205,099)	(37,113,185)	2,995,290	3,303,181
Tax incentive expenses	(160,182,795)	(41,771,830)	(2,984,353)	(1,770,822)
Change in unrecognized deductible temporary differences	(25,817,042)	(32,956,079)	-	-
Utilisation of previously unrecognized tax losses	-	(5,727,316)	-	-
Adjustment or tax loss in respect of prior year	36,187,929	165,515,729	3,817,556	-
Recognise of previously unrecognised tax losses	(3,186,319)	-	(6,840,278)	-
Adjustment related to fair value of derivatives	(83,058,151)	-	(83,058,151)	-
Tax losses for which no deferred income tax asset was recognised	1,096,510,041	196,045,178	100,313,286	9,733,803
Tax charge	(2,445,312,131)	2,292,951,302	(84,334,413)	88,850,806

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

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

	Consolidated financial statements					
	2020			2019		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Remeasurement of post-employment benefit obligations	58,136,616	(11,627,323)	46,509,293	-	-	-
Unrealised gain (loss) on available-for-sale securities	(1,957,600)	403,195	(1,554,405)	(615,146)	184,661	(430,485)
Cash flow hedge reserve	(9,201,708)	6,461,488	(2,740,220)	-	-	-
Other comprehensive income (loss)	46,977,308	(4,762,640)	42,214,668	(615,146)	184,661	(430,485)
	Separate financial statements					
	2020			2019		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Remeasurement of post-employment benefit obligations	(4,803,619)	960,724	(3,842,895)	-	-	-
Unrealised gain (loss) on available-for-sale securities	(2,346,775)	469,355	(1,877,420)	(1,195,625)	239,125	(956,500)
Other comprehensive income (loss)	(7,150,394)	1,430,079	(5,720,315)	(1,195,625)	239,125	(956,500)

37 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 is adjusted to assume conversion of all dilutive potential ordinary shares.

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

	Consolidated and Separate financial statements	
	For the year ended 31 December	
	2020	2019
	Shares	Shares
Weighted average number of ordinary shares in issue, net	4,857,562,529	4,618,941,721
Dilutive potential ordinary shares	-	-
Weighted average number of ordinary shares for diluted earnings	4,857,562,529	4,618,941,721

	Consolidated financial statements	
	For the year ended 31 December	
	2020	2019
	Baht	Baht
Profit (loss) for the year attributable to ordinary shareholders	(21,407,335,947)	10,697,926,668
Cumulative interest expenses on perpetual debentures (net of tax)	(1,460,595,046)	(1,288,685,030)
Profit (loss) for the year used to determine diluted earnings per share	(22,867,930,993)	9,409,241,638
Basic earnings (loss) per share	(4.7077)	2.0371
Diluted earnings (loss) per share	(4.7077)	2.0371

37 Earnings per share (Cont'd)

	Separate financial statements	
	For the year ended 31 December	
	2020	2019
	Baht	Baht
Profit for the year attributable to ordinary shareholders	1,549,719,562	3,846,156,373
Cumulative interest expenses on perpetual debentures (net of tax)	(1,460,595,046)	(1,288,685,030)
Profit for the year used to determine diluted earnings per share	89,124,516	2,557,471,343
Basic earnings per share	0.0183	0.5537
Diluted earnings per share	0.0183	0.5537

38 Dividend

At the Annual General Meeting of Shareholders of the Company held on 19 June 2020, the shareholders passed a resolution to omit the dividend payment for the operating results of the year 2019.

At the Annual General Meeting of Shareholders of the Company held on 22 April 2019, the shareholders passed a resolution to approve the cash dividend in the amount of Baht 0.4 per share for existing shareholders of no more than 4,619 million ordinary shares, total dividends to be paid were in the amount of not exceeding Baht 1,848 million and dividends were paid to shareholders in May 2019.

39 Perpetual debentures

In June 2020, the Company issued the senior perpetual debentures of totalling USD 300 million or equivalent to Baht 9,269 million, before issuance cost of Baht 988 million, which were recognised as a part of equity in the consolidated and separate financial statements. Such senior perpetual debentures carry a fixed interest rate coupon of 3.10% per annum for the first three years, after which the coupon will be adjusted every three years as per the stated terms and conditions. The debentures involve guarantor's performance by a financial institution, where the financial institution guarantees redemption according to terms and conditions of the debentures.

As at 31 December 2020, the Company has perpetual debentures of Baht 34,091 million, net of issuance cost of Baht 2,022 million, which were presented as a part of equity in the consolidated and separate financial statements.

In 2020, the Company paid interest to the debentures holders of Baht 1,455 million (2019: Baht 1,312 million).

The Group and the Company apply a relief from reclassification of the perpetual bonds as disclosed in Note 6.16.

