



MINOR
INTERNATIONAL

Competing on the World Stage

2018 Annual Report
Minor International Public Company Limited



ANANTARA
HOTELS • RESORTS • SPAS

Banana Island Resort
Doha by Anantara



anello
EST. 2005

MINOR HOTELS

■ Direct-owned
■ Managed



Anantara Resorts & Spas, Thailand

Our award-winning Anantara brand has 12 properties located throughout Thailand, our home market.

Sales (Baht million)	
2018	6,057
2017	5,834
2016	5,579



Anantara Resorts & Spas, Asia [excluding Thailand]

Anantara has a total of 13 hotels in Asia (excluding Thailand), including 1 in Cambodia, 2 in Indonesia, 3 in Vietnam, 2 in China, 3 in the Maldives and 2 in Sri Lanka.

Sales (USD million)	
2018	145
2017	129
2016	125



Anantara Resorts & Spas, Middle East, Africa and Europe

We operate 13 hotels under the Anantara brand in the Middle East, Africa and Europe, of which 1 is in Qatar, 6 in the UAE, 2 in Oman, 2 in Mozambique, 1 in Zambia and 1 in Portugal.

Sales (USD million)	
2018	221
2017	214
2016	173



AVANI Hotels & Resorts, Thailand

We operate a total of 6 AVANI hotels in Thailand. AVANI+ Samui Resort was our newest addition in 2018.

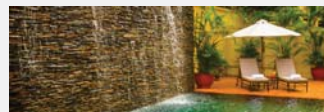
Sales (Baht million)	
2018	2,080
2017	1,683
2016	768



AVANI Hotels & Resorts, ASEAN [excluding Thailand], Indian Ocean and Oceania

AVANI has 9 hotels, including 1 in Malaysia, 2 in Vietnam, 1 in Laos, 2 in Sri Lanka, 2 in Australia and 1 in New Zealand.

Sales (USD million)	
2018	36
2017	22
2016	24



AVANI Hotels & Resorts, Middle East, Africa and Europe
AVANI has a total of 9 hotels in the Middle East, Africa and Europe, including 1 in the UAE, 1 in Mozambique, 1 in Botswana, 1 in Namibia, 2 in Lesotho, 1 in Zambia, 1 in Seychelles and 1 in Portugal.

Sales (USD million)	
2018	74
2017	69
2016	56



Oaks Hotels & Resorts, Oceania

Oaks, our serviced apartment brand, has 55 properties in Oceania, of which 52 are in Australia and 3 in New Zealand.

Sales (AUD million)	
2018	385
2017	375
2016	354



Oaks Hotels & Resorts, Asia and Middle East

Oaks has 5 properties in Asia and the Middle East, of which 2 are in the UAE, 1 in Qatar, 1 in Thailand and 1 in India.

Sales (USD million)	
2018	12
2017	12
2016	11



Tivoli Hotels & Resorts, Portugal

Tivoli has a total of 11 hotels in Portugal.

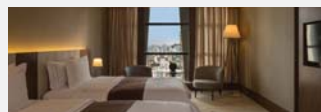
Sales (EUR million)	
2018	93
2017	79
2016	73



Tivoli Hotels & Resorts, Brazil

We operate 2 hotels in Brazil under the Tivoli brand.

Sales (BRL million)	
2018	184
2017	149
2016	125



Tivoli Hotels & Resorts, Qatar

We manage 3 hotels in Qatar under the Tivoli brand.

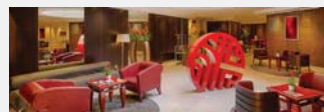
Sales (QAR million)	
2018	37
2017	43
2016	



NH Collection Hotels, Europe and the Americas

NH Collection has 75 hotels, of which 55 are in Europe and 20 are in the Americas.

Sales (EUR million)	
2018	144
2017	
2016	



NH Hotels

NH Hotels, Europe, the Americas and Africa

We operate 264 hotels under the NH Hotels brand, of which 228 hotels are in Europe, 1 hotel in Africa and 35 hotels in the Americas.

Sales (EUR million)	
2018	296
2017	
2016	



nhow Hotels, Europe

We operate 4 hotels under the nhow brand in Europe, 1 in Rotterdam, 1 in Berlin, 1 in Milan and 1 in Marseille.

Sales (EUR million)	
2018	13
2017	
2016	



Elewana Collection, Africa

Elewana Collection operates 10 safari camps in Tanzania and Kenya.

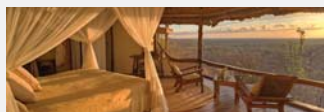
Sales (USD million)	
2018	18
2017	16
2016	12



Cheli & Peacock, Africa

Cheli & Peacock Safaris complete the Elewana Collection's safari circuit in Tanzania and Kenya with 5 camps.

Sales (USD million)	
2018	30
2017	24
2016	16



Niyama and Naladhu, Maldives

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

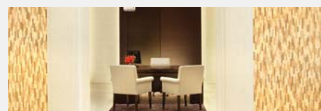
Sales (USD million)	
2018	46
2017	39
2016	39



Marriott - Starwood, Thailand

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

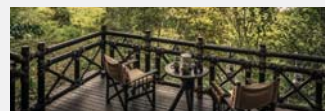
Sales (Baht million)	
2018	1,871
2017	1,871
2016	1,743



Four Seasons, Thailand

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

Sales (Baht million)	
2018	1,893
2017	1,889
2016	1,724



Radisson Blu, Mozambique

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

Sales (USD million)	
2018	10
2017	10
2016	8



Anantara Vacation Club

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

Sales (USD million)	
2018	118
2017	107
2016	79



Branded Restaurants [Zuma, Trader Vic's, Bill Bentley]

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

Sales (Baht million)	
2018	395
2017	366
2016	267



Corbin & King, the UK

Corbin & King operates 7 brasserie-style restaurants, including The Wolseley.

Sales (GBP million)	
2018	55
2017	
2016	



Plaza, Thailand

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

Sales (Baht million)	
2018	646
2017	646
2016	651





MINOR

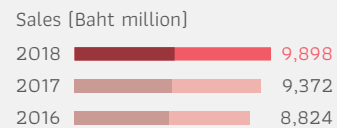
FOOD

■ Direct-owned
■ Franchised



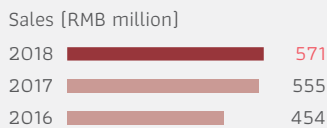
The Pizza Company

We operate 264 company-owned and 264 franchised The Pizza Company outlets systemwide across 10 countries.



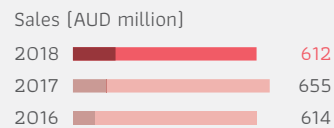
Riverside

Riverside is a casual dining restaurant chain, specializing in Sichuan barbecue fish with 69 outlets in China and 1 outlet in Singapore.



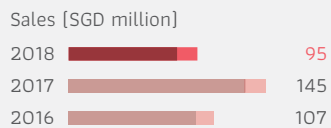
The Coffee Club

We have 438 outlets in Australia and 9 other countries. Australia hub also runs coffee roaster business under the brand Veneziano Coffee Roasters.



Thai Express

We operate 95 outlets in Singapore and 6 other countries in Asia under the key brands Thai Express, Xin Wang Hong Kong Café, Poulet and Basil.



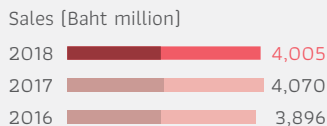
Benihana

We operate 2 company-owned and 18 franchised Benihana outlets systemwide across 12 countries.



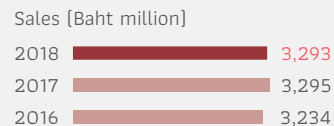
Swensen's

We operate 122 company-owned and 194 franchised Swensen's outlets systemwide in Thailand and 5 other countries.



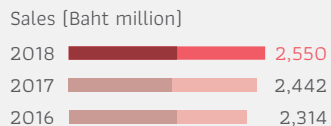
Sizzler

We run a total of 66 company-owned Sizzler outlets, of which 55 are in Thailand and 11 are in China.



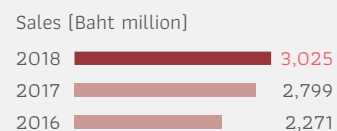
Dairy Queen

We operate 254 company-owned and 247 franchised Dairy Queen outlets systemwide throughout Thailand and 2 outlets in the Maldives.



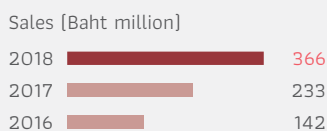
Burger King

With its rapid expansion, today Burger King has 103 outlets in Thailand, 3 outlets in the Maldives, 2 outlets in Myanmar and 1 outlet in Seychelles.



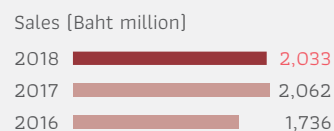
Global Thai Concept

We operate 11 outlets in Thailand under Basil and ThaiXpress brands and 7 outlets in the UK under Patara and SUDA brands. We also run MSC Thai Culinary School.



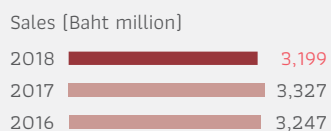
Select Service Partner (Thailand) Limited

Our restaurant business in airports has a total of 78 outlets.



Minor Dairy Limited, Minor Cheese Limited, Pecan Deluxe and Veneziano Coffee Roasters

We operate factories to produce ice cream, cheese and ice cream toppings in Thailand and coffee roasters in Australia.



MINOR

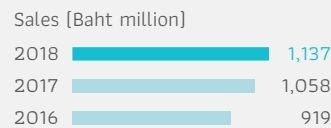
LIFESTYLE

■ Direct-owned

CHARLES & KEITH

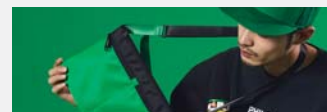
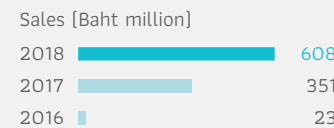
Charles & Keith

Charles & Keith, a footwear and accessories brand, has a total of 40 outlets in Thailand.



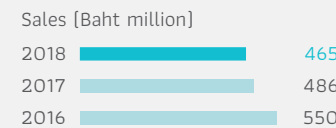
Anello

Anello, a lifestyle bag brand from Japan, has 119 outlets in Thailand.



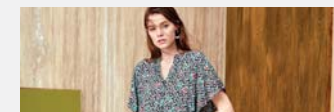
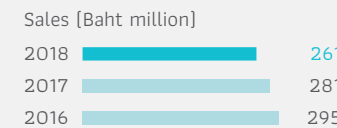
Esprit

Esprit, our international lifestyle fashion brand, has 82 outlets across Thailand.



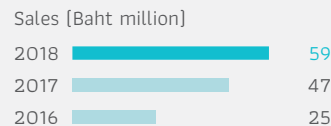
Bossini

Bossini, the casual wear brand, has 83 outlets throughout Thailand.



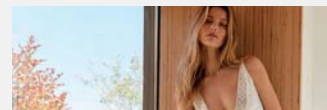
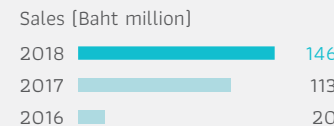
Brooks Brothers

Brooks Brothers, an American-based fashion brand, has 6 stores in Thailand.



Etam

Etam, a highly-desirable French lingerie brand, has 27 stores in Thailand.



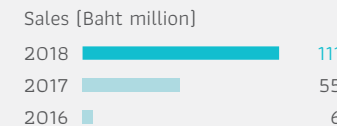
OVS

OVS, Italy's no. 1 fast fashion brand, has 9 stores in Thailand.



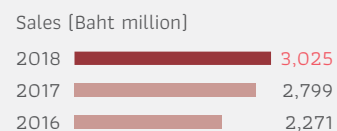
Radley and Save My Bag

We operate 32 Radley stores, and 9 Save My Bag stores in Thailand.



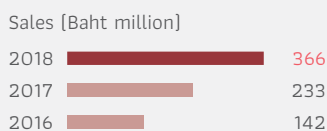
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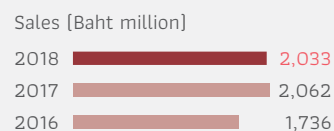
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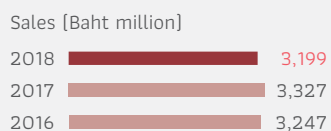
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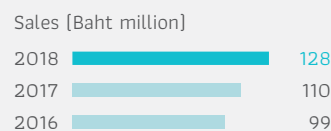
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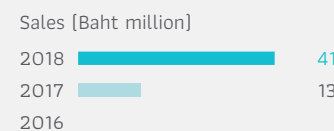
Zwilling J.A. Henckels

Offering kitchenware and beauty tools, Zwilling J.A. Henckels operates 31 stores in Thailand.



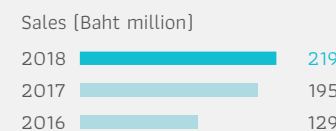
Joseph Joseph and Bodum

Joseph Joseph operates 29 stores, while Bodum operates 21 stores in Thailand.



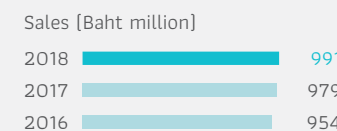
Minor Smart Kids

Minor Smart Kids is Thailand's leading distributor of children's books and learning aid via direct sales throughout Thailand.



Navasri Manufacturing (NMT)

NMT is the manufacturer which supplies products to global FMCG companies.





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Corporate
Information

Vision

To be a leader in delivering exceptional experiences that anticipate and satisfy customers' aspirations and positively impact stakeholders.

Every year, over 85,000 service professionals at 513 hotels, 2,270 restaurants and 490 retail outlets have the pleasure of serving more than 220 million customers in 62 countries.

Core Values





Minor International's Footprint

513

Hotels

75,241

Hotel Keys

2,270

Restaurants

490

Retail Points of Sale

Over 50

Brands

62

Countries

Over 110

Awards Received

- Minor Hotels
- ▲ Minor Food
- ▼ Minor Lifestyle

NORTH AMERICA

- ▲ Canada
- USA

CENTRAL AMERICA

- Cuba
- Dominican Republic
- Haiti
- Mexico

SOUTH AMERICA

- Argentina
- Brazil
- Chile
- Colombia
- Ecuador
- Uruguay

EUROPE

- | | |
|------------------|---------------|
| ● Austria | ● ▲ Poland |
| ● Belgium | ● Portugal |
| ● Czech Republic | ● Netherlands |
| ● France | ● ▲ Romania |
| ● Germany | ● ▲ Slovakia |
| ● Hungary | ● Spain |
| ● Italy | ● Switzerland |
| ● Luxemburg | ● ▲ UK |

MIDDLE EAST

- | | |
|-----------|----------------|
| ▲ Bahrain | ● ▲ Oman |
| ▲ Jordan | ● ▲ Qatar |
| ▲ Kuwait | ▲ Saudi Arabia |
| ▲ Lebanon | ● ▲ UAE |

EAST ASIA

- ▲ China
- South Korea

SOUTHEAST ASIA

- ▲ Cambodia
- ▲ Indonesia
- ▲ Laos
- ▲ Malaysia
- ▲ Myanmar
- ▲ Singapore
- ▼ Thailand
- ▲ Vietnam

SOUTH ASIA

- India
- ▲ Maldives
- ▲ Pakistan
- Sri Lanka

AFRICA

- Botswana
- Egypt
- Kenya
- Lesotho
- Mozambique
- Namibia
- ▲ Seychelles
- South Africa
- Tanzania
- Zambia

OCEANIA

- ▲ Australia
- ▲ New Zealand



Financial Highlights

		2014	2015	2016	2017 [Restated]	2018
Consolidated (Baht million)	Net Sales	37,228	42,345	51,152	55,001	74,938
	Total Revenues	39,787	48,014	56,973	58,644	79,328
	Gross Profit	23,299	26,225	31,710	34,893	46,127
	EBITDA	8,849	11,908	13,229	12,273	15,685
	EBIT	6,044	8,846	9,447	8,164	9,959
	Net Profit	4,402	7,040	6,590	5,415	5,445
	Core Net Profit	4,333	4,705	4,576	5,415	5,957
	Total Assets	74,279	98,382	108,453	119,100	267,700
	Total Liabilities	44,255	61,670	67,656	68,596	184,626
	Interest Bearing Debt	34,082	45,473	49,832	50,163	126,894
	Total Equities	30,024	36,711	40,797	50,504	83,074
	Net Cash Flow from Operating Activities	4,785	2,499	6,494	6,585	7,360
Profitability Ratio (Percentage)	Gross Profit Margin	58.85	58.01	57.46	58.83	56.27
	Net Profit Margin	11.06	14.66	11.57	9.23	6.86
	Return on Total Assets (ROA)	6.55	8.15	6.37	4.76	2.82
	Return on Equity (ROE)	15.47	21.10	17.00	11.86	8.15
Debt to Equity Ratio (Times)	Interest Bearing Debt/Equity Ratio	1.14	1.24	1.22	0.99	1.53
	Long Term Debt/Equity Ratio	0.91	1.13	1.03	0.89	1.31
	Gearing Ratio	1.30	1.57	1.55	1.25	2.07
Per Share Data (Baht)	Basic Earnings per Share	1.00	1.60	1.50	1.22	1.18
	Core Basic Earnings per Share	0.98	1.07	1.04	1.22	1.29
	Book Value per Share	7.50	8.34	9.25	10.93	17.99
	Dividend per Share	0.35	0.35	0.35	0.40	0.40
	Dividend Payout Ratio (%)	31.82	21.89	23.40	32.81	33.93
Share Capital (Thousand shares)	Par Value	1.00	1.00	1.00	1.00	1.00
	Registered Ordinary Shares	4,201,634	4,641,789	4,621,828	4,621,828	4,621,828
	Registered Preferred Shares	-	-	-	-	-
	Number of Ordinary Shares Outstanding	4,001,557	4,402,312	4,410,368	4,618,914	4,618,914
	Number of Preferred Shares Outstanding	-	-	-	-	-
	Number of Weighted Average Ordinary Shares Outstanding	4,401,708	4,402,365	4,406,519	4,441,818	4,618,914
	Number of Weighted Average Preferred Shares Outstanding	-	-	-	-	-
	Number of Warrants Outstanding:					
	• Offered to Existing Shareholders	200,064	199,512	192,187	-	-
	• Offered to Employee Stock Option Program	-	-	-	-	-

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

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

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

4. Excluding net non-recurring losses associated with NH Hotel Group, Oaks, Rani Investment, GrabThai and Benihana of Baht 512 million from the 2018 reported earnings, dividend payout ratio based on the 2018 core earnings from operations is 31.02%.

5. Dividend per share for the 2018 performance has been approved as per MINT Board of Directors' resolution on 26 February 2019 and will be proposed to the Annual General Meeting of Shareholders on 22 April 2019.

Financial Status at a Glance

Consolidated Cash Flow Statements

For the Year Ended 31 December 2018

(Baht million)

Net Cash Inflows from Operating Activities		7,360
Net Cash Payment for Investing Activities	(1)	(83,145)
Net Cash Receipts from Financing Activities	(2)	82,971
Net Increase in Cash & Cash Equivalents		7,186
Loss on Exchange on Cash & Cash Equivalents		236
Cash & Cash Equivalents on 31 December 2017		5,292
Cash & Cash Equivalents on 31 December 2018		12,713

Consolidated Financial Position Statements

As at 31 December 2017

(Baht million)

Assets	
Cash & Cash Equivalents	5,292
Other Current Assets	16,194
Investments & Other	46,194
Property, Plant and Equipment	51,376
Total Assets	119,056
Liabilities & Equities	
Current Liabilities	16,558
Non-current Liabilities	51,994
Share Capital, Premium & Reserves	16,266
Retained Earnings - net	31,062
Non-controlling Interests	3,176
Total Liabilities & Equities	119,056

Consolidated Income Statements

For the Year Ended 31 December 2018

(Baht million)

Revenues	78,840
Gross Operating Profit	46,073
Results from Exposure to Hyperinflation	(343)
S&A Expenses	36,945
Operating Profit	9,471
Profit Sharing	488
Earnings before Financial Costs and Tax	9,959
Financial Costs	2,868
Earnings before Tax	7,091
Corporate Tax	1,374
Non-controlling Interests	272
Net Profit	5,445

Consolidated Financial Position Statements

As at 31 December 2018

(Baht million)

Assets	
Cash & Cash Equivalents	12,713
Other Current Assets	(4) 25,346
Investments & Other	(5) 96,469
Property, Plant and Equipment	(6) 133,125
Total Assets	267,653
Liabilities & Equities	
Current Liabilities	(7) 43,382
Non-current Liabilities	(8) 141,197
Share Capital, Premium & Reserves	(9) 37,299
Retained Earnings - net	34,625
Non-controlling Interests	11,150
Total Liabilities & Equities	267,653

Retained Earnings

As at 31 December 2018

(Baht million)

Balance as at 31 December 2017	31,062
Legal Reserve	-
Total Earnings for 2018	5,445
Remeasurement of Post-employment Benefit Obligations	(34)
Dividends	(3) (1,848)
Balance as at 31 December 2018	34,625

Notes:

- (1) Cash flow paid for investing activities of Baht 83,145 million was mainly from the Company's strategic investment in NH Hotel Group net of cash on hand of NH Hotel Group, together with normal capital expenditure of hotel, restaurant and other businesses.
- (2) Net cash received from financing activities of Baht 82,971 million was primarily from net receipt of bridging facilities and long-term borrowings of Baht 58,523 million and issuance of perpetual debentures of Baht 24,822 million, netted off with cash paid to non-controlling interest for capital increase in subsidiaries of Baht 1,030 million from additional investment in Riverside.
- (3) During 2018, the Company paid total dividend of Baht 1,848 million in cash (Baht 0.40 per share).
- (4) Other current assets increased by Baht 9,152 million, primarily from the increase in trade and other receivables as a result of the consolidation of NH Hotel Group.
- (5) Investments & Other increased by Baht 50,275 million, primarily from the increase in intangible assets as a result of fair value adjustment on brands of NH Hotel Group.
- (6) Total net fixed asset increased by Baht 81,749 million, primarily from the consolidation of NH Hotel Group.
- (7) Current liabilities increased by Baht 26,824 million, primarily from the increase in trade and other payables as a result of the consolidation of NH Hotel Group, together with the increase in current portion of long-term borrowings from financial institutions to support the investment in NH Hotel Group and other expansion of the Company.
- (8) Long-term liabilities increased by Baht 89,203 million, primarily from the increase in long-term borrowing and debentures in order to support the Company's investments, the increase in deferred tax liabilities from fair value adjustment on brands of NH Hotel Group, and the consolidation impact of NH Hotel Group.
- (9) Share Capital, Premium & Reserves increased by Baht 21,033 million, primarily from issuance of perpetual debentures to support the Company's investment in NH Hotel Group.

Competing
on the World Stage

Portfolio
of brands

Planet
for the sustainable future

People
with the best quality
and capability

STRONGER
PERFORMANCE

Process
of operational
excellence

Platform
of hotels, restaurants,
points of sale

Products
in the hospitality, F&B
and lifestyle space

Chairman's Message

2018 was a transformational year for Minor International, as we made our way to become a truly global player.

Dear Fellow Stakeholders,

2018 was a milestone year for Minor International. Minor Group celebrated the 50-year anniversary, which not only afforded us the occasion to reflect upon and celebrate our past successes, but also inspired us to look ahead to the next exciting challenges and growth opportunities for Minor International going forward. 2018 was also a transformational year for Minor International, as we made further strategic investments to become a truly global player with the strength and resources to compete on the world stage. This major step of expansion, the 2018 acquisition of NH Hotel Group, the sixth largest hotel chain in Europe, and Benihana, the world's leading Japanese-inspired teppanyaki restaurant chain, coupled with Minor International's footprint over the years, have cemented our status as a leading global multinational, with operations spanning Australia, Asia, Africa and the Middle East through to Europe and the Americas.

William Ellwood Heinecke

Chairman
and Group Chief Executive Officer





NH Collection Grand Hotel
Convento di Amalfi





Looking to the future, I am often asked what I envision Minor International 10 or 20 years from now. My answer is that Minor International may still not be the largest hotel company with the largest number of hotel rooms, restaurants or points of sale, but we will remain one of the smartest and most pragmatic companies in the market - a company that is nimble, spots and capitalizes upon opportunities and moves faster than our competitors, with an unrelenting focus on delivering value to our stakeholders. Our continued focus on Minor International's key competitive strengths, together with our growing business platform, will translate into a company with higher profitability generating stronger returns for our shareholders.

Now with an operating platform spanning 62 countries (and growing), Minor International must be agile, flexible and open to change in order to fulfill our aspiration to continue to outperform our competitors in this ever-changing environment. We fully appreciate that what has worked for us in the past will not work going forward. We must remain a "learning organization" that continuously evolves as the marketplace and consumer dynamics shift. This concept is so fundamental to our success that we have modified our corporate vision statement to reflect today's dynamic business environment and competitive landscape. Recognizing that customers focus less on products and services than they have in the past and more on unique and memorable experiences, our new vision is "to be a leader in delivering exceptional experiences that anticipate and satisfy customers' aspirations and positively impact stakeholders". This important modification of our vision statement has been embraced throughout our business and led to adjustments to our five-year plan.

While Minor International's new five-year plan continues to be underpinned by financial objectives, we have also added non-financial objectives to help shape our future growth trajectory. Financially, we target **net profit's compounded annual growth rate (CAGR) of 15 - 20%** and a **return on invested capital (ROIC) of 12%** by 2023. Moreover, recognizing that human capital is the essential fundamental driver of our high-performance organization,

we have an ambition to be the **employer of choice**. Sustainability has also become increasingly important to us, not only from the perspective of good corporate citizenship but also due to market, industry and consumer expectations. As it becomes an important driver of consumer decisions, we have explicitly embraced **sustainable business** as another one of our company objectives.

In order to achieve our company objectives, we maintain our existing drivers for success and add new ones. We will continue to focus on **a winning brand portfolio, value capture & productivity** and **investments, partnerships & acquisitions**. With the rapidly changing business environment, whether it is consumer behavior, technology, or competition, we are aware that we cannot only rely on our existing key success drivers. In order to emerge as a better company that remains a step ahead of our competitors, we must embrace change and adapt quickly. Technology is rapidly evolving in

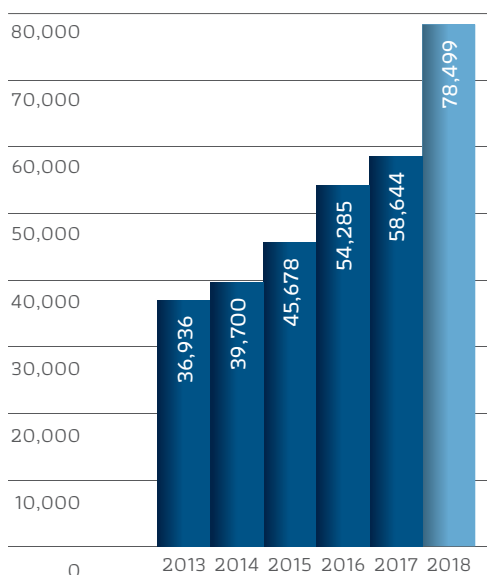
Minor International's Management Team

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



Consolidated Core Revenue

Baht million

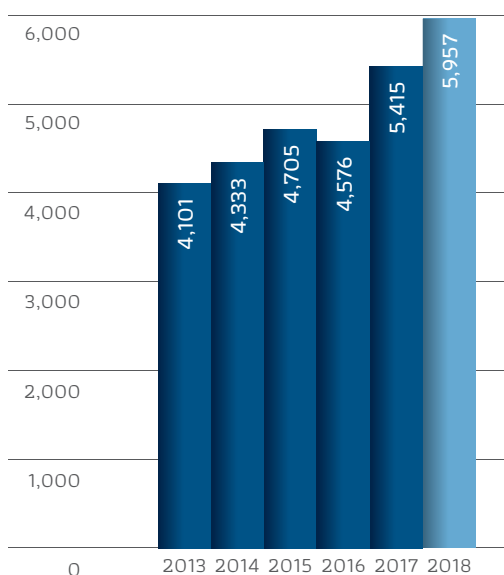


Note: The graph shows core revenue excluding non-recurring items.

Reported revenue including non-recurring items were Baht 39,787 million in 2014, Baht 48,014 million in 2015, Baht 56,973 million in 2016 and Baht 79,328 million in 2018.

Consolidated Core Net Profit

Baht million



Note: The graph shows core net profit excluding non-recurring items.

Reported net profit including non-recurring items were Baht 4,402 million in 2014, Baht 7,040 million in 2015, Baht 6,590 million in 2016 and Baht 5,445 million in 2018.

ways that touch every aspect of our customers' lives, and new expectations are set every day. Therefore, in order to better connect with our customers, **innovations and digital** become a key driver that will impact our customer experience, our operations, processes and business models. Furthermore, **empowered people & teams** and **sustainable framework** are now key drivers for our future growth.

Looking back, 2018 was a year in which we laid the foundation for a new, more dynamic and more successful Minor International. In addition to new hotel openings and restaurant and lifestyle outlet expansion, over the course of the year we added important new brands into our portfolio, including NH Collection, NH Hotels and nhow for Minor Hotels, Benihana for Minor Food, and Bodum and Save My Bag for Minor Lifestyle. In 2018, Minor International reported core net profit of Baht 5,957 million, an increase of 10% from 2017. Operationally, Minor Hotels and Minor Lifestyle performed well, while Minor Food was impacted by the slowdown in domestic

Corporate Management Team

- Steve Delano Herndon**
Chief Information Officer
- Chaiyapat Paitoon**
Deputy Corporate Chief Financial Officer & Strategic Planning
- Somsri Ruchdaponkul**
VP of Corporate Finance & Corporate Secretary
- Supasith Xanasongkram**
VP of Legal
- Isara Siribunrit**
VP of Shared Service
- Jutatip Adulbhan**
VP of Investor Relations
- Taywin Khampasri**
VP of IT Digital

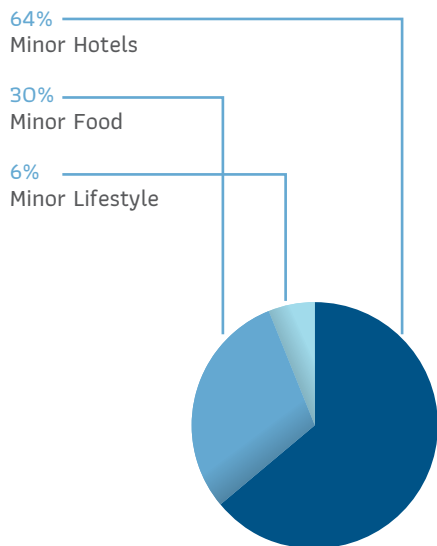


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2018 Revenue Breakdown*



* Core, excluding non-recurring items

consumption in Thailand and other key markets. In addition, the acquisition of NH Hotel Group was accretive to Minor International with immediate profit contribution in 2018. Following the intense efforts of our team in 2018, we are fully confident of the strength of our resources throughout our businesses, be it our **portfolio** of brands, our **platform** of hotels, restaurants and lifestyle outlets, our variety of **products** across the hospitality, F&B and lifestyle spectrum, our **people** representing over 130 nationalities working in over 60 countries or our **processes** designed to deliver consistent operational excellence, while taking care of our **planet** for the sustainable future. These resources will drive even stronger **performance**, allowing us to achieve and exceed our vision for the future. We are immensely excited to take the company to the next level into 2019 and thereafter.

Beyond simply numbers, we are committed to ensuring that as Minor International grows, we continue to positively impact all of our stakeholders, including our employees, customers, business partners and the communities and environment around us. We look to grow our business in a sustainable manner and benchmark ourselves

against the global standards. Our goal is not only to satisfy relevant benchmarks but to outperform them. Although we are still on our journey there, we are encouraged by the progress that we have made to date. The testaments are the awards received and our inclusion in many widely-accepted sustainability indices. I am proud to report that this year, Minor International received Best SET Sustainability Awards 2018 for the first time. In addition, we have been included in the Dow Jones Sustainability Emerging Markets Index for the fifth consecutive year, the FTSE4Good Index Series for the third consecutive year and the list of Thailand Sustainability Investment (THSI) 2018 by the SET for the fourth consecutive year. In February 2019, Minor International was also included as a constituent in the MSCI ESG Leaders Indexes.

Throughout Minor International's journey, we have built honest, resilient and mutually-beneficial relationships with our stakeholders, whether they are our customers, employees, business partners or shareholders. On behalf of the Board of Directors, I would like to take this opportunity to express our sincere appreciation to each and every one of them for their respective contributions in helping to shape the Minor International of today. I am looking forward to an exciting year in 2019 with the start of Minor International's new chapter to create more new success stories that will become a part of our company's history. Finally, and most importantly, I look forward to creating even more shared successes with and for our stakeholders for many years to come.

William Ellwood Heinecke

Chairman
and Group Chief Executive Officer
March 2019

Board of
Directors



Thiraphong Chansiri
Director

Suvabha Charoenying
Independent Director

William Ellwood Heinecke
Chairman

Emmanuel Jude Dillipraj Rajakarier
Director

Anil Thadani
Director

Paul Charles Kenny
Director

Khunying Jada Wattanasiritham
Independent Director

Edward Keith Hubennette
Independent Director

Charnporn Jotikasthira
Independent Director

Niti Osathanugrah
Director

John Scott Heinecke
Director

MINOR HOTELS



Emmanuel Jude
Dillipraj Rajakarier
CEO of Minor Hotels



Minor Hotels continued to position itself as an industry leader and has taken a seat on the world stage with the expansion of its portfolio.

2018 has been another great year for Minor Hotels. The group continued to position itself as an industry leader and has taken a seat on the world stage by further expanding its portfolio, which now spans the globe from Australia through to Asia, the Middle East, Africa, Europe and the Americas. In addition to growing its portfolio and operations organically, Minor Hotels spent a great deal of time and effort in 2018 to ensure the successful acquisition of NH Hotel Group, the third largest hotel operator in Spain and the sixth largest hotel company in Europe. Minor Hotels secured a 94.1% shareholding in the company. The acquisition of NH Hotel Group was not only the largest deal to date for Minor Hotels, but also a highly strategic transaction. NH Hotel Group's platform of hotels in Europe and the Americas was a perfect complementary fit for Minor Hotels, with very limited overlapping geographies, resulting in an increase in Minor Hotels' portfolio

footprint from 28 countries to 53 countries. Furthermore, through the acquisition, Minor Hotels has expanded its own portfolio of brands, from Anantara, AVANI, Oaks, Tivoli and Elewana Collection to now include NH Hotels, NH Collection and nhow. The acquisition has broadened the hotel portfolio, from over 160 hotels and 20,000 keys pre-acquisition to over 510 hotels and 75,000 keys post-acquisition, positioning Minor Hotels among the world's top 20 hotel operators in terms of total number of rooms. In addition, by virtue of the acquisition, Minor Hotels' number of team members increased by almost 80% to almost 40,000. Following the successful acquisition of NH Hotel Group, with a larger hotel portfolio, wider platform coverage, broader product range, deeper pool of human capital and access to NH Hotel Group's operating expertise and processes, Minor Hotels is truly well positioned to deliver superior experiences and offerings to its customers.



AVANI
HOTELS
AND RESORTS

AVANI+ Luang Prabang Hotel

Looking to 2019 and beyond, Minor Hotels realizes that merely having the right infrastructure, whether it is portfolio, products, platform, people or processes, will not be sufficient to remain an industry leader in this rapidly changing and increasingly competitive world. It is crucial to transform working methods, as well as to be open-minded, willing to learn, flexible and quick to adapt to changing circumstances. 2019 is an exciting time for Minor Hotels as it focuses on the integration of NH Hotel Group, which will allow the company to fully leverage learning opportunities from each other's strengths. Team members will continue to be the key driving force behind the success of Minor Hotels. The company will spare no effort to ensure that it continues to employ the best people, who are fully committed to embracing change and constantly looking for new ways of doing business and exceeding the expectations of guests, in ways that are faster and superior to industry peers. The team at Minor Hotels has a single common objective, which is to deliver a higher quality offering to customers in order to optimize their experience, all supported by seamless processes. Minor Hotels will continue to evolve its processes and all touch points with customers, whether they are the website, sales and marketing efforts, loyalty programs or products and services on property. These initiatives, among others, will ultimately result in better performance and create positive long-term results for the shareholders.

TIVOLI
HOTELS & RESORTS

Al Najada Doha Hotel by Tivoli



OAKS
HOTELS & RESORTS

Oaks Southbank



Minor Hotels Management Team

- | | | |
|---|---|--|
| 1. Emmanuel Jude Dillipraj Rajakarier
Chief Executive Officer of Minor Hotels | 9. Marion Emer Walsh-Hedouin
VP of PR & Communications | 16. Mike Stokman
VP of Information Technology |
| 2. Robert Jim Kunkler
Chief Operating Officer | 10. Bryan Thomas Bailey
VP of Revenue and Distribution | 17. Clive Howard Leigh
Chief Financial Officer,
Anantara Vacation Club |
| 3. Michael David Marshall
Chief Commercial Operations | 11. Marcos Horacio Cadena Gutierrez
VP of Digital, Ecommerce
& Electronic Distribution | 18. Claudio Maurizio Bisicky
Chief Operating Officer,
Anantara Vacation Club |
| 4. Marie Cecile Georgette Caroline Stevens
Chief People Officer | 12. Tracey Sian Lloyd
VP of Talent | 19. Daniel Stephen Collins
VP of Development & Construction,
Anantara Vacation Club |
| 5. Wayne Williams
Chief Financial Officer | 13. Pleumjit Chaiya
VP of Project Development -
Thailand | 20. Kevin Burton Sands
VP of Marketing Operations,
Anantara Vacation Club |
| 6. Rajiv Puri
SVP of Project & Development | 14. Micah Tamthai
VP of Real Estate | 21. Justin Andrew Kingsley
VP of Preview Operations,
Anantara Vacation Club |
| 7. James Alexander Kaplan
SVP of Development | 15. Jesse Lieberman
VP of Legal | |
| 8. Kosin Chantikul
SVP of Investment & Acquisitions | | |



Australia Hub

- 1. Craig Hooley**
Chief Operating Officer
- 2. Shantha Dias**
Chief Financial Officer
- 3. John Thompson**
Head of Commercial
- 4. Lachlan Hoswell**
General Counsel
& Commercial Officer



Sri Lanka Hub

- 1. Darren Darwin**
General Manager -
Anantara Kalutara Resort
- 2. Ross Sanders**
General Manager -
Anantara Peace Haven
Tangalle Resort & Spa



Africa Hub

- 1. Elri Neervoort**
Regional Director of Finance - Africa
- 2. Sifiso Hlazo**
Regional Director of Revenue - Africa
- 3. Ashleigh Christie**
Regional Director of
Human Resources - Africa
- 4. Mark Havercroft**
Regional Director of
Hotel Operations - Africa
- 5. Dewald Olivier**
Regional Director of Information
Technology - Africa



Portugal & Brazil Hub

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

- | | |
|---|---|
| <p>1. Thomas Bruno Meier
SVP of Operations - Asia</p> <p>2. Stanley Wang
VP of Operations & Development - China</p> <p>3. Regina Victoria Fazenda Lourenco
VP of Sales & Marketing - Asia</p> <p>4. Zoe Wall
Group Director of Spa - Asia</p> | <p>5. Sonya Brown
Group Director of Human Resources - Asia</p> <p>6. Jimmy Yue
Call Centre Director - Hong Kong & Shanghai Anantara Vacation Club [Hong Kong]</p> <p>7. Pieter Van Der Hoeven
Area General Manager for Vietnam</p> |
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4 3 7 1 2 5 6

Middle East Hub

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



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Europe Hub

- | | |
|--|---|
| <p>1. Ramon Aragonés Marin
Chief Executive Officer</p> <p>2. Beatriz Puente Ferreras
Chief Financial Officer</p> <p>3. Carlos Ulecia Palacios
General Counsel</p> <p>4. Laia Lahoz Malpartida
Chief Development Officer</p> <p>5. Isidoro Martinez De La Escalera Alvarez
Chief Marketing Officer</p> | <p>6. Fernando Vives Soler
Chief Commercial Officer</p> <p>7. Rufino Perez Fernandez
Chief Operation Officer & Business Transformation Leader</p> <p>8. Fernando Córdova Moreno
Chief People Officer</p> |
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7 5 8 2 1 3 6 4

Minor Hotels' key markets are Thailand, Europe, Australia, Latin America, the Maldives, Africa and the Middle East.

AVANI
HOTELS
RESORTS

AVANI+ Riverside Bangkok Hotel



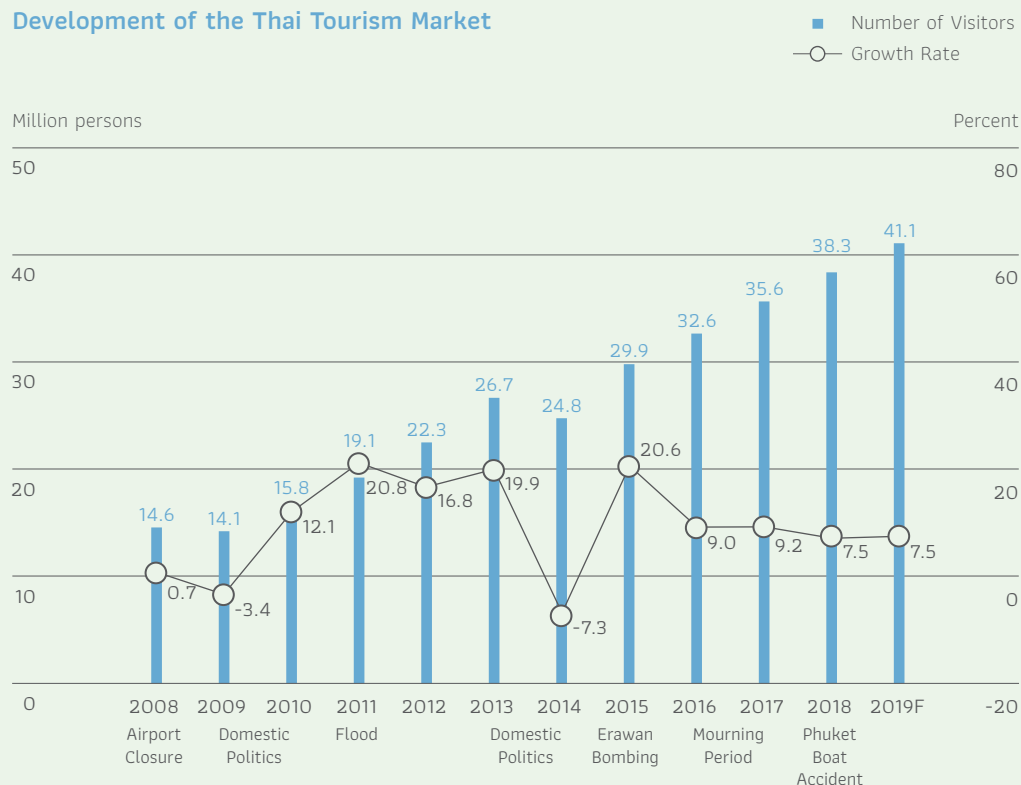
Sector Overview and Competition

Following Minor Hotels' rapid expansion in recent years, key markets today are Thailand, Europe, Australia, Latin America, the Maldives, Africa and the Middle East.