40 Business acquisitions

40.1 New acquisitions

Spoonful Pte. Ltd. and Spoonful (Thailand) Limited

During the first quarter of 2020, subsidiaries of the Group acquired 70% of issued shares in Spoonful Pte. Ltd. and Spoonful (Thailand) Limited for initial purchase price of Baht 2,575 million. Initial purchase price is determined by estimated completion statements and will be subsequently adjusted when final completion statements is available. This acquisition is considered as business combination.

Details of the acquisition were as follows:

	<u>Baht Million</u>
Purchase price considerations	2,575
Provisional fair value of net assets under interest acquired	<u>38</u>
Goodwill	<u><u>2,537</u></u>

The provisional fair value of identified assets acquired and liabilities assumed from this acquisition was as follows:

	Spoonful Baht Million	Spoonful (Thailand) Baht Million	Total Baht Million
	<u>Baht Million</u>	<u>Baht Million</u>	<u>Baht Million</u>
Cash	39	36	75
Receivables	9	-	9
Other current assets	8	2	10
Property, plant and equipment	-	8	8
Payables	(5)	(37)	(42)
Other current liabilities	(1)	(5)	(6)
Total	<u>50</u>	<u>4</u>	<u>54</u>
Non-controlling interests			<u>(16)</u>
Provisional fair value of net assets under interest acquired			<u><u>38</u></u>

As at 31 December 2020, the Group is in the process of completing appraising the net assets acquired. The adjustments to fair value and price considerations will be made upon the completion of the process.

40 Business acquisitions (Cont'd)

Scomadi Group and Marin Engineering Co., Ltd.

During the first quarter of 2020, a subsidiary of the Group acquired Scomadi (Thailand) Co., Ltd., Scomadi Asia-Pacific Co., Ltd. and Scomadi Worldwide Holding Limited, referred to as "Scomadi Group" for 55% of issued shares and Marin Engineering Co., Ltd. for 49.5% issued shares without purchase price consideration which is considered as business combination.

Details of the acquisition were as follows:

	<u>Baht Million</u>
Purchase price considerations	-
Provisional fair value of net assets under interest acquired	(56)
Goodwill	<u>56</u>

The provisional fair value of identified assets acquired and liabilities assumed from this acquisition was as follows:

	Scomadi Group	Marin Engineering	Total
	Baht Million	Baht Million	Baht Million
Cash	5	24	29
Receivables	8	37	45
Other current assets	1	19	20
Property, plant and equipment	7	28	35
Other non-current assets	1	35	36
Bank overdraft	-	(29)	(29)
Payables	(27)	(118)	(145)
Borrowings	-	(82)	(82)
Other non-current liabilities	(16)	(3)	(19)
Total	(21)	(89)	(110)
Non-controlling interests	10	44	54
Provisional fair value of net assets under interest acquired			<u>(56)</u>

As at 31 December 2020, the Group is in the process of completing appraising the net assets acquired. The adjustments to fair value will be made upon the completion of the process.

40 Business acquisitions (Cont'd)

Roco Hospitality Group S.r.l., New York Palace Kft and AGAGA s.r.o.

During the third quarter of 2020, a subsidiary of the Group acquired 100% of issued shares of Roco Hospitality Group S.r.l., New York Palace Kft and AGAGA s.r.o. Initial purchase price is determined by estimating completion statements and will be subsequently adjusted once completed condition of the deal. This acquisition is considered as business combination.

Details of the acquisition were as follows:

	<u>Baht Million</u>
Purchase price considerations	1,931
Provisional adjustment to purchase price	(253)
Provisional fair value of net assets under interest acquired	<u>1,268</u>
Goodwill	<u>410</u>

The provisional fair value of identified assets acquired and liabilities assumed from this acquisition was as follows:

	<u>Baht Million</u>
Cash	100
Receivables	58
Other current assets	19
Property, plant and equipment	31
Intangible assets	1,891
Right-of-use assets	1,931
Other non-current assets	211
Payables	(424)
Other current liabilities	(165)
Lease liabilities	(1,931)
Other non-current liabilities	<u>(453)</u>
Provisional fair value of net assets under interest acquired	<u>1,268</u>

As at 31 December 2020, the Group is in the process of completing appraising the net assets acquired. The adjustments to fair value and price considerations will be made upon the completion of the process.

40 Business acquisitions (Cont'd)

40.2 Prior year acquisition

Elysia Retreat

For the acquisition of Elysia Retreat during the third quarter of 2019, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed in the current year which details of the acquisition were the same as previously reported. In consideration of fair value of assets, the Group determined the measurement of the identifiable assets and liabilities assumed and considered the possibility that the Group received economic benefit reasonably.

Details of the acquisition were as follows:

	<u>Baht Million</u>
Purchase price considerations	106
Fair value of net assets under interest acquired	<u>96</u>
Goodwill	10
Goodwill - as previously reported	<u>10</u>
Adjustment of fair value	<u>-</u>

The fair value of identified assets acquired and liabilities assumed from this acquisition was as follow:

	<u>Baht Million</u>
Inventory	6
Building	68
Asset management rights	32
Deferred tax liabilities	<u>(10)</u>
Fair value of net assets	<u><u>96</u></u>

40 Business acquisitions (Cont'd)

Chicken Time Co., Ltd.

The Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of Chicken Time Co., Ltd. within the time period defined in TFRS 3 - Business Combination in 2020. 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:

	<u>Baht Million</u>
Purchase price considerations	1,931
Adjusted purchase price considerations	(293)
Total purchase price considerations	1,638
Fair value of net assets under interest acquired	120
Goodwill	1,518
Goodwill - as previously reported	1,811
Adjustment of goodwill from adjusted purchase price considerations	(293)

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

	<u>Baht Million</u>
Cash and cash equivalents	78
Current assets	26
Property, plant and equipment	196
Intangible assets	13
Other assets	78
Current liabilities	(66)
Non-current liabilities	(205)
Fair value of net assets	120

40 Business acquisitions (Cont'd)

Crowne Plaza

For the acquisition of Crowne Plaza during the fourth quarter of 2019, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed in the current year which details of the acquisition were the same as previously reported. In consideration of fair value of assets, the Group determined the measurement of the identifiable assets and liabilities assumed and considered the possibility that the Group received economic benefit reasonably.

Details of the acquisition were as follows:

	<u>Baht Million</u>
Purchase price considerations	82
Fair value of net assets under interest acquired	<u>62</u>
Goodwill	20
Goodwill - as previously reported	<u>20</u>
Adjustment of fair value	<u><u>-</u></u>

The fair value of identified assets acquired and liabilities assumed from this acquisition was as follow:

	<u>Baht Million</u>
Land	15
Asset management rights	66
Deferred tax liabilities	<u>(19)</u>
Fair value of net assets	<u><u>62</u></u>

40 Business acquisitions (Cont'd)

GCS Hotel Limited

For the acquisition of GCS Hotel Limited during the fourth quarter of 2019, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed in the current year which details of the acquisition were the same as previously reported. In consideration of fair value of assets, the Group determined the measurement of the identifiable assets and liabilities assumed and considered the possibility that the Group received economic benefit reasonably.

Details of the acquisition were as follows:

	<u>Baht Million</u>
Purchase price considerations	455
Fair value of net assets under interest acquired	<u>455</u>
Goodwill	-
Goodwill - as previously reported	<u>-</u>
Adjustment of fair value	<u><u>-</u></u>

The fair value of identified assets acquired and liabilities assumed from this acquisition was as follow:

	<u>Baht Million</u>
Current assets	75
Property, plant and equipment	134
Asset management rights	314
Other current liabilities	<u>(68)</u>
Fair value of net assets	<u><u>455</u></u>

41 Commitments

As at 31 December 2020, the Group has commitments as follows:

Separate financial statements

- The Company has entered into a trademark agreement and a hotel management agreement with a subsidiary. The Company has an obligation to pay trademark fees and hotel management fees at certain percentages of revenue generated as indicated in the agreement. The agreement is valid for 10 years and will be terminated in 2026.
- The Company has entered into the agreement for technical assistance and the agreement for use of trademarks and trade names with an overseas company. Under the terms of the agreements, fees are calculated at a percentage of gross sales as specified in the agreements. The agreements were effective since February 1994 and will be continued until any party terminates the contract. According to the agreements, a subsidiary must pay franchise fees based on certain percentage of sales and must comply with certain terms and conditions.

Consolidated financial statements

Hotel operations

- Subsidiaries in hotel business normally enter into trademark and hotel management agreements to operate hotel business under the trademark. The contract period ranges from 10 to 20 years, by paying fee calculated as specified in each contract.

Food franchise operations

- Subsidiaries in food franchise business normally enter into franchise agreement to operate restaurants under trademark. The contract period is 10 years on average with extension clause. The fee is calculated from percentage of revenue, with certain conditions in each contract.

41 Commitments (Cont'd)

Retail operations

- Subsidiaries in retail segment who distribute branded products are a party to distribution agreements, to distribute products of the brands. The term of the agreements ranges from 2 to 10 years. In most cases, the fees are variable, and comply with terms and conditions.

Commitment from other contracts

- Remaining major items of commitment are services related to rental of space for office, restaurants and product distribution shops, which are charged on fixed-per-month basis. Periods of agreements ranges from 2 to 30 years. Detail of commitments can be presented as follows:

	2020	2019	
	Baht Million	Baht Million	AUD Million
Next year	771	1,695	35
Between 2 and 5 years	537	1,322	76
Over 5 years	50	4	20
Total	1,358	3,021	131

43 Post statement of financial position event

- On 12 February 2021, a hotel group subsidiary in Spain has announced to its employees about its intention to manage collective redundancy of employees. Documentation of the plan will be submitted to the local labour authority and a committee that are set up for negotiations of compensation to be paid, according to applicable local law.
- On 15 February 2021, the Company issued 9,262,841 ordinary shares from the exercises of MINT-W6 and MINT-W7 warrants amounting to Baht 200 million.