Thailand

Thailand is the home of Minor Hotels and continues to be a highly attractive destination for travelers of all types, whether they are business or leisure travelers, eco- or luxury tourists, from within Asia or around the globe. Strategically located in the heart of Asia with easy access from anywhere in the world, the Kingdom has a well-established and well-deserved reputation as a leading global tourist destination, with its welcoming and rich culture, sandy beaches, jungle treks, range of accommodation, good food and friendly service. Highly-developed transportation and communication infrastructure, modern retail centers and a wide variety of cultural and religious attractions have helped the Kingdom stay well ahead of its regional competitors.

Development of the Thai Tourism Market



Source: Tourism Authority of Thailand, Bank of Thailand
Note: F = Forecast

With both government and private sector initiatives to promote Thai tourism across the globe, the tourism sector has become one of the country's most important economic drivers, and is expected to contribute more than 20% of Thailand's GDP in 2018. The Thai Ministry of Tourism and Sports reported 38.3 million international tourist arrivals in 2018, setting yet another new record with an 8% increase from 35.6 million in 2017. Although Thailand experienced a temporary slowing of Chinese tourist arrivals in the second half of the year following the tragic boat accident in Phuket, the country continued to see strong tourist arrival growth from other parts of the world, in particular from the rest of Asia. With the government's focus on increasing the quality of tourists to Thailand, tourism revenue increased at a faster rate of 9%, to Baht 3.1 trillion in 2018 from Baht 2.8 trillion in 2017. With such strong fundamentals and core competitive strengths, together with the government's tourism incentive of visa-on-arrival fees exemption, the increase in budget airlines and stable political outlook, the number of inbound tourists in 2019 is expected to grow by a further 7.5% to 41.1 million visitors. Continuing to focus on tourism quality, the government expects tourism revenue of over Baht 3.3 trillion in 2019, representing a growth of 8% from 2018.



Anantara Golden Triangle
Elephant Camp & Resort



Anantara
Hua Hin Resort

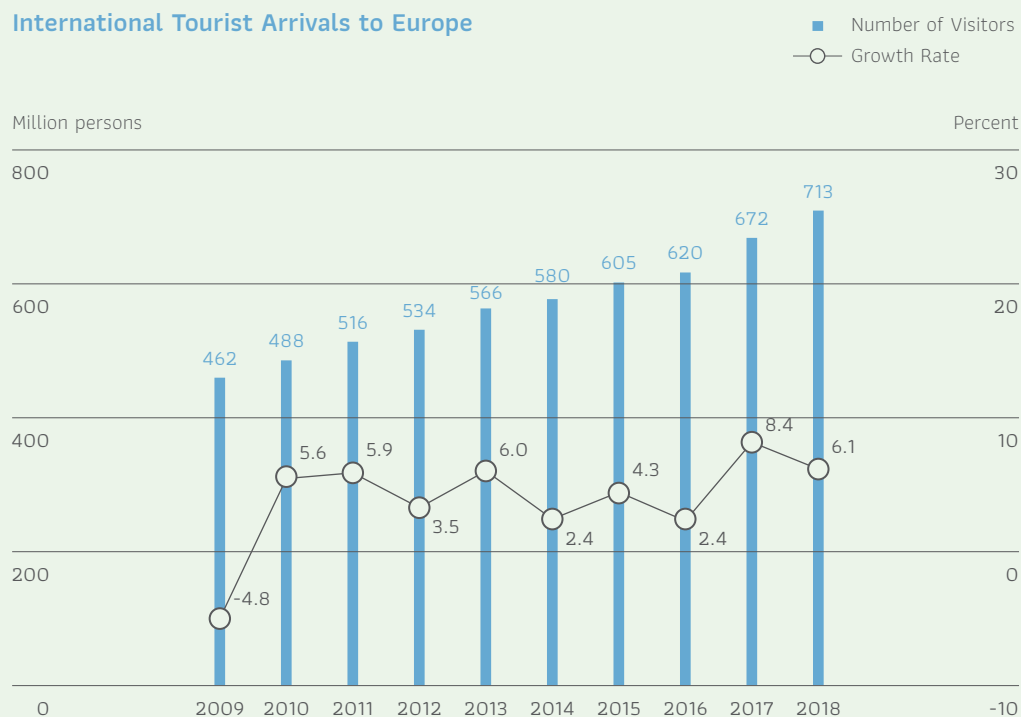
NH HOTELS

NH Trento

**Europe**

With the acquisitions of NH Hotel Group in 2018 and the Tivoli Hotels & Resorts portfolio in Portugal in 2016, over half of Minor Hotels' revenue is expected to come from Europe in 2019. As the majority of the NH Hotel Group's business is related to the regional corporate travelers, its revenue is very closely correlated to overall European economic trends.

In 2018, Eurozone economic activity grew at a pace of 2.1%, slightly below 2017 of +2.2% (data and estimates provided by the E.C. "European Economic Forecast - Autumn 2018" November 2018). The growth trend is generally in line with global growth, which has maintained a positive cycle of trade and investment, although there are signs of growth slowdown. The four countries that are the largest revenue contributors to NH Hotel Group, Spain (+2.6% in 2018 vs +3.1% in 2017), Germany (+1.7% in 2018 vs +2.2% in 2017), the Netherlands (+2.8% in 2018 vs +3.2% in 2017), and Italy (+1.1% in 2018 vs +1.5% in 2017) showed lower growth

International Tourist Arrivals to Europe

Source: World Tourism Organization (UNWTO)

rates compared with the previous year. The Euro area GDP is forecasted to expand by 1.9% and 1.7% in 2019 and 2020, respectively, as a result of the waning momentum of foreign trade due to weakening global economic activity and growing trade tensions, slower employment growth and increased uncertainty impacting investment. The European hospitality industry is expected to nonetheless continue to benefit from increased global travel trends.

International tourist arrivals in Europe reached 713 million in 2018, a notable 6% increase over an exceptionally strong 2017. Growth was driven by Southern and Mediterranean Europe (+7%), Central and Eastern Europe (+6%) and Western Europe (+6%). Tourism in Northern Europe was flat due to the weakness of arrivals to the UK. Spain has established itself as a tourism power in the world together with France and the US, with a breaking record of 82.6 million foreign tourists, or an increase of 1% in the number of international arrivals.

nhow
HOTELS

nhow Rotterdam



TIVOLI Tivoli Évora
HOTELS & RESORTS Ecoresort

Australia

Minor Hotels' management letting rights business which is based in Australia continues to be an important business hub. Australia saw record number of international visitors with 8.4 million tourists for the year ending June 2018. Tourism Research Australia forecast the country's inbound arrivals to grow a further 5.4% in 2019. Over the past 10 years, there has been a major shift in the contribution to total trip spending with Asian contribution increasing from 39% in 2008 to 57% in 2018. The largest single source of Asian market has been China, with 27% contribution of Australia's total international tourist expenditure, supported by China's increasing prosperity and growing middle class with greater capacity and appetite to travel.

In 2018, domestic visitor nights in Australia increased by 4%, driven by all types of travel – holidays, friends and relatives visits and business. Tourism Research Australia forecast domestic visitors' growth of 2.9% in 2019, supported by the improvement in economic growth rates. Recently, Australia's hotel industry has been undergoing a significant transformation, with resources invested into R&D, technology and new brands to meet the needs of the new and more-connected generation. The industry revolution, together with the weakening of the Australian dollar, may drive stronger growth than originally forecast by Tourism Research Australia.



Oaks Resort & Spa
Hervey Bay



Latin America

With the acquisition of NH Hotel Group, Minor Hotels now has a total of 63 hotel properties throughout Latin America, with Mexico, Colombia and Argentina being the Latin American countries from which the most revenue is generated. Economic growth in emerging countries in the Americas is expected to remain stable, although with divergence among the different countries. GDP of Latin America as a region is expected to grow by 1% in 2018 (vs +1.2% in 2017), as a result of weaker financial conditions with Argentina suffering from currency devaluation and Mexico growing at a slower rate than expected.

The hospitality industry in Latin America, however, has demonstrated growth over the past five years and the trend continues to look promising going forward. Arrivals to South America increased by 8% in 2017 and 7% in the first half of 2018 while arrivals to Central America grew by 5% in 2017. Although Mexico and Brazil are most visited countries in Latin America, Chile and Colombia experienced significant growth of over 10% in 2017. The region's attractiveness includes its diversity and variety of natural resources. Further supporting this, many governments in the region have committed to promoting the tourism sector. Examples include the simplification of visa procedures in Brazil, Ecuador and Colombia and tax incentives for the hotel industry in Colombia.

TIVOLI
HOTELS & RESORTS

Tivoli Ecoresort
Praia do Forte Bahia




ANANTARA
 HOTELS-RESORTS-SPAS
 Anantara Dhigu
 Maldives Resort



Maldives

Minor Hotels has a total of five hotels in the Maldives, with a sixth currently under development, making it an important geography for the business. With its pristine natural islands, crystal-clear water, white sandy beaches and unique “one island, one resort” concept, the Maldives is today one of the most expensive and aspirational leisure destinations in the world. Tourism is the single largest contributor to the economy, representing over 70% of total GDP in 2018. In 2018, the number of international arrivals to the Maldives increased by 6.8%, driven by European tourists, particularly from Russia, Italy and the UK. The outlook for the Maldives tourism is positive with the completion of the Velana International Airport expansion project, which will be able to cater to over 7 million visitors, compared to about 1 million visitors currently. The government will continue to invest into its destination marketing campaign, to actively promote the Maldives as a destination to attract more visitors.



Africa & Middle East

Minor Hotels currently has 27 properties in Africa, ranging from the luxury safari offerings to the urban hotels in eastern and southern Africa and luxury beach resorts under the Anantara, AVANI, NH Hotels and Elewana Collection brands. International tourist arrivals into Africa increased by 7% in 2018. The growth was driven by both north Africa and sub-Saharan Africa as a result of the growing demand from Europe and more stable political and security environment. The World Tourism Organization (UNWTO) forecast that arrivals will double from 67 million in 2018 to 134 million by 2030. In 2017, tourism contributed over 8% of Africa's total GDP. With its rich natural and cultural resources, the continent's relatively underdeveloped tourism sector provides vast growth opportunities. Most countries in the region are aware of the potential and have already drafted strategic plans to develop the tourism sector as an economic driver. Kenya, Tanzania, Gambia and South Africa are developing their travel and tourism industry, while Botswana, Mauritius, Rwanda and South Africa are actively encouraging and promoting tourism investment. Moreover, the African Union and sub-regional communities aim to make Africa the destination of the 21st century. Other initiatives include visa-free travel for African citizens, support of MICE activities and improved infrastructure including increased flights.

Minor Hotels operates 16 hotels in the Middle East across 3 countries under the Anantara, AVANI, Oaks and Tivoli brands. Although tourism trends for individual countries throughout the Middle East have been mixed, tourist arrivals to the region as a whole grew by 5% in the first half of 2018. The number of tourists visiting the major cities in the UAE and Oman saw an increase in 2018. However, since

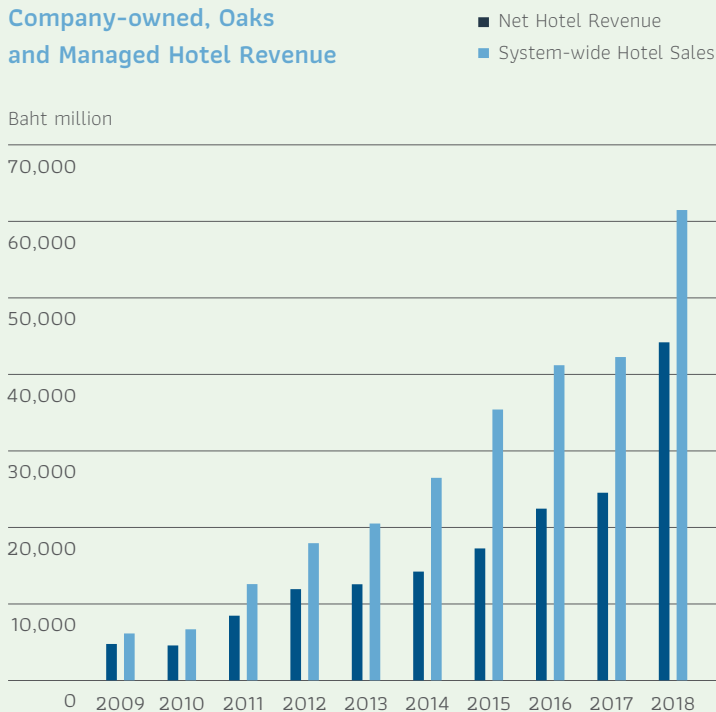
the boycott which began in mid-2017, Qatar has seen a drop in its number of visitors with a decline of over 35% in the first half of 2018. Nevertheless, the Middle East is seeing promising growth as a tourist destination, with its many attributes and attractive offerings. Many of the Middle Eastern countries offer new, adventure tourism, whether it is hiking in the Western Hajar mountains of Oman or Jordan Trails, and Nile River cruising in Egypt. In addition, tourists can visit many world-class attractions at affordable prices. Examples are the Burj Khalifa in Dubai and the grand mosques in Abu Dhabi and Muscat. While culinary tourism is also an increasing trend in the Middle East, the local people are known for their hospitality, further underpinning the strong fundamentals for growth in tourism in the Middle East region going forward.

TIVOLI
HOTELS & RESORTS

Souq Al Wakra Hotel
Qatar by Tivoli



Company-owned, Oaks and Managed Hotel Revenue



Performance Highlights and Development Plan

In 2018, Minor Hotels reported core revenue of Baht 50,577 million and core net profit of Baht 4,307 million, growth rates of 63% and 28%, respectively, from 2017. The key growth drivers in 2018 were hotels in Thailand, Portugal and Brazil, together with the performance of NH Hotel Group since the acquisition.

Below are the key developments of Minor Hotels' business in 2018.

Company-owned Hotels

At the end of 2018, Minor Hotels operated 369 company-owned hotels, comprising owned, joint-venture and leased hotels, totaling 54,995 rooms, a five-fold increase from the prior year. The company-owned hotels operate under the Anantara, AVANI, Tivoli, Oaks, NH Collection, NH Hotels, nhow, Elewana Collection, Four Seasons, St. Regis, JW Marriott and Radisson Blu brands. In 2018, the company-owned hotels reported

Performance Highlights

	Overall			Thailand			Oceania			Europe			Maldives		
	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change
System-wide Sales (Baht million)	61,563	42,320	45	11,967	11,359	5	9,593	9,765	-2	19,728	5,055	NM	4,322	4,028	7
Total Number of Hotels	513	158	NM	24	25	-4	58	54	7	300	12	NM	5	5	0
Total Number of Rooms	75,241	20,209	NM	4,272	4,387	-3	7,212	6,695	8	46,249	2,412	NM	410	410	0
Occupancy Rate (%)*	69	67	2	79	77	2	79	78	1	59	58	1	69	64	5
Average Daily Rate (ADR)* (Baht)	5,532	5,705	-3	5,097	4,844	5	4,297	4,588	-6	5,469	5,092	7	22,002	23,561	-7
Revenue per Available Room (RevPar)* (Baht)	3,817	3,837	-1	4,004	3,753	7	3,391	3,596	-6	3,232	2,970	9	15,267	14,966	2

* Organic statistics excluding new hotels

Revenue* (Baht million)	2018	2017	% Change
Hotels (Owned & Managed)	45,564	25,181	81
Real Estate (Residences & Anantara Vacation Club)	4,559	5,316	-14
Other Mixed-use	454	473	-4
Total Hotel Group	50,577	30,970	63

* Core revenue excluding non-recurring items

revenue of Baht 38,663 million, more than doubled from 2017, and representing 75% of Minor Hotels' total revenue.

During 2018, Minor Hotels opened Anantara Quy Nhon Villas, with 26 one and two-bedroom ocean-facing villas located in a secluded bay on the south central coastline of Vietnam, known for its wide beaches and emerald waters. Rich in cultural attractions, Binh Dinh province, of which Quy Nhon is the coastal capital city, offers local cultural attractions, such as the relics of Champa civilization and centuries-old Buddhist pagodas.

The AVANI brand entered Koh Samui, Thailand with the opening of AVANI+ Samui Resort. After extensive renovation since its acquisition in 2016, the hotel reopened its doors with 58 chic rooms and pool villas. The resort has the perfect location on Taling Ngam Bay, a pristine secluded shoreline along southwestern Koh Samui Island.

The acquisition of NH Hotel Group, which brought about over 300 owned and leased hotels, allowed Minor Hotels to further penetrate into Europe and the Americas in addition to its strong presence in Portugal and Brazil. Now with a larger global platform, Minor Hotels expects to expand its hotel portfolio further and faster in the future.

Management Letting Rights

Minor Hotels offers serviced apartment accommodations through a management letting rights (MLR) business model under the Oaks and AVANI brands in Australia and New Zealand. During 2018, Minor Hotels launched AVANI Central Melbourne Residences, a 456-room building strategically located in the northern part of Melbourne's CBD, close to the Melbourne Central railway station and a short distance away from the Queen Victoria Markets. In addition, three new Oaks properties were launched in Australia in 2018. These include Oaks Resort and Spa Hervey Bay, located on the eastern coast of Queensland just a 3.5-hour drive north of Brisbane, Oaks Santai Resort Casuarina, situated on crystal blue, tranquil waters of Casuarina Beach in New South Wales and Oaks Resort Port Douglas, located in a spectacular coastal area of far North Queensland with the world-famous 4 Mile Beach and dual World Heritage sites of the Great Barrier Reef and Daintree Rainforest.

At the end of 2018, the MLR portfolio comprised 57 properties, with almost 7,000 rooms. The MLR business continued to be a major revenue contributor to the hospitality business, accounting for 12% of Minor Hotels' revenue in 2018. Revenue from MLR business increased by 5% in Australian dollar term, but remained flat in Thai Baht term in 2018 compared to 2017 with the weakening of Australian dollar during the year.

Minor Hotels reported core net profit growth of 28% in 2018.

AVANI HOTELS & RESORTS
AVANI+ Samui Resort



Hotel Management

The hotel management business enables Minor Hotels to continue to grow its brand presence without having to invest capital into the relevant hotels. Consequently, hotel management contracts yield relatively higher profitability levels and higher return on invested capital (ROIC). At the end of 2018, Minor Hotels had 89 third-party owned hotels under management, a significant increase from 35 hotels in 2017. The hotels under management contracts spanned 27 countries under the Anantara, AVANI, Oaks, Tivoli, Elewana Collection, and recently added NH Collection, NH Hotels and nhow brands. In addition, Minor Hotels has 56 managed hotels in the development pipeline, to be commissioned over the next three to four years. The five-year strategy plan targets over 160 managed hotels across the existing brands by 2023. In 2018, Minor Hotels reported revenue from hotel management activities of Baht 1,396 million, an increase of 19% compared to 2017.

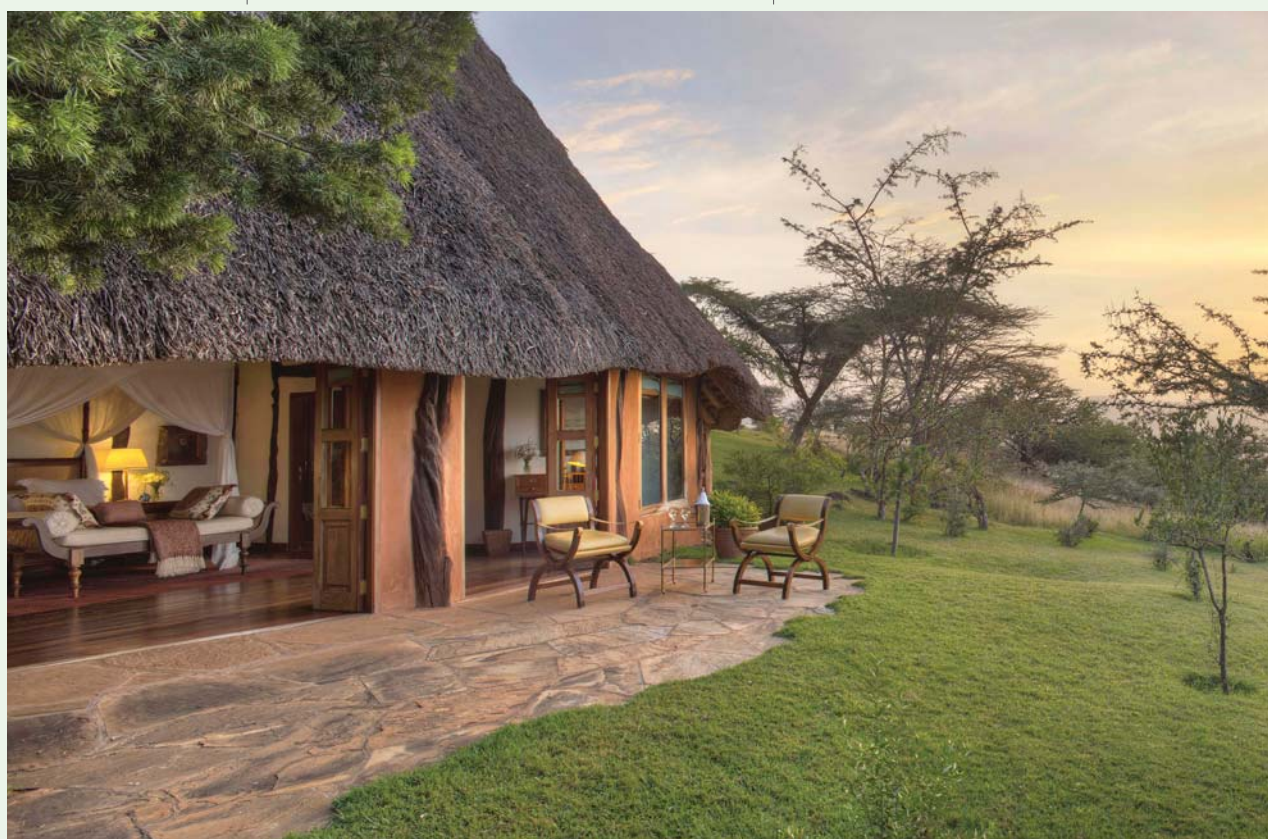
In 2018, Minor Hotels continued to grow its hotel management portfolio with the opening of five hotels organically, as well as through the acquisition of NH Hotel Group. During

the year, three management hotels under the Tivoli brand and one under the Oaks brand were opened. Tivoli Évora Ecoresort is a 56-suites property located on the lush plains of Portugal's south-central Alentejo region, just a five-minute drive from the historic center of Évora, a UNESCO World Heritage Site, and a one-hour drive from the capital Lisbon. Souq Al Wakra Hotel Qatar by Tivoli is a 101-key hotel nestled amongst the newly established Souq on the shores of the Arabian Gulf. Al Najada Doha Hotel by Tivoli is a 151-key hotel and Al Najada Doha Hotel Apartments by Oaks is a 100-key property in the center of the Qatari capital.

Elewana Collection expanded its network with the opening of Kifaru House, a luxury safari lodge in Kenya. Located within the world-famous Lewa Conservancy, home to East Africa's healthiest black and white rhino populations, this property appropriately takes its name from the Swahili word for rhino.

In addition, Minor Hotels added 50 hotels to the portfolio of management and franchised contracts through the acquisition of NH Hotel Group in 2018. These hotels span across NH Collection, NH Hotels and nhow brands in 15 countries in Europe and the Americas.


Kifaru House
by Elewana





Real Estate

Minor Hotels' real estate business consists of residential development and Anantara Vacation Club. These businesses are complementary to the hotel business and contribute to the generation of higher overall returns for the hotel projects as well as being profitable businesses in their own right.

The residential development business in Thailand began with the launch of the Estates Samui in 2006. Today, the available properties in Thailand include the Layan Residences by Anantara and Avadina Hills by Anantara, both of which are in Phuket, the Estates Samui and Anantara Chiang Mai Serviced Suites. In 2014, Minor Hotels expanded the residential development business outside of Thailand with the launch of Torres Rani in Maputo, Mozambique. Furthermore, to ensure continuity of sales from the residential business in the future, two more residential development projects are currently under construction, targeted for completion in 2019. Anantara Ubud Residences comprises 15 residential villas located in Bali's highlands, famed for terraced rice paddies, local artisans and Hindu temples. Anantara Desaru Residences will consist of 20 residential villas on the Desaru Coast of southeast Malaysia.



Layan Residences
by Anantara



Anantara Vacation Club (AVC) is a points-based shared ownership business, offering Club Point Owners long-term access to some of the most luxurious holiday destinations in the world at a one-time fixed price. AVC's business is also complementary to the hotel business, as Club Point Owners can use their ownership for stays at participating properties around the world and otherwise generate additional revenue and opportunities to upsell restaurants, spa and other hotel services.

As a key revenue and long-term net profit driver, AVC continued to expand its inventory portfolio throughout 2018. At the end of 2018,

AVC had a total inventory of 229 Club and 46 Developer units in seven destinations, including Koh Samui, Phuket, Bangkok and Chiang Mai in Thailand, Queenstown in New Zealand, Bali in Indonesia and Sanya in China. With the number of Club Point Owners growing to over 12,000 by the year-end, AVC's 2018 revenue grew by 9% compared to 2017 in US dollar term.

Minor Hotels will maintain its focus of growing its real estate business in 2019 and beyond as it continues to be another major driver for the group.



Anantara Vacation Club
Seminyak Bali



Hotel & Residential Development Plan

Hotel Portfolio by Country

Country	2017		2018		2019F		2020F		2021F	
	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms
Asia	48	6,881	48	6,722	59	9,050	64	9,840	73	12,147
Cambodia	1	39	1	39	2	119	2	119	2	119
China	3	443	2	321	3	453	5	792	11	1,676
India	1	78	1	78	1	78	1	78	1	78
Indonesia	2	134	2	134	4	242	4	242	4	242
Laos			1	53	1	53	1	53	1	53
Malaysia	1	315	1	315	2	418	2	418	2	418
Maldives	5	410	5	410	5	410	6	610	6	610
South Korea					3	1,295	4	1,439	4	1,439
Sri Lanka	6	706	6	706	6	706	6	706	6	706
Thailand	25	4,387	24	4,272	26	4,733	27	4,840	29	5,668
Vietnam	4	369	5	394	6	543	6	543	7	1,138
Europe	13	2,485	300	46,249	306	47,167	312	48,405	315	49,469
Austria			7	1,340	7	1,340	7	1,340	7	1,340
Belgium			13	2,134	14	2,314	14	2,314	14	2,314
Czech Republic			3	581	3	581	3	581	3	581
France			5	871	5	871	5	871	5	871
Germany			57	10,292	59	10,714	60	10,803	63	11,867
Hungary			1	160	1	160	1	160	1	160
Italy			51	7,823	51	7,823	54	8,258	54	8,258
Luxembourg			1	148	1	148	1	148	1	148
Netherlands			35	6,767	35	6,767	36	7,417	36	7,417
Poland			1	93	1	93	1	93	1	93
Portugal	12	2,412	16	2,746	17	2,825	17	2,825	17	2,825
Romania			2	159	2	159	2	159	2	159
Slovakia			1	117	1	117	1	117	1	117
Spain			103	12,515	104	12,562	105	12,626	105	12,626
Switzerland			3	382	3	382	3	382	3	382
UK	1	73	1	121	2	311	2	311	2	311
Oceania	54	6,695	58	7,212	61	7,886	62	7,936	62	7,936
Australia	50	6,372	54	6,838	56	7,286	57	7,336	57	7,336
New Zealand	4	323	4	374	5	600	5	600	5	600

Note: F = Forecast

Country	2017		2018		2019F		2020F		2021F	
	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms
Middle East	13	1,858	16	2,210	18	2,692	21	3,585	24	4,496
Lebanon					1	110	1	110	1	110
Oman	2	251	2	251	2	251	2	251	3	401
Qatar	2	324	5	676	5	676	5	676	5	676
UAE	9	1,283	9	1,283	10	1,655	13	2,548	15	3,309
Africa	28	1,786	27	1,949	32	2,266	32	2,266	35	2,809
Botswana	1	196	1	196	1	196	1	196	1	196
Ghana									1	155
Kenya	10	110	9	99	10	106	10	106	10	106
Lesotho	2	263	2	263	2	263	2	263	2	263
Mauritius					1	164	1	164	2	320
Mozambique	5	419	4	395	4	395	4	395	4	395
Namibia	1	173	1	173	1	173	1	173	1	173
Seychelles	1	124	1	124	1	124	1	124	1	124
South Africa			1	198	1	198	1	198	1	198
Tanzania	6	116	6	116	7	128	7	128	7	128
Tunisia					2	134	2	134	3	366
Zambia	2	385	2	385	2	385	2	385	2	385
Americas	2	504	64	10,899	71	12,222	77	13,071	78	13,201
Argentina			15	2,144	15	2,144	15	2,144	15	2,144
Brazil	2	504	3	684	7	1,536	7	1,536	8	1,666
Chile			4	498	5	584	7	865	7	865
Colombia			14	1,691	14	1,691	14	1,691	14	1,691
Cuba			2	251	2	251	2	251	2	251
Dominican Republic			6	2,503	6	2,503	6	2,503	6	2,503
Ecuador			1	124	1	124	1	124	1	124
Haiti			1	72	1	72	1	72	1	72
Mexico			16	2,554	17	2,674	20	3,078	20	3,078
Peru					1	265	2	429	2	429
Uruguay			1	136	1	136	1	136	1	136
USA			1	242	1	242	1	242	1	242
Total	158	20,209	513	75,241	547	81,283	568	85,103	587	90,058

Note: F = Forecast

Hotel Portfolio by Ownership

Ownership	2017		2018		2019F		2020F		2021F	
	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms
Majority Owned Hotels	40	7,039	117	19,152	118	19,255	118	19,255	119	19,583
Leased Hotels			224	33,817	228	34,539	235	35,887	238	36,951
Joint Ventures	30	2,060	28	2,026	30	2,109	31	2,309	31	2,309
Managed Hotels	35	4,692	87	13,311	111	17,771	123	19,993	138	23,556
Management Letting Rights	53	6,418	57	6,935	60	7,609	61	7,659	61	7,659
Total	158	20,209	513	75,241	547	81,283	568	85,103	587	90,058

Note: F = Forecast

Hotel Portfolio by Brand

Brand	2017		2018		2019F		2020F		2021F	
	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms	Number of Hotels	Number of Rooms
Anantara	40	5,211	38	4,951	43	5,432	46	5,852	51	6,670
AVANI	22	3,838	24	4,145	33	6,235	36	7,188	43	9,477
Oaks	56	6,980	60	7,367	66	8,628	68	8,822	69	9,322
Tivoli	13	2,700	16	3,008	18	3,603	19	3,769	20	3,899
NH Collection			75	11,821	79	12,254	83	12,773	84	13,201
NH Hotels			264	38,864	268	39,572	274	40,344	275	40,605
nhow			4	978	6	1,433	8	2,229	9	2,604
Others	27	1,480	32	4,107	34	4,126	34	4,126	36	4,280
Total	158	20,209	513	75,241	547	81,283	568	85,103	587	90,058

Note: F = Forecast

Residential Properties

Country	Residential Properties	2017	2018	2019F	2020F	2021F
Thailand	Anantara Chiang Mai Serviced Suites	44	44	44	44	44
Thailand	Layan Residences by Anantara	15	15	15	15	15
Thailand	St. Regis Residences	53	53	53	53	53
Thailand	The Estates Samui	14	14	14	14	14
Mozambique	Torres Rani Residence	6	6	6	6	6
Thailand	Avadina Hills by Anantara		2	11	11	11
Indonesia	Anantara Ubud Residences			14	14	14
Malaysia	Anantara Desaru Residences			20	20	20
	Total Units	132	134	177	177	177

Note: F = Forecast

Vacation Club Properties

Country	Vacation Club Properties	2017	2018	2019F	2020F	2021F
Thailand	AVC - Bangkok	10	30	70	90	107
Thailand	AVC - Chiang Mai	5	9	9	12	16
Thailand	AVC - Phuket	127	137	137	137	137
Thailand	AVC - Samui	20	20	20	40	80
China	AVC - Sanya	3	3	3	3	3
Indonesia	AVC - Bali	18	27	66	66	66
New Zealand	AVC - Queenstown	3	3	3	3	3
Others	AVC - New Destinations			130	218	218
	Total Units	186	229	438	569	630

Note: F = Forecast

MINOR FOOD



Paul Charles Kenny
CEO of Minor Food



The acquisition of 75% stake in Benihana added a global brand and additional footprint to Minor Food's diverse portfolio.

Looking back, 2018 was the year that Minor Food took another step to build its global platform, to build the foundation to compete on the world stage. The acquisition of 75% stake in Benihana added a global brand and additional footprint to Minor Food's diverse portfolio. Benihana is the world's leading Japanese-inspired teppanyaki restaurant chain, with a portfolio of 20 restaurants in 12 countries across Europe, Asia, the Middle East and Canada. The acquisition of Benihana resulted in an increase in Minor Food's geographical presence from 20 countries to 27 countries today, with the potential to further grow its network in the coming years. Minor Food now holds the global trademark and intellectual property rights for Benihana in Asia (excluding the islands of Japan), the Middle East, Europe, Australia, Africa, Canada and Mexico.

Operationally, 2018 marked a notable changing business landscape for Minor Food. Like the rest of the restaurant operators, Minor Food experienced disruption from technology transformation. The rapid advances in technology and easy access to information prompted changes in customer needs and expectations.

The way customers explore their choices, order, consume and pay for their food are now drastically different. Convenience and responsible dining are up and coming trend in addition to the story-telling and sharing experience. It is predicted that by 2025, over 30% of all restaurant transactions will be through digital channel sales, significantly up from less than 10% today.

Looking forward, Minor Food cannot do things the same way as in the past. The first step was to focus on the entire customer experience, rather than just on the products and services. As a result, Minor Food's people must be open to change, and change quickly. They must reflect on the current situation and environment, unlearn the things that they have been accustomed to in the past, relearn new perspectives and adapt with agility.

With the aim to remain in the forefront of the restaurant industry amidst the technology disruption and dynamic competitive landscape, Minor Food launched its first "Minor Tasting The Future Hackathon 2018", where innovators, startup founders, and disruptors around Thailand were invited to reimagine the future of food retail service and casual dining to serve the evolving demands of the Thai consumers. The event proved to be successful and extremely beneficial, allowing Minor Food to gain exposure to new ideas and concepts, stimulate potential new product development and discover industry talents. While outsiders brought an outside-in view and fresh perspectives to business challenges, the event was also inspirational for the team at Minor Food. The living proof of the success is the launch of 1112Delivery in early 2019. 1112Delivery is the group's single delivery aggregator platform, where customers can order all of Minor Food brands in one go, receive all orders in one delivery and make one single payment. 1112Delivery offers customers with convenience through one-stop-shop, as easy as a finger tip away.



In 2018, Minor Food reported core revenue of Baht 23,484 million, stable compared to the prior year. All of the key markets were impacted by the economic slowdown and weak consumption environment. Throughout the year, Minor Food continued to selectively open new outlets, growing the network by 10%, primarily in Thailand and China. In an attempt to draw traffic amidst the intense competition and to stay on top of minds of consumers during the weak consumer sentiment, Minor Food focused on new product launches and promotional campaigns which resulted in traffic growth. However, the margins were put under pressure, resulting a decline in core net profit to Baht 1,521 million in 2018.

Sector Overview and Competition

Minor Food today operates in 27 countries with focus on three main markets: Thailand, China and Australia. Below are the industry trends on these key markets.

Thailand

In 2018, Consumer Confidence Index (CCI) as reported by the University of the Thai Chamber of Commerce (UTCC) peaked in August to the highest level in 64 months, driven by the growing economy and higher farm product prices, including fruits, corn and tapioca. While consumption of durable goods such as house and car purchase held up well, consumption of non-durable goods, including food and beverage, remained sluggish. However, towards the end of 2018, CCI fell to a 10-month low in December 2018, from the slowdown of tourism, falling crop prices, primarily rubber and palm oil, concerns over the pace of economic recovery and high oil prices.

10%

In 2018, Minor Food continued to selectively open new outlets, growing the network by 10%.



Minor Food Management Team

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



Thailand Hub

1. **Chanya Rodrakquan**
VP of Manufacturing
2. **Sarnsakul Wongtiraporn**
VP of Global Supply Management, Supply Chain
3. **Pilan Sanyavises**
VP of Project & Facility Management
4. **Banyat Athiyukul**
General Manager of Sizzler
5. **Nakarintr Thamhatai**
General Manager of Dairy Queen
6. **Prapat Siangjan**
General Manager of Burger King [Thailand]
7. **Suvat Kulphaichit**
General Manager of The Coffee Club [Thailand]
8. **Kitticharn Kongpan**
General Manager of Restaurant, The Pizza Company
9. **Patt Pongwittayapipat**
General Manager of Delivery, The Pizza Company
10. **Panusak Suesatboon**
General Manager of Franchise, The Pizza Company
11. **Geoffrey Raymond Everett**
General Manager of International Franchise



Australia Hub

1. **Nick Bryden**
Chief Executive Officer, Minor DKL Food Group
2. **Peter Montgomery**
Chief Financial Officer, Minor DKL Food Group
3. **Stephen Hazard**
Chief Operating Officer, Minor DKL Food Group
4. **Megan Magill**
Chief Brand Officer, Minor DKL Food Group
5. **Michael Chick**
General Manager, The Coffee Club International
6. **David Koch**
General Manager of Finance, Minor DKL Food Group
7. **Jon Saunders**
General Manager of Supply Chain, Minor DKL Food Group
8. **Rocky Veneziano***
Co-Founder, NOMAD Coffee
9. **Craig Dickson***
Managing Director, NOMAD Coffee
10. **Ben Romeril***
General Manager, Veneziano Coffee

* Not in the picture



China Hub

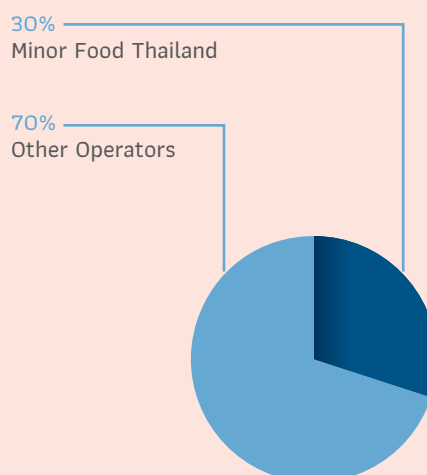
1. **Woon How Chin [Paul Chin]**
Chief Executive Officer, Minor Food China
2. **Meng Hong Bo [Aaron]**
Chief Operating Officer, Minor Food China



World Bank forecasts Thailand's economic growth of 4.1% in 2018. Despite the strong global headwinds of trade tensions and slowdown of Chinese tourism, Thai economy is expected to grow from the strengthening domestic demand, from both private consumption and private investment, particularly in the third quarter of 2018.

In line with the global economic trend, World Bank expects a slight slowdown in Thailand's economic growth to 3.8% in 2019. The growth will continue to rely on domestic demand, supported by public infrastructure projects and continued planned economic reforms. Exports and manufacturing activities in the export-oriented industries, however, will be adversely affected by slower global demand and elevated trade tensions between the US and China.

2018 Estimated Market Share of Minor Food in Thailand



Remark: Minor Food Thailand revenue includes its domestic franchisees

Comparative Market Share of Western Casual Dining in Thailand

Revenue [Baht million]	2016		2017		2018F	
	Revenue	%	Revenue	%	Revenue	%
Café	8,314	13.6	9,543	14.2	11,285	15.5
Casual Dining	24,166	39.7	25,152	37.4	25,649	35.3
Fast Food	22,758	37.4	26,768	39.8	29,756	40.9
Ice Cream & Bakery	5,693	9.3	5,818	8.6	6,026	8.3
Total Market	60,931	100.0	67,281	100.0	72,716	100.0

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





China

While China's GDP growth has moderated, its economy remained resilient. World Bank expects China's economic growth to slow to 6.5% in 2018, the weakest in 28 years. The slower growth was mainly because of weaker growth in investment and exports. Investment decelerated in 2018 as the economy continued to rebalance towards consumption, while net exports contributed to negative GDP growth from both soft exports because of slower global trade growth and strong imports from robust domestic demand.

China's economic growth is expected to slow further to 6.2% in 2019 - 2020. Consumption will continue to be the main driver for growth. Investment, however, will be weighed by the investment uncertainty and slower credit growth. Net export will also continue to be negatively impacted from slower global demand growth and higher US import tariffs. To stimulate the economy, the government is expected to continue to focus on rebalancing the economy by boosting household consumption rather than public infrastructure. In any case, China's growth of 6.2% is much higher than World Bank's global growth forecast of 2.9% in 2019.



Australia

Australia's economy grew at an annual rate of 2.8% for the four quarters ending September 2018. The growth slowed sharply in the September quarter, growing at the weakest pace in two years, primarily from soft household consumption. Household debt levels are high, while large falls in property prices especially in Sydney and Melbourne have reduced household wealth. As a result, households tend to start saving more, rather than spending more. In addition, the national drought has impacted the economy, with the agricultural, forestry and fishing industry sector recording negative growth.

The Organization for Economic Co-operation and Development (OECD) projected that Australian economy will grow 2.9% in 2019. Commodity exports and government investments will support growth, while household consumption will negatively impact the economy. Households are expected to be less willing to draw down savings amidst falling house prices and tightening financial conditions. Nevertheless, employment has seen strong growth, with job gains being broad based across most sectors. Going forward, consumers will be relying on wage growth to boost spending.



Performance Highlights and Development Plan

Minor Food reported core revenue of Baht 23,484 million in 2018, stable compared to the prior year.

Minor Food operates under a hub system with three main hubs. Thailand remained our largest hub, contributing 65% of Minor Food's revenue in 2018, while China and Australia contributed 13% and 10% respectively. Below are the highlights of Minor Food's development in 2018.

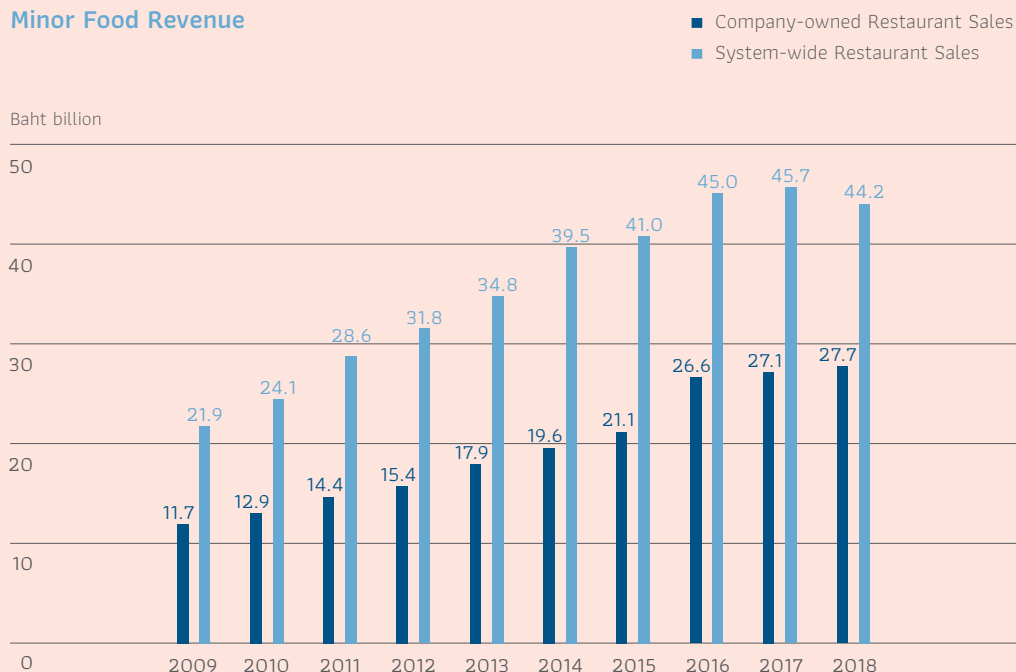
Thailand

Minor Food operates the brands The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King, The Coffee Club and Thai Express in Thailand. The hub closed 2018 with a total of 1,500 outlets, an increase of 12% from 2017. Of the total number of outlets, 949 are company-owned while the remaining 551 are franchised. 2018 continued to be a challenging year for Thailand. The operation in upcountry was impacted by the weak consumer sentiment, while Bangkok experienced increased competition, as more retail space is being allocated to food

and beverage category in shopping malls, and the industry is being disrupted by the delivery business. As such, many operators actively launched promotional campaigns, especially to target value proposition during this weak consumption environment, which resulted in Thailand's same-store-sales decline of 3.1% in 2018. However, with the outlet expansion, revenue from Thailand hub increased by 9% in 2018.

During 2018, one of Minor Food's priorities was to address the digital transformation. With delivery already a platform for The Pizza Company as Minor Food pioneered the pizza delivery business in Thailand almost 30 years ago, the brand was the first to launch its mobile app in 2014 to accommodate the growing demand in online ordering. More recently, other brands also stepped up their technology transformation initiatives with various means of online, web and mobile app ordering platforms. The approach of each brand is different depending on their customer expectation. The Coffee Club has both web ordering and mobile app, where customers are able to order for pick up and deliveries. Burger King today has delivery ordering through all platforms, including call center, web and mobile

Minor Food Revenue



Note: System-wide restaurant sales include gross sales from company-owned and franchised restaurant outlets. Company-owned sales only include gross sales from company-owned restaurants and franchise fee.

app. In addition, the brand has installed ordering kiosks in selected outlets, especially in high tourist locations such as in airports in order to improve customer communication and increase speed of service. Other brands including Swensen's and Dairy Queen now offer web ordering. Going into 2019, Minor Food will continue to improve the digital platform across all brands with the goal to better meet the ever-changing customer expectation.

In terms of physical store network, given the soft domestic consumption environment, Minor Food has been selective in its outlet expansion. The Pizza Company drove its store penetration through the franchised business, with the number of franchised outlets in Thailand growing by over 50% during 2018. Number of Dairy Queen outlets grew by 13%, with the expansion of its coverage to universities, hospitals and gas stations, in addition to its traditional locations in shopping malls and modern trades. Burger King continued to penetrate in local residential areas, with outlet increase of 17%. The Coffee Club saw further opportunities especially in serviced apartments, hotels, and high-traffic tourist locations and grew the number of stores in Thailand by 50%.

In addition to expanding the access points, whether through online or physical channels, Minor Food continued to focus on new product development in order to stay on top of mind of customers. In 2018, in addition to its consistent new pizza crusts and toppings, The Pizza Company launched rice bowls with various chicken pop toppings. Swensen's expanded on its successful bingsu products, the Korean shaved ice desserts, with the launch of new flavors as well as individual sized bingsu sundaes. In addition to the store renovations to improve customer experience, Sizzler introduced many limited time offer Asian dishes, including Thai style steaks and Japanese style teriyaki dishes. Dairy Queen launched new Thai tea and coconut soft serve flavors. Burger King consistently developed new limited-time-offer products including chicken fries and Thai menus such as salted chicken with sticky rice. The Coffee Club focused on innovative menus, some of which are cold brews, frappes such as chocolate Tim Tam and super shakes, together with healthy menus for breakfast and lunch.



China

In China, Minor Food operates Riverside, Sizzler and Thai Express brands, with the majority of the operation, whether in terms of number of outlets, revenue or net profit contribution coming from Riverside. At the end of 2018, China hub had a total of 90 outlets, an increase of 18%, driven by the expansion of the Riverside brand. During 2018, Minor Food increased the shareholding in Riverside from 85% to 100%, as Minor Food continued to believe in its potential. China hub continued to be profitable for the sixth consecutive year.

During 2018, the China hub concentrated on driving quality outlet growth of the Riverside brand. While the non-profitable outlets in the secondary cities in China were closed, Minor Food accelerated outlet expansion in Beijing

and Shanghai, as well as the surrounding cities, which Riverside has solid and established presence. As a result of the closings and openings, Minor Food ended the year with 69 Riverside outlets at the end of 2018, a 25% increase from 55 outlets in the prior year. Riverside now has outlets in top traffic shopping malls in both Beijing and Shanghai, opting the brand to be number one grilled fish brand in Shanghai. The rapid outlet expansion, however, resulted in same-store-sales growth to remain negative in 2018, with the natural cannibalization of the stores. Total-system-sales growth, on the other hand, accelerated especially in the second half of the year as more outlets were opened, closing the year with over 15% growth in the month of December.



Australia

At the end of 2018, Australia hub had a total of 462 outlets. The Coffee Club remained the biggest contributor to the Australia hub, contributing over 90% of the hub's total-system-sales. The majority of The Coffee Club outlets are in Australia and New Zealand, and the number of outlets remained relatively stable in 2018 compared to the prior year, as the Australia hub has been focusing on improving the domestic operations and profitability of the stores amidst the slowdown of the economy. Its international presence, on the other hand, has been growing at a faster rate. In addition to the existing markets of Thailand, the UAE, the Maldives, Indonesia and Seychelles, Minor Food expanded The Coffee Club to China, Qatar and Cambodia in 2018, and set up a joint venture in Vietnam, with the first outlet to be opened in the first half of 2019.

While The Coffee Club is Minor Food's casual dining restaurant operation, Nomad, the coffee roaster, is its wholesale business arm. The driver of the coffee roaster business in 2018 has been the sale of coffee beans through Aldi, Australia's third largest supermarket chain, where sales grew by 20% in 2018 compared to the previous year.





Other Markets

In addition to the three main hubs, Thailand, Australia and China, Minor Food operates 299 outlets in 23 countries in Asia, the Middle East, the Indian Ocean, Europe and Canada. While these markets are small today, they have a potential to grow and contribute meaningful revenue and net profit in the future.

Minor Food operates the brands The Pizza Company, Swensen's, Thai Express, Burger King and The Coffee Club in Cambodia, Laos, Myanmar and Vietnam (CLMV) market. CLMV continued to be one of the fastest growing market for Minor Food, with the increase in number of outlets by 20% in 2018, ending the year with 159 outlets. In addition, during the year, Minor Food entered into two new markets, namely Qatar with The Coffee Club brand and Pakistan with the Swensen's brand.

The Singapore operation has become a smaller part of the group as Minor Food continued to reduce its exposure, given the unfavorable business environment with high competition and weak economy. At the end of 2018, Minor Food had a total of 46 outlets, a 19% decline from the prior year. Consequently, revenue contribution from Singapore also declined to 7% in 2018, compared to 10% in 2017.



Minor Food System-wide Outlet Development Program

Number of Outlets	2016	2017	2018
Equity	1,018	1,072	1,159
The Pizza Company	230	251	264
Swensen's	144	139	122
Sizzler	60	66	66
Dairy Queen	226	227	256
Burger King	74	93	109
The Coffee Club	61	69	97
Thai Express	82	74	72
Riverside	58	56	70
Benihana			2
Others*	83	97	101
Franchise	978	992	1,111
The Pizza Company	161	196	264
Swensen's	186	189	194
Dairy Queen	210	220	247
The Coffee Club	400	364	365
Thai Express	21	23	23
Benihana			18
Total Outlets	1,996	2,064	2,270

Number of Outlets	2016	2017	2018
Domestic			
• Equity	814	866	949
• Franchise	458	475	551
International			
• Equity	204	206	210
• Franchise	520	517	560
Total Outlets	1,996	2,064	2,270

* Others include restaurants in the UK, restaurant operators at airports and others.



MINOR

LIFESTYLE



James Richard
Amatavivadhana
CEO of Minor Lifestyle



Fashion business was the main driver of Minor Lifestyle's growth in 2018.

As Minor International develops its geographical footprint to compete on the world stage, Minor Lifestyle also strives to expand its business accordingly. Seeing the growing consumption opportunities in Laos and Myanmar, Minor Lifestyle made its first step of international expansion through distribution agreements of the Anello brand in these two countries. In addition, Minor Lifestyle has assumed the operations of Scomadi, the British brand of modern classic scooters. The brand was founded by two internationally recognized pioneers of the scooter industry - Frank Sanderson of Scooter Innovation Ltd. and Paul Melici of PM Tuning Ltd., whose combined experience in the scooter industry is over 60 years. Recognizing the growth potential of the modern classic scooters and bikes segment, Minor Lifestyle has taken the responsibility in the production and distribution of Scomadi scooters. The plan is not only to operate in Thailand, but also to grow the brand internationally. The markets that have been initially identified are India, the UK and Europe, Malaysia and Australia.

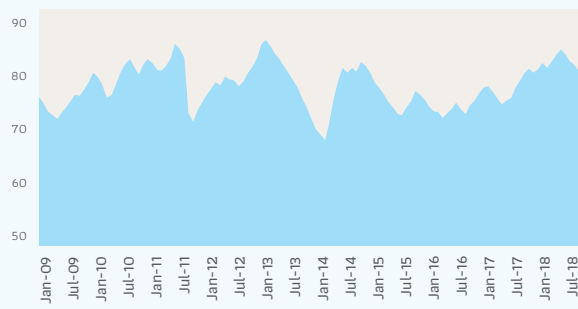
In 2018, Minor Lifestyle reported revenue of Baht 4,439 million and net profit of Baht 130 million, a growth from prior year of 9% and 2% respectively. Fashion business was the main driver of the growth. In addition to the store expansion, Minor Lifestyle also drove sales through discounts amidst the weak consumer sentiment and increased competition environment.

Sector Overview and Competition

Domestic consumer sentiment continued to show a mixed trend in 2018. Consumer Confidence Index (CCI) as reported by the University of the Thai Chamber of Commerce (UTCC) peaked in August to the highest level in 64 months of 83.2, but declined to a 10-month low of 79.4 in December 2018. The consumer sentiment was largely dependent on farm product prices. Furthermore, towards the end of the year, there were concerns over the pace of economic recovery and high oil prices. Throughout 2018, consumption was geared towards durable goods such as houses and cars rather than non-durable goods, which included discretionary spending.

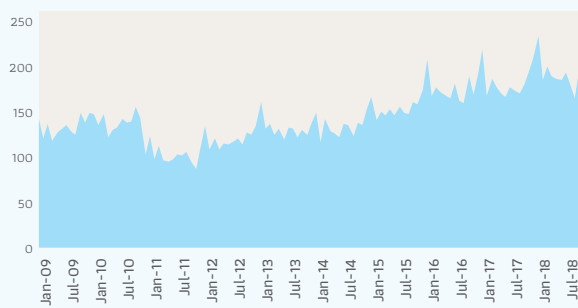


Consumer Confidence Index



Source: University of the Thai Chamber of Commerce

Retail Sales of Clothing, Footwear and Leather Articles Index



Source: Bank of Thailand



Minor Lifestyle Management Team

1. James Richard Amatavivadhana

Chief Executive Officer of
Minor Lifestyle

2. Suthat Anuwutthinawin

Chief Operating Officer

3. Chak Chalermchai

SVP of New Business Development
& Real Estate

4. Claudia Vinke

Group General Manager
of Non-Apparel

5. Jutharat Piboonthamasak

General Manager of E-Commerce

6. Nisakorn Masunthasuan

General Manager of OVS

7. Tawee Lohawiboonsup

General Manager of Anello,
Radley and Save My Bag

8. Nitin Raizada

General Manager of
Navasri Manufacturing Limited

9. Ma. Brenda-Lyn Perez Gualberto

AVP of VMSD

10. Sakchai Suvathi

AVP of VMSD

11. Plurth Eungkaneungdeja

AVP of Human Resources

12. Preeyaphan Suiadee

General Manager of
Minor Smart Kids

13. Jaruwan Tangsithchaikul

Business Manager of Bossini,
Esprit and Brooks Brothers

14. Dararat Boonthum

Business Manager of Etam

15. Wiphamart Tumsan

Business Manager of Modern
Living Home & Kitchenware
[Zwilling J.A. Henckels, Joseph Joseph
and Bodum]

16. Phanitta Ponchamni

Business Manager of Anello

17. Chanisara Unarat

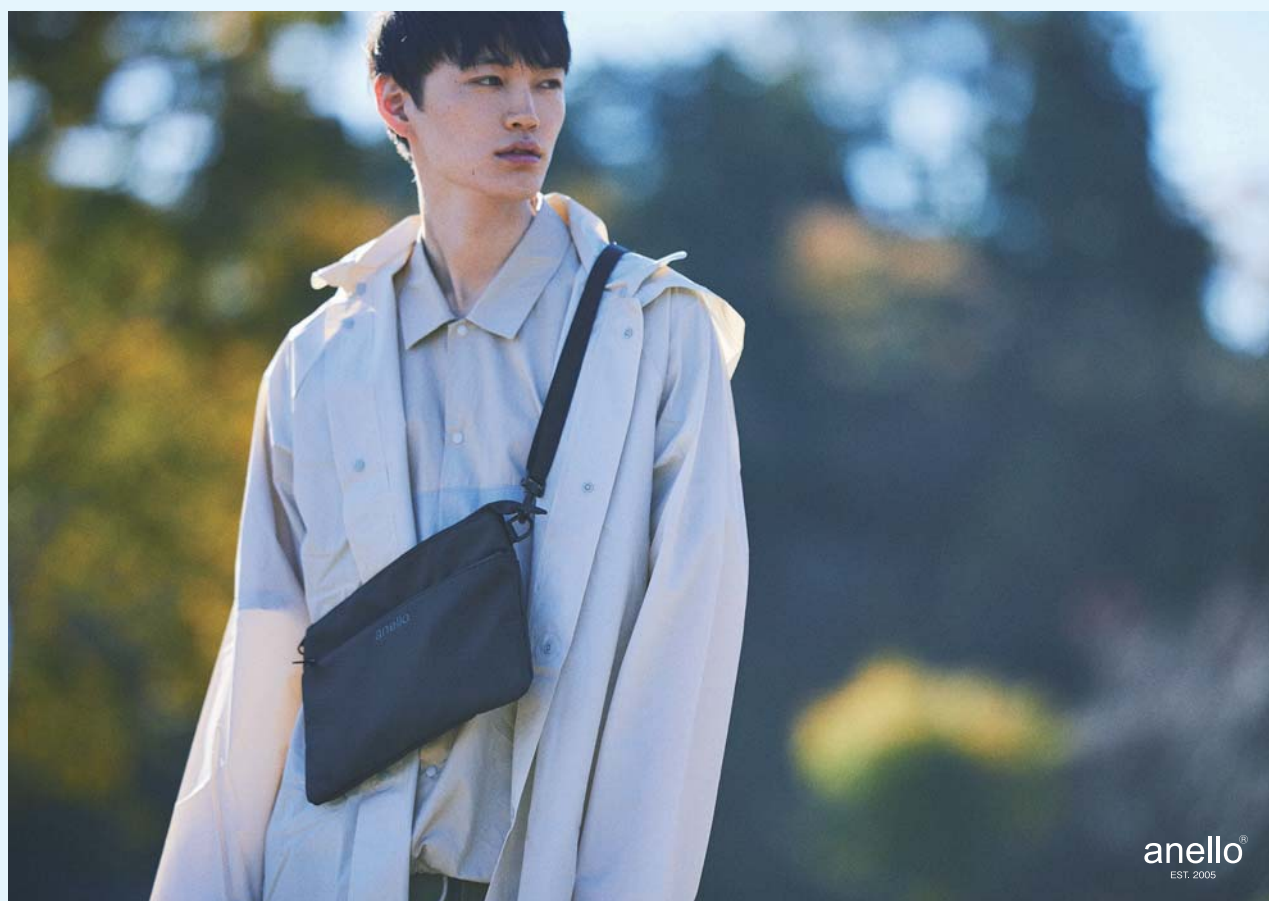
Business Manager of Radley
and Save My Bag

18. Methikan Kwanmuang

Business Manager of Pedro

19. Ruethai Mala

Senior Corporate and New Channel
Development Manager



anello®
EST. 2005

Today, the modern retail format has proliferated throughout Thailand, with modern shopping centers in many provincial cities. However, like the rest of the world, the Thai retail market is facing new challenge of e-commerce. Currently, e-commerce sales account for less than 1% of total retail sales in Thailand but it is expected to grow rapidly, as the e-commerce platform including payment systems and distribution have been established. Many big players are entering the market, including Alibaba and JD. As a result, retailers will have to best serve customers both in stores and online. The trend for retail landlords is to create a unique environment that focuses on customer experience, whether in transforming the retail space to lifestyle centers or destinations, or allocating more space to F&B outlets. In addition, many retailers are pursuing an omni-channel approach with both online and offline channels. For Thailand, Thai Shopping Centers Association has launched Shopping Center 4.0 initiative which aims for the country to be ASEAN's retail destination by serving the modern lifestyle of customers in the digital era.



Charles & Keith and Anello are the two biggest contributors to Minor Lifestyle.

Performance Highlights and Development Plans

At the end of 2018, Minor Lifestyle had a total of 490 retail outlets and points of sale. Of total, 83% are operated under fashion brands, while the remaining 17% are under household brands. The revenue of retail business increased by 11% in 2018. Minor Lifestyle's largest brand, Charles & Keith, the ladies' shoes brand, demonstrated continued growth amidst the challenging consumption environment, with an increase in revenue of 7% in 2018. Anello, the backpack brand from Japan, maintained its popularity since its launch at the end of 2016 and quickly rose to the second largest brand in the fashion portfolio, with revenue increase of 73% in 2018.

Minor Lifestyle expanded net number of outlets by 23% during 2018. Two new brands launched during the year were Save My Bag and Bodum. Save My Bag offers a wide range of 100% made in Italy handbags and accessories for those who want to express themselves outside clichés. Bodum, a coffee press maker and kitchenware brand from Copenhagen, Denmark, offers high quality coffee and tea solutions and household accessories. For

existing brands, during the year, Minor Lifestyle continued to build the platform of the brands and actively opened new outlets, in particular outlets under the brands Etam, Charles & Keith, Anello, Radley, Zwilling J.A. Henckels and Joseph Joseph.

In addition to the physical stores, to capture the rapidly growing e-commerce channel in Thailand, Minor Lifestyle has expanded through various online channels. In January 2018, Anello's standalone website was launched. The smaller brands, such as Esprit, Bossini, Radley and Zwilling J.A. Henckels, are available on major online market places including Lazada and JD Central.

The performance of NMT Limited, the contract manufacturing business, was stable in 2018. Although domestic consumption was fairly soft throughout the year, NMT was able to secure new customers, who have been able to generate sales to offset the slowdown of the existing accounts. Going forward, NMT will continue to reinforce its relationship with the existing customers, evaluate the possibilities of expanding into new categories in order to capture new customers and explore strategic alliances and partnerships to expand the existing platform.



Development of Retail Points of Sale

Total Points of Sale	2016	2017	2018
Esprit	98	81	82
Bossini	88	82	83
Brooks Brothers	7	7	6
OVS		1	9
Etam	12	19	27
Charles & Keith	33	34	40
Pedro	6	5	2
Anello	24	96	119
Radley	8	19	32
Save My Bag			9
Total Fashion	276	344	409
Zwilling J.A. Henckels	22	23	31
Joseph Joseph		11	29
Bodum			21
Total Home & Kitchen	22	34	81
Grand Total*	298	378	490

* The figures exclude Red Earth, Kojima Denim, Banana Republic and GAP's points of sale as Red Earth's outlets were closed in 2016, Kojima Denim's outlets were closed in 2017, Banana Republic and GAP's outlets were closed in 2018.





Competing on the World Stage, Sustainably

Our continued focus on our key competitive strength, our growing business platform, together with our integration of sustainability into the corporate strategy will enable Minor to compete on the world stage sustainably.



Minor remains unwaveringly committed to our Sustainability Vision: To Strengthen Long-term Capabilities and Performance through Sustainability, as our pinnacle of success. Our Sustainability Vision affirms our belief that to endure as a viable and sustainable business, an organization needs to constantly develop and strengthen both its own long-term capabilities and those of its numerous stakeholders.

The company's vision, core values and the business strategy, as well as the interests of our stakeholders, are key guides to how we form our sustainability directions. We assess the materiality of issues that are both important to us and to our stakeholders to establish Minor's Sustainability Framework, and then develop our long-term sustainability strategy and plans, which are reviewed annually. We have also taken into consideration the United Nation's Sustainable Development Goals (SDGs) when developing our strategies, to align ourselves to create greater impact to the larger global community. We believe that our continued focus on Minor's key competitive strengths, our growing business platform, together with our integration of sustainability into the corporate strategy will enable Minor to compete on the world stage sustainably while continuing to improve the economic, social and environmental conditions of our stakeholders.



Minor's Sustainability Framework encapsulates our five Core Values, and comprises of four Drivers: Driving People Development, Engaging in End-to-End Customer Experience, Committing to Long-term and Sustainable Partnerships, Managing Environmental Impact. These four Drivers are reinforced by two critical Enablers: Good Corporate Governance and Social Responsibility Mindset.

From the strong and sustainable foundation established by Minor Group over the last 50 years, we leap into the future with our aspiration of competing on the world stage, sustainably. We aspire in **Elevating People Development** with our unrelenting focus on continuously developing our leaders and employees, investing in educational and career support for children, youth and underprivileged community members; and promoting a social responsibility mindset among our people and peers. Our objective is to continually elevate people within Minor's sphere of influence to achieve their highest potential.

We aspire in **Elevating Sustainable Value Chain** with our commitment to establish long-term partnerships with our partners to achieve mutual sustainable success. This aspiration also underpins our dedication in empathizing our customers' needs and enriching our customers' experiences through end-to-end engagement, and by delivering the best products and services.

We aspire in **Elevating Environmental Protection**, with our resolute persistence in striving to operate our businesses with minimal environmental impact as much as possible, and promoting biodiversity conservation wherever we have a footprint.

And as the critical foundation for any well-governed and responsible corporate citizen in achieving true sustainability for the future, we aspire in **Elevating Good Governance**, with our strong culture and practice of good corporate governance and responsible business practices.

As testaments to our drive for sustainability, Minor International received Best SET Sustainability Awards 2018 for the first time. In addition, we have been included in the Dow Jones Sustainability Emerging Markets Index for the fifth consecutive year, the FTSE4Good Index Series for the third consecutive year, and



the list of Thailand Sustainability Investment (THSI) 2018 by the SET for the fourth consecutive year. Most recently in February 2019, Minor International was included as a constituent in the MSCI ESG Leaders Indexes. We also received Excellent CG Scoring by Thai Institute of Directors Association for the sixth consecutive year and are a committed certified member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).

For more details regarding the sustainability strategies, goals and initiatives, please see our 2018 Sustainability Report and Sustainability section of the company's website (www.minor.com).

As a testament to our drive for sustainability, Minor International received Best SET Sustainability Awards 2018 for the first time.



Awards 2018

Corporate



2018 All-Asia Executive Team Rankings: Honored Company in the Emerging Markets – Country Winner	Institutional Investor
2018 All-Asia Executive Team Rankings: Top 3 Thailand's Best CEO	Institutional Investor
2018 All-Asia Executive Team Rankings: Top 3 Thailand's Best IR Professional	Institutional Investor
Best Popular Agro & Food Stock Award	The Stock Exchange of Thailand and Khao Hoon Thurakit Newspaper
Included in Dow Jones Sustainability Emerging Markets Index (DJSI) 2018 in Hotels, Resorts and Cruise Lines Industry (fifth consecutive year)	S&P Dow Jones Indices and RobecoSAM
Included in FTSE4Good Index Series 2018 (third consecutive year)	FTSE Russell
Included in MSCI ESG Leaders Index	MSCI
Included in the List of Thailand Sustainability Investment (THSI) 2018 (fourth consecutive year)	The Stock Exchange of Thailand
Included in ESG100 – 2018 List	Thaipat Institute
Best SET Sustainability Awards 2018 (SET Market Capitalization of Over Baht 100 Billion)	The Stock Exchange of Thailand
Sustainability Report Award 2018 – Recognition Category	The Securities and Exchange Commission of Thailand, Thai Listed Company Association and Thaipat Institute
2018 Excellence CG Scoring (sixth consecutive year)	Thai Institute of Directors Association
Certified as a Member of the Private Sector Collective Action Coalition Against Corruption (CAC)	Thai Institute of Directors Association
2018 AMCHAM Thailand's CSR Excellence Award – Gold Status	The American Chamber of Commerce in Thailand
2018 AMCHAM Thailand's CSR Excellence Recognition Award – Excellence in CSR Project	The American Chamber of Commerce in Thailand

Minor Hotels



Anantara Hotels & Resorts	Gold Stevie® Winner	The International Business Awards
	No. 9 World's Greatest Hotel Group	The Telegraph (UK)
	Readers' Choice Awards: No. 4 Best Hotel Brand for Leisure	DestinAsian
	World's Best Spa Brand	World Spa Awards
	World's Best Awards: No. 13 Top Hotel Brands	Travel + Leisure (USA)
AfroChic Diani, Elewana Collection	Unique Luxury Hotel of the Year	LuxuryTravelGuide Africa & Middle East Awards
Al Baleed Salalah by Anantara	Best Hotels & Resorts in the Arab World 2018	Robb Report Arabia
	Readers' Choice Awards: Best Hotel/Resort for Spa Break and/or Wellness	Condé Nast Traveler (Middle East)
	Readers' Choice Awards: Top 3 Best Resorts in Middle East	Condé Nast Traveler (USA)
Anantara Al Jabal Al Akhdar	Best Destination Spa	Condé Nast Johansens
	Readers' Choice Awards: Top 5 Best Resorts in Middle East	Condé Nast Traveler (USA)
Anantara Angkor	Luxury Hotel Spa: Country Winner – Cambodia	World Luxury Spa Awards
	Readers' Choice Awards: No. 1 Best Hotels in Cambodia	DestinAsian
Anantara Bazaruto Island	Mozambique's Best Resort Spa	World Spa Awards
Anantara Chiang Mai	Top 10 Boutique Hotels	Smart Travel Asia
Anantara Dhigu Maldives	Readers' Choice Awards: Top 5 Best Hotels in Maldives	DestinAsian
Anantara Golden Triangle Elephant Camp	Readers' Choice Awards: Top 20 Best Resorts in Asia	Condé Nast Traveler (USA)
	World's Best Awards: No. 8 Top Resort Hotels in Southeast Asia	Travel + Leisure (USA)
Anantara Hoi An	Readers' Choice Awards: Top 5 Best Hotels in Vietnam	DestinAsian
Anantara Hua Hin	Readers' Choice Awards: No. 4 Best Hotel Spas	DestinAsian
	Readers' Choice Awards: Top 15 Best Resorts in Asia	Condé Nast Traveler (USA)
Anantara Kihavah Maldives Villas	World's Most Instagrammable Hotel	Luxury Travel Advisor
Anantara Mai Khao Phuket Villas	Best Beach Resort	TTG Travel Awards
Anantara Mui Ne	Readers' Choice Awards: No. 7 Best Hotels in Vietnam	DestinAsian

Anantara Peace Haven Tangalle	Awards for Excellence: Best Treatment Menu	Condé Nast Johansens
	Readers' Choice Awards: Top 20 Best Resorts in Asia	Condé Nast Traveler (USA)
	Sri Lanka's Leading Resort	World Travel Awards
Anantara Seminyak Bali	Readers' Choice Awards: Top 10 Best Boutique Hotels	DestinAsian
Anantara Siam Bangkok	Best Luxury Hotel in Thailand	Haute Grandeur Excellence Awards
	Readers' Choice Awards: Top 3 Best Hotels in Thailand	DestinAsian
Anantara Sir Bani Yas Island	Readers' Choice Awards: Top 10 Best Resorts in Middle East	Condé Nast Traveler (USA)
Anantara The Palm Dubai	Readers' Choice Awards: No. 2 Best Resorts in Middle East	Condé Nast Traveler (USA)
	Winner of Middle East's Leading Villa Resort	World Travel Awards
Anantara Uluwatu Bali	Readers' Choice Awards: No. 4 Best Boutique Hotels	DestinAsian
Anantara Veli Maldives	Indian Ocean's Best Wellness Retreat	World Spa Awards
Anantara Vilamoura Algarve	Readers' Choice Awards: Top 15 Best Resorts in Europe	Condé Nast Traveler (USA)
AVANI Hotels & Resorts	The Best Content Marketing	Asia-Pacific Excellence Awards
AVANI Avenida Liberdade Lisbon	Best Video by a Hospitality Brand	Travel Video Awards
AVANI+ Luang Prabang	Hot List 2018	Condé Nast Traveler (Spain)
Banana Island Doha by Anantara	Continent Winner ME – Luxury Destination Spa	World Luxury Spa Awards
Elsa's Kopje Meru, Elewana Collection	2018 Hall of Fame	TripAdvisor
Four Seasons Chiang Mai	The Best Luxury Hotel in Mae Rim, Thailand	Luxury Lifestyle Awards
	World's Best Awards: Top 10 Resort Hotels in Southeast Asia	Travel + Leisure (USA)
Four Seasons Koh Samui	Best Island Hotel on a Global Level	Haute Grandeur Global Excellence Awards
	Global Brand Awards: Winner of Best Luxury Resort	Global Brands Magazine
	World's Best Awards: Top 10 Resort Hotels in Southeast Asia	Travel + Leisure (USA)
Four Seasons Tented Camp Golden Triangle	Best Tented Safari Experience on a Global Level	Haute Grandeur Global Excellence Awards
	The Best Luxury Hotel 2018 – Chiang Rai	LUX Hotel & Spa Awards
	World's Best Awards: Top 10 Resort Hotels in Southeast Asia	Travel + Leisure (USA)
JW Marriott Phuket	Editor's Choice Awards: Best Beach Hotels & Resorts: Best for Families	TripSavvy
	Reader's Choice Award: Best Hotel (Family Trip)	Expatriate Living
	Thailand MICE Venue Standard Award 2018	Thailand Convention and Exhibition Bureau

Kifaru House, Elewana Collection	Africa's Most Stunning Views	Boutique Hotel Awards
Kilindi Zanzibar, Elewana Collection	Africa Continent – Luxury Beach Villa	World Luxury Hotel Awards
Loisaba Tented Camp, Elewana Collection	Global Win – Luxury Tented Safari Camp	World Luxury Hotel Awards
Naladhu Private Island Maldives	Readers' Choice Awards: No. 1 Best Resorts in the Indian Ocean	Condé Nast Traveler (USA)
	Readers' Choice Awards: Top 3 Best Resorts in the World	Condé Nast Traveler (USA)
Niyama Private Islands Maldives	Readers' Choice Awards: Top 5 Best Hotels in Maldives	DestinAsian
	Romantic Hotel/Resort of the Year	AsiaSpa Magazine
Oaks Bangkok Sathorn	2018 Hall of Fame	TripAdvisor
Oaks Cypress Lakes	Australia's Best Golf Hotel	World Golf Awards
Oaks Metropole	2018 Hall of Fame	TripAdvisor
Oaks Oasis	Australia's Top 10 Best Family Resorts	Holidays with Kids Magazine (Australia)
Qasr Al Sarab Desert by Anantara	Best Luxury Desert Resort Worldwide	Hotel of the Year Awards
	Best Luxury Family Villa Resort Worldwide	Hotel of the Year Awards
	Readers' Choice Awards: No. 1 Best Resorts in Middle East	Condé Nast Traveler (USA)
Royal Livingstone Victoria Falls Zambia by Anantara	Readers' Choice Awards: Top 20 Best Hotels in Africa	Condé Nast Traveler (USA)
The Manor at Ngorongoro, Elewana Collection	2018 Hall of Fame	TripAdvisor
The St. Regis Bangkok	AMCHAM Corporate Social Responsibility Excellence Recognition	The American Chamber of Commerce in Thailand
	Best Luxury Business Hotel in Thailand	World Luxury Hotel Awards
	Best Luxury Hotel Residence Worldwide	Hotel of the Year Awards
	Readers' Choice Awards: Thailand Top 10 Best Hotels & Resorts	DestinAsian
	Smart Travel Asia Awards: No. 1 Business Hotel in Asia	Smart Travel Asia
Tivoli Avenida Liberdade Lisboa	Readers' Choice Awards: No. 4 Best Hotels in Spain and Portugal	Condé Nast Traveler (USA)
Tivoli Carvoeiro Algarve	Best for Families	Condé Nast Johansens
Tivoli Ecoresort Praia Do Forte Bahia	Brazil's Best Resort Spa	World Spa Awards
Tivoli Mofarrej São Paulo	The Best Luxury City Hotel in Latin America	World Luxury Hotel Awards
	Travelers' Choice: Top 25 Luxury Hotels in Brazil	TripAdvisor
Tivoli Palácio de Seteais Sintra	Best Hotel for International Escapade	Condé Nast Traveler (Spain)
Green Growth 2050 Members	Total 54 Certification Member Hotels; 2 with Platinum Certification and 35 with Gold Certification	

NH Hotel Group



NH Hotel Group	Best Business Travel Hotel Chain	Business Traveler & MICE Awards (The Netherlands)
	Best Hotel Chain for Corporate Travel	Business Travel IBTA Awards (Spain)
	Excellent Company within the Hospitality Sector	Eccellenza Awards (Italy)
	Top 3 Best Business Hotel Chain	Business Traveler (UK)
	Top 3 Best Worldwide Hotel Chain for Business Travelers	Business Traveler (Germany)
NH Hotel Group, Corporate	2018 All-Europe Executive Team Rankings: Spain's Most Honored Full Sector & Mid-Cap Company Winner	Institutional Investor
	2018 All-Europe Executive Team – Small & Midcap: Best CFO in Consumer: Leisure & Hotels Sector Overall	Institutional Investor
	Best Digital Transformation in Treasury	Eurofinance Awards
	2018 All-Europe Executive Team – Small & Midcap: Best Investor Relations Program in Consumer: Leisure & Hotels Sector Overall	Institutional Investor
NH Milano Congress Center	Best Location for Business Meetings and Events in Northern Italy	IMA Awards
NH Collection Roma Vittorio Veneto	Best Hotel Business for the Center-Southern Italy	IMA Awards
NH Collection Grand Convento di Amalfi	Readers' Choice Awards: Top 20 Hotels in Italy (not including Rome, Florence or Venice)	Condé Nast Traveler (USA)
NH Cape Town The Lord Charles	Best Luxury Hotel & Conference Center in South Africa	World Luxury Hotel Awards

Minor Food



Minor Food	Thailand's Top Corporate Brand Values 2018 in Food & Beverage Sector	Chulalongkorn Business School and The Stock Exchange of Thailand
Swensen's	Best Brand Performance and Social Media by Category "Dessert & Beverage Cafe", Thailand Social Awards 2019	Wisesight
Dairy Queen	First Runner Up in Top Curl Award 2018	International Dairy Queen
Minor Cheese Limited	Thailand Occupational Health and Safety Award Program (Gold Level)	Department of Labor Protection and Welfare, Ministry of Labor
	White Factory Award	Department of Labor Protection and Welfare, Ministry of Labor
	The Excellent Establishment on Labor Relations and Welfare 2018 (National Level)	Ministry of Labor
Minor Dairy Limited	White Factory Award	Department of Labor Protection and Welfare, Ministry of Labor
	The Excellent Establishment on Labor Relations and Welfare 2018 (National Level)	Ministry of Labor
Pecan Deluxe	Thailand Occupational Health and Safety Award Program (Gold Level)	Department of Labor Protection and Welfare, Ministry of Labor
	White Factory Award	Department of Labor Protection and Welfare, Ministry of Labor



AVANI
HOTELS
& RESORTS

AVANI Broadbeach
Gold Coast Residences

AVANI



Report of the Board of Directors' Responsibilities for Financial Statements

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

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

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

William Ellwood Heinecke
Chairman of the Board of Directors



Report of the Audit Committee

Composition of the Audit Committee

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

Audit Committee's Principal Responsibilities

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

The Audit Committee met with the management, the internal and external auditors of the Company, conducted reviews and evaluations of accounting policies, the procedures relative to the accounting policies, the internal control assessment, and the audit plan. Also, an independently meeting of Audit Committee and external auditor was held each quarter to discuss accounting related issues without the presence of management. The Audit Committee also verified and accepted the consolidated financial statements for every quarter-end and provided assessments and recommendations to the Board of Directors. Where weaknesses were identified in internal controls, corrective and preventive action plans were timely established to eliminate or mitigate impact of the associated risks. The Board of Directors, following the review and recommendations of the Audit Committee, approved the policy and reports for related party transactions.

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

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

The Audit Committee's Principal Activities during the Year

In 2018, the Committee's principal activities including the following matters:

1. Reviewed and approved quarterly consolidated financial statement and full year consolidated financial statements, considered the connected party transactions arising in 2018 were rational and contributed benefits to the Company, and provided assessments and recommendations to the Board of Directors.
2. Reviewed on a quarterly basis, the status of the Company's compliance with laws and regulations of The Stock Exchange of Thailand, the Securities and Exchange Commission and other relevant laws pertaining to the Company's business.
3. Reviewed accomplishments of the Company with respect to the performance effectiveness especially performance of new project operations and of overseas subsidiaries.
4. Reviewed the suitability and efficiency of internal control system and internal audit system, including determining the Group Internal Audit's independence. The Committee also approved the Group Internal Audit Plan and reviewed the results of internal audit reports and their agreed improvement actions.
5. Reviewed the Company's self-evaluation for countering bribery to recertify its Anti-Corruption Certification which was submitted to Thailand's Private Sector Collective Action Against Corruption (CAC) Committee.
6. Monitored risk management processes for the Group and Risk Management Plan and its mitigation actions of each Business Unit.
7. Considered independently the nomination and appointment of external auditor and the annual audit fee for 2018. The Committee also had a non-management meeting with the external auditor during 2018.
8. The minutes of the Audit Committee Meetings were sent to the Board of Directors for acknowledgement. Major issues were discussed in the Board of Directors meetings.

The Audit Committee Provided the Following Opinions

1. The Company's 2018 financial reports are accurate, complete, and reliable. The internal control systems for financial reporting process were appropriate.
2. The Company complied with the securities laws, the Exchange's regulations, and other laws relating to the Company's businesses in all material aspects.
3. The Company's internal control systems and risk management process were appropriate and suitable. Assets are appropriately safeguarded, proper accounting records are maintained, and resources are effectively and efficiently utilized.
4. The Group Internal Audit Department performed its duty appropriately and effectively.
5. The Company's self-evaluation for countering bribery was accurate and sufficient to send to CAC Committee for the purposes of re-certification process.
6. PricewaterhouseCoopers ABAS, the Company's external auditor, is suitable and provided appropriate services.
7. The related transactions arising in 2018 were rational and contributed optimal benefits of the Company.

8. For the year 2018, the Audit Committee held four meetings to review the Company's consolidated financial statements that had been certified by the external auditor and the Group's internal audit results and corrective actions.

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

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

** Appointed on 18 January 2018 and resigned on 17 April 2018*

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

The Audit Committee has recommended to the Board of Directors that PricewaterhouseCoopers ABAS be reappointed as the Company's auditor for the financial year ending 31 December 2019. The re-appointment of the audit firm and acceptance of its fees will be subject to the approval of the shareholders at the Annual General Meeting.



Khunying Jada Wattanasiritham
Chairman of the Audit Committee



Independent Auditor's Report

To the shareholders of Minor International Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Minor International Public Company Limited ("the Company") and its subsidiaries ("the Group") and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2018, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2018;
- the consolidated and separate income statements for the year then ended;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
<p>Business combination</p> <p>Refer to Note 35 to the financial statements related to acquisition of subsidiaries.</p> <p>During the year ended 31 December 2018, the Group has acquired NH Hotel Group S.A., which is a large hotel chain in Spain, for a total purchase consideration of Baht 86,867 million. The Group has acquired material amount of assets and liabilities under this acquisition. Management assessed that this acquisition is qualified as a business combination and significant management judgement were exercised on the valuation of tangible and intangible assets acquired. Following the transaction, management has determined gain on bargain purchase of Baht 708 million.</p> <p>An important element of auditing this business combination transaction relates to the valuation of net assets acquired and liabilities assumed under the Purchase Price Allocation (PPA), where management engaged external valuation expert to complete the exercise based on several key assumptions.</p> <p>I focused on this area as the transaction is material in amount to the consolidated financial statements, representing significant portion to the Group's assets and it also relates to significant judgement that management exercised on the valuation of net assets acquired, the PPA, and accordingly gain on bargain purchase.</p>	<p>The audit procedures included the followings:</p> <p>I reviewed the purchase transactions and related agreements to obtain an understanding of the transactions and reviewed management's assessment to evaluate that the acquisition should be accounted for as business combination and also identify date of control of this business combination transaction.</p> <p>I assessed the competence, independence and objectivity of the external valuation expert engaged by management.</p> <p>I assessed management's procedures and assumptions in determining the fair value of the assets acquired and liabilities assumed by comparing management's assumptions to data from other independent sources to assess appropriateness of key financial assumptions applied in the Purchase Price Allocation (PPA). In performing such work, I also involved my auditor's expert to support my assessment of the reasonableness of the assumptions.</p> <p>I tested the calculation of the PPA and gain on bargain purchase arising from the acquisition, being the difference between the total net consideration paid and the fair value of the net assets acquired.</p> <p>I evaluated the adequacy of the disclosures made in notes of the financial statements.</p> <p>Based on the above procedures, I considered management's key assumptions used in assessing the fair value of the net assets acquired to be reasonable based on available evidences.</p>
<p>Assessment of goodwill impairment</p> <p>Refer to Note 4 to the financial statements for critical accounting estimates and judgements related to goodwill.</p> <p>The Group has goodwill of Baht 7,383 million as at 31 December 2018, which mainly relates to 2 business segments which are Hotel & Spa and Restaurant. The Group is required to, at least annually, test goodwill for impairment.</p> <p>For the year ended 31 December 2018, the management have performed an impairment assessment over the goodwill 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 to the 5th year. These cash flows were then discounted to net present value using the weighted average cost of capital (WACC); and 2. Comparing the resulting value in use of each CGU to their respective book values. <p>Based on the annual goodwill impairment test, the management concluded there is no goodwill impairment as at 31 December 2018. The key assumptions are disclosed in Note 18 to the financial statements.</p> <p>I focused on this area due to the size of goodwill balance of around 3% of total assets and the annual assessment process involves significant management judgement, which is based on assumptions that are affected by expected future market and economic conditions.</p>	<p>The audit procedures included the followings:</p> <p>I obtained, understood and evaluated the composition of management's cash flow forecasts and the process by which they were developed, including test the mathematical accuracy of the underlying calculations.</p> <p>I compared current year actual results with the figures included in the prior year forecast to consider whether any forecasts included assumptions that, with hindsight, had been optimistic.</p> <p>I assessed management's key assumptions by comparing them to historical results and economic and industry outlook.</p> <p>I reviewed parameters used to determine the discount rate applied and re-performed the calculations.</p> <p>I assessed management on the adequacy of their sensitivity calculations over all their CGUs. The valuation of goodwill are sensitive to changes in key assumptions such as revenue growth and discount rate, in case they are not achieved, could reasonably be expected to give rise to impairment charge in the future.</p> <p>I evaluated the adequacy of the disclosures made in notes of the financial statements, including those regarding the key assumptions and sensitivity of those assumptions.</p> <p>Based on the above procedures, I considered management's key assumptions used in assessing the goodwill impairment to be reasonable based on available evidences.</p>

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.



Anothai Leekitwattana

Certified Public Accountant [Thailand] No. 3442

Bangkok

26 February 2019



Statement of Financial Position

As at 31 December 2018

		Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
	Notes	Baht	Restated Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	12,759,883,522	5,336,158,898	111,546,471	1,079,134,211
Short-term investment	13	-	1,695,238,408	-	-
Trade and other receivables	8	14,941,370,577	8,261,569,127	1,545,542,689	1,121,135,591
Inventories	9	3,704,741,879	3,116,646,560	6,989,405	6,810,348
Land and real estates project for sales	10	1,895,809,186	1,886,563,777	-	-
Other current assets	11	2,616,109,537	1,233,641,355	60,104,226	84,404,578
Non-current assets classified as held-for-sale	12	2,188,069,723	-	-	-
Total current assets		38,105,984,424	21,529,818,125	1,724,182,791	2,291,484,728
Non-current assets					
Trade receivables long-term contracts	8	3,383,355,977	3,237,938,264	-	-
Available-for-sale investments	13	26,166,370	29,940,218	24,754,790	28,554,770
Investments in subsidiaries	14	-	-	6,171,579,290	6,073,492,298
Investments in associates	14	7,159,591,855	7,087,166,244	2,779,663,176	2,767,066,898
Interests in joint ventures	14	2,801,463,271	3,542,424,779	-	5,484,460
Other long-term investments	13	531,658,469	67,325	-	-
Long-term loans to related parties	15	6,095,827,806	6,174,383,316	141,521,128,254	55,931,483,047
Investment properties	16	1,186,244,914	1,189,713,028	-	-
Property, plant and equipment	17	133,124,899,216	51,376,308,409	196,789,346	233,013,162
Intangible assets	18	62,321,296,375	19,875,743,012	22,780,361	3,838,534
Prepaid rents	19	2,393,678,961	2,458,481,149	-	622,849
Deferred tax assets	31	6,257,144,849	805,406,498	-	-
Other non-current assets	20	4,312,998,850	1,792,900,010	418,659,374	44,014,816
Total non-current assets		229,594,326,913	97,570,472,252	151,135,354,591	65,087,570,834
Total assets		267,700,311,337	119,100,290,377	152,859,537,382	67,379,055,562

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Financial Position [Cont'd]

As at 31 December 2018

		Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
	Notes	Baht	Restated Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	21	3,480,538,468	1,554,533,245	3,427,833,826	1,000,962,153
Trade and other payables	22	21,989,418,472	8,952,708,641	538,303,747	468,123,899
Short-term borrowings from related parties	21	-	-	2,089,180,139	1,707,306,993
Current portion of finance lease liabilities	21	13,998,602	7,474,588	-	-
Current portion of long-term borrowings					
from financial institutions	21	9,635,759,029	1,757,932,380	9,303,839,271	653,618,000
Current portion of debentures	21	4,502,710,140	2,000,000,000	4,500,000,000	2,000,000,000
Current portion of deferred income		189,907,543	125,473,201	1,377,745	194,642
Income tax payable		491,518,780	325,609,358	21,110,020	17,969,252
Other current liabilities	23	3,125,044,103	1,878,956,661	38,015,572	54,088,637
Total current liabilities		43,428,895,137	16,602,688,074	19,919,660,320	5,902,263,576
Non-current liabilities					
Finance lease liabilities	21	21,823,896	10,264,789	-	-
Long-term borrowings	21	73,231,947,709	21,698,332,404	61,687,828,310	13,546,109,566
Debentures	21	36,007,094,338	23,134,045,000	22,575,011,352	23,134,045,000
Employee benefits obligations	24	911,807,578	222,234,045	16,317,710	16,823,424
Deferred tax liabilities	31	26,587,393,882	5,693,139,078	139,145,422	153,454,388
Other non-current liabilities	25	4,437,226,277	1,235,461,944	4,283,061	162,588,090
Total non-current liabilities		141,197,293,680	51,993,477,260	84,422,585,855	37,013,020,468
Total liabilities		184,626,188,817	68,596,165,334	104,342,246,175	42,915,284,044

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Financial Position [Cont'd]

As at 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Restated Baht	2018 Baht	2017 Baht
Liabilities and equity [Cont'd]					
Equity					
Share capital	26				
Authorised share capital					
4,618,914,291 ordinary shares of					
Baht 1 each (2017: 4,621,828,347					
ordinary shares of Baht 1 each)		4,618,914,291	4,621,828,347	4,618,914,291	4,621,828,347
Issued and paid-up share capital					
4,618,914,291 ordinary shares of					
Baht 1 each	26	4,618,914,291	4,618,914,291	4,618,914,291	4,618,914,291
Share premium ordinary shares	26	15,014,609,717	15,014,609,717	14,988,957,341	14,988,957,341
Expired warrants in a subsidiary		104,788,723	104,788,723	-	-
Retained earnings					
Appropriated - legal reserve	27	464,178,907	464,178,907	464,178,907	464,178,907
Unappropriated		34,624,841,755	31,062,493,233	5,250,947,891	4,972,290,549
Other components of equity	28	(6,681,488,019)	(3,936,391,289)	(583,606,825)	(580,569,570)
Total		48,145,845,374	47,328,593,582	24,739,391,605	24,463,771,518
Perpetual debentures	34	23,777,899,602	-	23,777,899,602	-
Equity attributable to owners of the parent		71,923,744,976	47,328,593,582	48,517,291,207	24,463,771,518
Non-controlling interests		11,150,377,544	3,175,531,461	-	-
Total equity		83,074,122,520	50,504,125,043	48,517,291,207	24,463,771,518
Total liabilities and equity		267,700,311,337	119,100,290,377	152,859,537,382	67,379,055,562

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Income Statement

For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
Revenues	6				
Revenues from hotel and related services operations		44,245,956,139	24,558,688,636	588,112,376	541,679,600
Revenues from mixed use operations		4,230,119,476	4,706,497,865	92,555,926	105,210,292
Sales of food and beverage		22,080,498,673	21,680,963,164	-	-
Sales from distribution and manufacturing		4,380,956,478	4,054,865,362	-	-
Dividends income		456,386,734	38,849,153	1,227,496,853	1,564,210,709
Interest income		605,175,207	501,660,627	3,050,277,921	1,894,414,520
Other income	29	2,840,966,464	2,027,900,447	154,323,924	46,104,452
Total revenues		78,840,059,171	57,569,425,254	5,112,767,000	4,151,619,573
Expenses	30				
Direct cost of hotel and related services operations		22,749,174,678	12,500,810,129	234,674,060	261,720,656
Direct cost of mixed use operations		1,054,522,199	1,386,549,699	67,141,336	74,138,607
Cost of sales of food and beverage		6,488,540,286	6,395,633,930	-	-
Cost of sales from distribution and manufacturing		2,474,610,493	2,363,440,317	-	-
Selling expenses		18,513,730,373	16,140,465,730	145,272,932	97,055,038
Administrative expenses		18,431,011,968	11,693,016,227	599,558,547	500,637,267
Results from exposure to hyperinflation		(342,760,006)	-	-	-
Financial costs		2,868,581,300	1,756,739,216	1,900,566,429	1,241,409,985
Total expenses		72,237,411,291	52,236,655,248	2,947,213,304	2,174,961,553

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Income Statement [Cont'd]

For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
Operating profit		6,602,647,880	5,332,770,006	2,165,553,696	1,976,658,020
Share of profit of investments in associates and joint ventures	14	487,939,496	1,074,244,208	-	-
Profit before income tax		7,090,587,376	6,407,014,214	2,165,553,696	1,976,658,020
Income tax	31	(1,373,984,967)	(787,072,461)	(42,117,088)	(3,440,402)
Profit for the year		5,716,602,409	5,619,941,753	2,123,436,608	1,973,217,618
Profit attributable to:					
Owners of the parent		5,444,770,759	5,415,397,011	2,123,436,608	1,973,217,618
Non-controlling interests		271,831,650	204,544,742	-	-
		5,716,602,409	5,619,941,753	2,123,436,608	1,973,217,618
Earnings per share	32				
Basic earnings per share		1.1788	1.2192	0.4597	0.4442
Diluted earnings per share		1.1332	1.2192	0.4141	0.4442

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Comprehensive Income

For the year ended 31 December 2018

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Profit for the year	5,716,602,409	5,619,941,753	2,123,436,608	1,973,217,618
Other comprehensive (expense) income:				
Item that will not be reclassified subsequently to income statement				
Remeasurements of post-employment benefit obligations, net of tax	(34,875,888)	-	2,767,083	-
Total item that will not be reclassified subsequently to income statement	[34,875,888]	-	2,767,083	-
Items that will be reclassified subsequently to income statement				
Gain (loss) on remeasuring of available-for-sale investments, net of tax	106,751,208	(105,615,051)	(3,037,255)	4,410,438
Exchange differences on translating financial statements, net of tax	(2,083,895,857)	(982,605,819)	-	-
Total items that will be reclassified subsequently to income statement	[1,977,144,649]	[1,088,220,870]	[3,037,255]	4,410,438
Other comprehensive (expense) income for the year, net of tax	[2,012,020,537]	[1,088,220,870]	[270,172]	4,410,438
Total comprehensive income for the year	3,704,581,872	4,531,720,883	2,123,166,436	1,977,628,056
Total comprehensive income attributable to:				
Owners of the parent	3,616,294,668	4,376,909,271	2,123,166,436	1,977,628,056
Non-controlling interests	88,287,204	154,811,612	-	-
	3,704,581,872	4,531,720,883	2,123,166,436	1,977,628,056

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Changes in Equity

For the year ended 31 December 2018

Consolidated financial statements [Baht]													
Attributable to owners of the parent													
Notes	Issued and paid-up share capital	Share premium	Expired warrants in a subsidiary	Legal reserve	Unappropriated retained earnings	Other components of equity							
						Discount on business combination under common control	Discount on additional investment in subsidiary	Other comprehensive income		Total others component of equity	Total owners of the parent	Non-controlling interests	Total equity
								Remeasuring of available-for-sale investments	Translation adjustment				
Opening balance as at 1 January 2017	4,410,368,436	7,639,594,103	104,788,723	464,178,907	27,190,682,429	(755,412,590)	(400,242,159)	3,360,933	(1,255,593,207)	(2,407,887,023)	37,401,725,575	3,395,100,685	40,796,826,260
Changes in equity for the year													
Additional ordinary shares	208,545,855	7,375,015,614	-	-	-	-	-	-	-	-	7,583,561,469	157,363,926	7,740,925,395
Business combination	-	-	-	-	-	-	-	-	-	-	-	(203,973,721)	(203,973,721)
Additional investment in subsidiary	-	-	-	-	-	-	(490,016,526)	-	-	(490,016,526)	(490,016,526)	(695,582,008)	(1,185,598,534)
Dividend paid	33	-	-	-	(1,543,586,207)	-	-	-	-	-	(1,543,586,207)	(115,385,654)	(1,658,971,861)
Total comprehensive income for the year	-	-	-	-	5,415,397,011	-	-	(105,615,051)	(932,872,689)	(1,038,487,740)	4,376,909,271	154,811,612	4,531,720,883
Closing balance as at 31 December 2017 [as previously reported]	4,618,914,291	15,014,609,717	104,788,723	464,178,907	31,062,493,233	(755,412,590)	(890,258,685)	(102,254,118)	(2,188,465,896)	(3,936,391,289)	47,328,593,582	2,692,334,840	50,020,928,422

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Changes in Equity [Cont'd]

For the year ended 31 December 2018

Consolidated financial statements [Baht]														
Attributable to owners of the parent														
Notes	Issued and paid-up share capital	Share premium	Expired warrants in a subsidiary	Legal reserve	Unappropriated retained earnings	Other components of equity								
						Discount on business combination under common control	Discount on additional investment in subsidiary	Remeasuring of available-for-sale investments	Translation adjustment	Total others component of equity	Perpetual debentures	Total owners of the parent	Non-controlling interests	Total equity
Beginning balance as at 1 January 2018 [as previously reported]	4,618,914,291	15,014,609,717	104,788,723	464,178,907	31,062,493,233	(755,412,590)	(890,258,685)	(102,254,118)	(2,188,465,896)	(3,936,391,289)	-	47,328,593,582	2,692,334,840	50,020,928,422
Retrospective adjustment from completion of fair value measurement	35	-	-	-	-	-	-	-	-	-	-	-	483,196,621	483,196,621
Beginning balance after adjustment [restated]	4,618,914,291	15,014,609,717	104,788,723	464,178,907	31,062,493,233	(755,412,590)	(890,258,685)	(102,254,118)	(2,188,465,896)	(3,936,391,289)	-	47,328,593,582	3,175,531,461	50,504,125,043
Changes in equity for the year														
Additional ordinary shares	-	-	-	-	-	-	-	-	-	-	-	-	75,285,515	75,285,515
Business combination	-	-	-	-	-	-	-	-	-	-	-	-	8,047,095,441	8,047,095,441
Additional investment in subsidiary	-	-	-	-	-	-	(951,496,527)	-	-	(951,496,527)	-	(951,496,527)	(12,425,224)	(963,921,751)
Dividend paid	33	-	-	-	(1,847,546,349)	-	-	-	-	-	-	(1,847,546,349)	(223,396,853)	(2,070,943,202)
Issuance of perpetual debentures	34	-	-	-	-	-	-	-	-	-	23,777,899,602	23,777,899,602	-	23,777,899,602
Total comprehensive income for the year	-	-	-	-	5,409,894,871	-	-	106,751,208	(1,900,351,411)	(1,793,600,203)	-	3,616,294,668	88,287,204	3,704,581,872
Closing balance as at 31 December 2018	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

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Changes in Equity [Cont'd]

For the year ended 31 December 2018

Separate financial statements [Baht]									
		Other components of equity							
						Discount on business combination under common control	Other comprehensive income		
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated retained earnings		Remeasuring of available-for-sale investments	Total others component of equity	Total equity
Opening balance as at 1 January 2017		4,410,368,436	7,613,941,727	464,178,907	4,542,659,138	(587,397,515)	2,417,507	(584,980,008)	16,446,168,200
Changes in equity for the year									
Additional ordinary shares	26	208,545,855	7,375,015,614	-	-	-	-	-	7,583,561,469
Dividend paid	33	-	-	-	(1,543,586,207)	-	-	-	(1,543,586,207)
Total comprehensive income for the year		-	-	-	1,973,217,618	-	4,410,438	4,410,438	1,977,628,056
Closing balance as at 31 December 2017		4,618,914,291	14,988,957,341	464,178,907	4,972,290,549	[587,397,515]	6,827,945	[580,569,570]	24,463,771,518

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Changes in Equity [Cont'd]

For the year ended 31 December 2018

Separate financial statements [Baht]									
	Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated retained earnings	Other components of equity			
						Discount on business combination under common control	Other comprehensive income	Total other components of equity	Perpetual debentures
Opening balance as at 1 January 2018		4,618,914,291	14,988,957,341	464,178,907	4,972,290,549	(587,397,515)	6,827,945	(580,569,570)	-
Changes in equity for the year									
Dividend paid	33	-	-	-	(1,847,546,349)	-	-	-	-
Issuance of perpetual debentures	34	-	-	-	-	-	-	-	23,777,899,602
Total comprehensive income for the year		-	-	-	2,126,203,691	-	(3,037,255)	(3,037,255)	-
Closing balance as at 31 December 2018		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

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Cash Flows

For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cash flows from operating activities					
Profit before income tax		7,090,587,376	6,407,014,214	2,165,553,696	1,976,658,020
Adjustments for:					
Depreciation and amortisation	16 - 19	5,725,168,750	4,130,145,554	59,572,585	103,932,157
Amortisation of borrowing cost	21	130,007,576	7,486,760	90,698,522	-
Gain from fair value of short-term investment	13	(25,664,856)	-	-	-
Gain from bargain purchases	35	(828,802,405)	-	-	-
Gain from fair value adjustment on change in status of trading investment		-	(163,784,778)	-	-
Doubtful accounts (Reversal)		193,524,111	(104,519,657)	(190,123)	42,845
Reversal inventory obsolescence	9	(8,165,652)	(272,219)	-	-
Share of profit of investments in associates and joint ventures	14	(487,939,496)	(1,074,244,208)	-	-
Results from exposure to hyperinflation		(342,760,006)	-	-	-
Interest expenses		2,868,581,300	1,756,739,216	1,900,566,429	1,241,409,985
Interest income		(605,175,207)	(501,660,627)	(3,050,277,921)	(1,894,414,520)
Dividends income		(456,386,734)	(38,849,153)	(1,227,496,853)	(1,564,210,709)
Translation adjustment		230,842,599	(12,523,061)	-	-
Unrealised (gain) loss on exchange rate		(1,803,128,847)	(517,795,215)	287,267,421	14,684,502
Impairment of investment in associate	14	280,000,000	-	-	-
Loss (gain) on disposals, impairment charge and write-off of property, plant and equipment and investment properties		264,450,915	206,450,464	199,181	(181,978)
Loss (gain) on disposals, impairment charge and write-off of intangible assets and prepaid rents		94,206,826	85,861,856	(7,000)	-
Employee benefit obligations	24	44,833,062	34,073,098	3,496,666	1,858,741

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Cash Flows [Cont'd]

For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
Changes in operating assets and liabilities					
Trade and other receivables		(97,742,191)	(1,975,366,438)	(424,216,975)	(211,709,364)
Inventories		(267,770,613)	(132,957,931)	(179,057)	(1,010,337)
Land and real estates project for sales		14,407,426	578,398,385	-	-
Other current assets		(549,759,923)	151,231,117	18,466,921	15,700,051
Other non-current assets		933,918,968	653,505,890	(749,347,214)	(1,604,168)
Trade and other payables		1,875,802,142	323,732,314	(215,032,321)	(16,015,672)
Other current liabilities		(3,592,472,726)	(170,244,186)	(17,792,245)	(12,429,133)
Employee benefits paid	24	(50,609,157)	(33,322,197)	(543,520)	(1,423,000)
Other non-current liabilities		421,440,944	(278,762,424)	(158,305,028)	716,238
Cash generated from [used in] operations		11,051,394,182	9,330,336,774	[1,317,566,836]	[347,996,342]
Interest paid		(2,519,098,390)	(1,747,165,299)	(1,876,847,675)	(1,208,160,133)
Income tax (paid) received		(1,171,987,690)	(998,359,468)	(44,479,824)	5,044,435
Net cash generated from [used in] operating activities		7,360,308,102	6,584,812,007	[3,238,894,335]	[1,551,112,040]

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Cash Flows [Cont'd]

For the year ended 31 December 2018

		Consolidated financial statements		Separate financial statements	
	Notes	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cash flows from investing activities					
Cash paid for loans to related parties	15	(344,569,180)	(1,219,329,012)	(94,672,566,718)	(17,408,469,125)
Cash received from loans to related parties	15	677,092,208	321,783,378	6,846,348,368	-
Increase in loans to other companies		(1,418,256,237)	(562,149,622)	(10,000)	(570,000)
Acquisition of subsidiaries, net cash acquired		(77,607,780,651)	(856,816,967)	-	-
Repayment of loans related to acquisition of subsidiary		-	(1,487,754,483)	-	-
Cash invested in general investment	13	(105,656,426)	(23,019)	-	-
Cash invested in available-for-sale investments	13	-	(2,044,983,332)	-	(827)
Cash in investments in subsidiaries	14	-	-	(98,086,992)	-
Cash invested in investments in associate	14	(26,403,478)	(72,439,811)	(12,596,278)	-
Cash invested in investments in joint ventures	14	(187,993,764)	(647,885,097)	-	-
Proceeds from sale of investments	13	1,669,054,659	616,144,008	10,000	100,000,000
Redemption of investment in joint ventures	14	1,049,433,834	-	5,484,460	-
Interest received		605,175,207	437,675,910	3,050,277,921	1,894,414,520
Dividends received		833,402,133	355,036,414	1,227,496,853	1,564,210,709
Purchases for investment properties		(129,964,361)	(33,982,935)	-	-
Purchases of property, plant and equipment		(8,809,345,739)	(6,017,132,377)	(22,049,781)	(54,156,887)
Purchases of intangible assets and prepaid rents		(784,983,566)	(594,894,270)	(19,943,218)	(291,775)
Proceeds from disposal of assets held for sales		-	50,509,176	-	-
Proceeds from disposals of property, plant and equipment and investment properties		299,331,176	67,668,922	9,346	1,304,453
Proceeds from disposals of intangible assets		1,136,161,381	-	7,000	36,655,306
Net cash used in investing activities		[83,145,302,804]	[11,688,573,117]	[83,695,619,039]	[13,866,903,626]

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Cash Flows [Cont'd]

For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cash flows from financing activities					
Increase (decrease) in short-term borrowings from related parties	15	-	-	527,091,503	(548,078,729)
Receipts from short-term borrowings from financial institutions		64,867,969,500	10,051,435,785	64,742,203,170	10,051,435,785
Repayments of short-term borrowings from financial institutions		(62,538,247,058)	(9,543,912,709)	(62,051,944,909)	(9,452,932,759)
Receipts from long-term borrowings from financial institutions	21	85,537,786,106	11,974,838,170	84,110,365,470	11,063,764,370
Repayments of long-term borrowings from financial institutions	21	(27,014,972,713)	(10,608,030,668)	(26,340,990,799)	(148,356,180)
Repayments of financial lease liabilities		(1,615,151)	(6,778,138)	-	-
Receipts from issuance of debentures	21	4,006,242,548	3,689,830,000	4,006,242,548	3,689,830,000
Repayments of debentures	21	(3,682,811,066)	(4,300,000,000)	(2,000,000,000)	(4,300,000,000)
Receipts from issuance of ordinary shares by exercise of warrants	26	-	7,583,561,469	-	7,583,561,469
Cash received from non-controlling interest for disposal of investments in subsidiary		75,285,515	-	-	-
Cash paid to non-controlling interest for capital increase in subsidiaries	14	(1,029,604,075)	(1,183,465,338)	-	-
Cash received from non-controlling interest for additional investment in subsidiary		-	157,363,926	-	-
Dividends paid to shareholders	33	(1,847,546,349)	(1,543,586,207)	(1,847,546,349)	(1,543,586,207)
Dividends paid to non-controlling interests	33	(223,396,853)	(115,385,654)	-	-
Cash received from issuance of perpetual debentures	34	24,821,505,000	-	24,821,505,000	-
Net cash receipts from financing activities		82,970,595,404	6,155,870,636	85,966,925,634	16,395,637,749

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.



Statement of Cash Flows [Cont'd]

For the year ended 31 December 2018

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
Net increase [decrease] in cash and cash equivalents		7,185,600,702	1,052,109,526	[967,587,740]	977,622,083
Cash and cash equivalents at the beginning		5,291,559,556	4,305,175,604	1,079,134,211	101,512,128
Gain (loss) on exchange rate		235,827,372	(65,725,574)	-	-
Cash and cash equivalents, closing balance		12,712,987,630	5,291,559,556	111,546,471	1,079,134,211

Cash and cash equivalents as at 31 December

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cash and deposits with banks	7	12,759,883,522	5,336,158,898	111,546,471	1,079,134,211
Bank overdrafts	21	(46,895,892)	(44,599,342)	-	-
		12,712,987,630	5,291,559,556	111,546,471	1,079,134,211

Supplementary information for cash flows

Non-cash transactions

Significant non-cash activities for the years ended 31 December 2018 and 2017 are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Acquisition of property, plant and equipment by payable	504,343,869	20,049,150	384,280	384,280

The notes to the consolidated and separate financial statements on pages 100 to 263 form an integral part of the financial statements.

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2018

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

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

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

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

The Group engages in investment activities, hotel, restaurant operations, and distribution and manufacturing. The Group mainly operates in Thailand and also has operations in other countries such as 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 Group consolidated financial statements were authorised for issue by the Board of Directors on 26 February 2019.

2 Accounting policies

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

2.1 Basis for preparation

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

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

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

2 Accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

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

	Consolidated financial statements		
	As previously		
	reported	Reclassifications	As reclassified
	Baht	Baht	Baht
Income statement for the year ended			
31 December 2017			
Revenues from hotel and related services operations	23,387,663,340	1,171,025,296	24,558,688,636
Revenues from management services	1,171,025,296	(1,171,025,296)	-
Sales of real estates	4,258,264,213	(4,258,264,213)	-
Rental income from property business	345,183,360	(345,183,360)	-
Revenues from entertainment operations	103,050,292	(103,050,292)	-
Revenues from mixed use operations	-	4,706,497,865	4,706,497,865
Sales of food and beverage	20,016,221,594	1,664,741,570	21,680,963,164
Franchise fee income	1,664,741,570	(1,664,741,570)	-
Cost of sales of real estates	1,091,159,005	(1,091,159,005)	-
Direct cost of rental from property business	253,393,100	(253,393,100)	-
Direct cost of entertainment operations	41,997,594	(41,997,594)	-
Direct cost of mixed use operations	-	1,386,549,699	1,386,549,699

2 Accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

Certain figures in the comparative statement have been reclassified in order to be comparable to the presentation of the current year and to comply with the nature of transactions. The transactions are shown as follows: (Cont'd)

	Separate financial statements		
	As previously		
	reported	Reclassifications	As reclassified
	Baht	Baht	Baht
Income statement for the year ended			
31 December 2017			
Revenues from hotel and related services operations	493,033,352	48,646,248	541,679,600
Revenues from management services	48,646,248	(48,646,248)	-
Revenues from entertainment operations	105,210,292	(105,210,292)	-
Revenues from mixed use operations	-	105,210,292	105,210,292
Direct cost of entertainment operations	74,138,607	(74,138,607)	-
Direct cost of mixed use operations	-	74,138,607	74,138,607

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

2 Accounting policies (Cont'd)

2.2 Revised financial reporting standards and related interpretations

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018.

TAS 7 (revised 2017)	Statement of Cash Flows
TAS 12 (revised 2017)	Income Taxes
TFRS 12 (revised 2017)	Disclosure of Interests in Other Entities

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

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

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

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

The management applied such revised standards and considered that the above revised standards do not have a significant impact on the Group.

2 Accounting policies (Cont'd)

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

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective.

2.2.2.1 The FAP has announced new standard, TFRS15 Revenue from Contracts with Customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard.

TFRS 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.

An entity recognises revenue in accordance with that core principle by applying the following steps:

- 1) Identify contracts with customers
- 2) Identify the performance obligations in the contract
- 3) Determine the transaction price of the contract
- 4) Allocate the transaction price to each of the separate performance obligations, and
- 5) Recognise the revenue as each performance obligation is satisfied.

2 Accounting policies (Cont'd)

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

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.1 The FAP has announced new standard, TFRS15 Revenue from Contracts with Customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard. (Cont'd)

Key changes to current practice are:

- Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements.
- Revenue may be recognised earlier than under current standards if the consideration varies for any reasons (such as for incentives, rebates, performance fees, royalties, success of an outcome etc) - minimum amounts must be recognised if they are not at significant risk of reversal.
- The point at which revenue is able to be recognised may shift: some revenue which is currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa.
- There are new specific rules on licenses, warranties, non-refundable upfront fees and, consignment arrangements.
- As with any new standard, there are also increased disclosures.

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures.

The management has assessed the impact from this standard and does not expect the significant impacts of revenue recognition from adoption of the new standard.

2 Accounting policies (Cont'd)

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

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.2 Revised financial reporting standards will become effect for annual periods beginning on or after 1 January 2019 and are relevant to the Group. The Group has not yet adopt these standards.

TFRS 2 (revised 2018)	Share-based Payment
TAS 28 (revised 2018)	Investments in Associates and Joint ventures
TAS 40 (revised 2018)	Investment Property

TFRS 2, the amendments clarify;

The measurement basis for cash-settled share-based payments, vesting conditions, other than market conditions, shall not be taken into account when estimating the fair value of the cash-settled share-based payment at the measurement date. Instead, vesting conditions, other than market conditions, shall be taken into account

- by adjusting the number of awards included in the measurement of the liability arising from the transaction.
- Where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority, the whole award will be treated as if it was equity-settled provided it would have been equity-settled without the net settlement feature, and
- The accounting for modifications that change an award from cash-settled to equity-settled.

TAS 28, the amendment clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition.

TAS 40, the amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer.

2 Accounting policies (Cont'd)

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

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.3 The group of financial reporting standards related to financial instruments is effective for annual periods beginning on or after 1 January 2020. They comprise accounting standards and financial reporting standards as shown below. The early application is permitted only for the period beginning on or after 1 January 2019.

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 above new standards and interpretations will supersede the following standards:

TAS 101	Bad and Doubtful Debts
TAS 103	Disclosures in the Financial Statements of Bank and Similar Financial Institutions
TAS 104	Accounting for Troubled Debt Restructuring
TAS 105	Accounting for Investment in Debts and Equity securities
TAS 106	Accounting for Investment Companies
TAS 107	Financial Instruments: Disclosure and Presentation

TAS 32 Financial Instruments: Presentation, provides the requirements for the presentation financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.

TFRS 7 Financial Instruments: Disclosures, provides the requirements for the disclosure that are intended to enable users to evaluate the significance of financial instruments for an entity's financial position and performance, and to understand the nature and extent of risks arising from those financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks.

2 Accounting policies (Cont'd)

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

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.3 The Group of financial reporting standards related to financial instruments is effective for annual periods beginning on or after 1 January 2020. They comprise accounting standards and financial reporting standards as shown below. The early application is permitted only for the period beginning on or after 1 January 2019. (Cont'd)

TFRS 9 Financial Instruments, establishes principles for the classification, measurement and derecognition of financial assets and financial liabilities, impairment requirement and hedge accounting as follow:

- Classification and measurement:
 - The classification and measurement of debt instrument financial assets has three classification categories, which are amortised cost, fair value through profit or loss and fair value through other comprehensive income. Classification of debt assets will be driven by the entity's business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
 - Equity instrument financial assets shall be measured at fair value through profit or loss. An entity can make an irrevocable election to recognise the fair value change in other comprehensive income without subsequent recycling to profit or loss.
 - Financial liabilities are classified and measured at amortised cost. An entity can choose to measure a liability at fair value through profit or loss when the conditions are met.
 - Derivatives are classified and measured at fair value through profit or loss.
- The impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts. It is no longer necessary for a credit event to have occurred before credit losses are recognised. The entity always accounts for expected credit losses which involves a three stage approach. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. Except for trade receivables and contractual assets which apply in TFRS 15 and are no significant financial components and lease receivables, they are permitted to measure by simplified approach for credit impaired consideration.

2 Accounting policies (Cont'd)

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

2.2.2 New and revised financial reporting standards and interpretation which have been issued but not yet effective. (Cont'd)

2.2.2.3 The group of financial reporting standards related to financial instruments is effective for annual periods beginning on or after 1 January 2020. They comprise accounting standards and financial reporting standards as shown below. The early application is permitted only for the period beginning on or after 1 January 2019. (Cont'd)

TFRS 9 Financial Instruments, establishes principles for the classification, measurement and derecognition of financial assets and financial liabilities, impairment requirement and hedge accounting as follow: (Cont'd)

- The objective of hedge accounting is to represent, in the financial statements, the effect of an entity's risk management activities that use financial instruments to manage exposures arising from particular risks that could affect profit or loss (or other comprehensive income, in the case of investments in equity instruments for which an entity has elected to present changes in fair value in other comprehensive income). This approach aims to convey the context of hedging instruments for which hedge accounting is applied in order to allow insight into their purpose and effect.

TFRIC 16 Hedges of a Net Investment in a Foreign Operation, clarifies the accounting treatment in respect of net investment hedging, provides guidance on identifying the foreign currency risks that qualify as a hedged risk. Clarifying that hedging instruments that are hedges of a net investment in a foreign operation may be held anywhere in the group not only by the parent. This includes the guidance on how an entity should determine the amount to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item.

TFRIC 19 Extinguishing financial liabilities with equity instruments, provides the requirements for accounting treatment when the entity issues equity instruments to a creditor to extinguish all or part of a financial liability. The equity instruments issued shall be measured at fair value. The entity shall remove a financial liability (or part of a financial liability) from its statement of financial position when it is extinguished in accordance with TFRS 9. The difference between the carrying amount of the financial liability (or part of a financial liability) extinguished and the fair value of equity instruments issued shall be recognised in profit or loss.

The management is currently assessing the impact of initial adoption of these standards.

2 Accounting policies (Cont'd)

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

(1) Subsidiaries

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

The Group applies the acquisition method to account for business combinations except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group.

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

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

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

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

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

A list of the Company's principal subsidiaries is set out in Note 14.

2 Accounting policies (Cont'd)

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

(2) Transactions with non-controlling interests

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

(3) Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree in the proportion of interests under common control at the carrying values of the acquiree presented in the highest level of the consolidation prior to the business combination under common control at the acquisition date. The Group retrospectively adjusted the business combination under common control transactions as if the combination occurred from the beginning of period of which the financial statements in the previous period are comparatively presented in accordance with the guidance of business combination under common control as issued by the Federation of Accounting Professions.

Costs 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. Other costs directly attribute to business combination under common control, such as professional fees of legal advisors and other advisors, registration fees, and costs relating to preparation of information for shareholders, are capitalised as an investment in the separate financial statements while immediately recognised as expenses in the consolidated financial statements in the period of which the business combination occurs.

The difference between costs of 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 (transfer to retained earnings).

2 Accounting policies (Cont'd)

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

(4) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting in the consolidated financial statements.

A list of the Group's principal associates is set out in Note 14.

(5) Joint arrangements

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

A list of the Group's principal joint ventures is set out in Note 14.

(6) Accounting under equity method

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

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

2 Accounting policies (Cont'd)

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

(6) Accounting under equity method (Cont'd)

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

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

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

(7) Separate financial statement

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

2 Accounting policies (Cont'd)

2.4 Foreign currency translation

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

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

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

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

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

2.5 Segment reporting

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

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

2 Accounting policies (Cont'd)

2.6 Cash and cash equivalents

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

2.7 Trade accounts receivable

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

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

2.8 Inventories

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

2 Accounting policies (Cont'd)

2.9 Land and real estates project for sales

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

2.10 Non-current assets (or disposal groups) held-for-sale

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.

2.11 Other investments

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

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

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

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.

General investments are carried at cost less impairment loss.

2 Accounting policies (Cont'd)

2.11 Other investments (Cont'd)

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

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

2.12 Investment properties

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

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

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

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

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

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

2 Accounting policies (Cont'd)

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

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

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

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

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

2 Accounting policies (Cont'd)

2.13 Property, plant and equipment (Cont'd)

When existing outlets are re-modernised, the related expenditures will be capitalised as buildings improvements or leasehold improvements and will be depreciated using the straight-line method over the shorter of the remaining lease term or the estimated useful life of 5 years.

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

2.14 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 buildings, 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 MLRs portfolio and in-house developed recipes and equipments that give the Group a relative advantage over its competitors. Intellectual properties are amortised over 20 years and 40 years.

Franchise development cost

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

2 Accounting policies (Cont'd)

2.14 Intangible assets (Cont'd)

Initial franchise fees

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

Goodwill

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

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

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

Brand

Trademarks, trade names, service marks 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 for impairment.

2 Accounting policies (Cont'd)

2.14 Intangible assets (Cont'd)

Computer software

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

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

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

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

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

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

2 Accounting policies (Cont'd)

2.15 Impairment of assets

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

2.16 Leases

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.

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

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

Leases - where the Group is the lessor

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

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

2 Accounting policies (Cont'd)

2.17 Borrowings

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

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

2.18 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.

2.19 Employee benefits

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

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The 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.

2 Accounting policies (Cont'd)

2.20 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. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

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

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

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

2 Accounting policies (Cont'd)

2.21 Share capital

Ordinary shares are classified as equity.

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

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

2.22 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.

2.23 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.

2 Accounting policies (Cont'd)

2.23 Revenue recognition (Cont'd)

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

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

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

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

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

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

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

2 Accounting policies (Cont'd)

2.24 Hyper-inflationary economies

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.

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.

2.25 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 of the separate and subsidiaries.

3 Financial risk management

3.1 Financial risk factors

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

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

3.1.1 Cross currency interest rate swap contracts

Cross currency interest rate swap contracts are recognised at the inception date.

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

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.2 Forward foreign exchange contracts

Foreign exchange forward contracts are recognised at the inception date.

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

3.1.3 Interest rate swap contracts

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

3.1.4 Credit risk

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

3.2 Capital risk management

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

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

4 Critical accounting estimates and judgments

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

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

4.1 Fair value estimation on business combination

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

4.2 Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.15. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 18).

5 Fair value measurements

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (that is unobservable inputs).

5 Fair value measurements (Cont'd)

The following tables present the Group's and Company's assets that are measured at fair value at 31 December 2018.

Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
	Baht Million	Baht Million	Baht Million	Baht Million
At 31 December 2018				
Available-for-sale investments	26	-	-	26

Separate financial statements				
	Level 1	Level 2	Level 3	Total
	Baht Million	Baht Million	Baht Million	Baht Million
At 31 December 2018				
Available-for-sale investments	25	-	-	25

Financial instruments in Level 1

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

6 Segment information

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

6 Segment information (Cont'd)

6.1 Financial information by operating segments

	For the year ended 31 December (Baht Million)											
	Hotel & Spa		Mixed use		Restaurant		Retail		Elimination		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues												
Total revenues	46,199	24,935	5,236	5,709	23,450	23,090	4,426	4,080	(471)	(245)	78,840	57,569
Costs												
Total costs	(18,872)	(10,710)	(1,060)	(1,377)	(6,440)	(6,349)	(2,456)	(2,340)	-	-	(28,828)	(20,776)
Gross profit	27,327	14,225	4,176	4,332	17,010	16,741	1,970	1,740	(471)	(245)	50,012	36,793
Selling and administrative expenses	(17,025)	(8,962)	(2,954)	(2,492)	(13,643)	(12,948)	(1,664)	(1,436)	471	245	(34,815)	(25,593)
EBITDA	10,302	5,263	1,222	1,840	3,367	3,793	306	304	-	-	15,197	11,200
Depreciation and amortisation	(3,956)	(2,387)	(166)	(244)	(1,430)	(1,322)	(174)	(157)	-	-	(5,726)	(4,110)
Financial costs	(2,188)	(1,157)	(215)	(178)	(440)	(403)	(25)	(19)	-	-	(2,868)	(1,757)
Sharing profit from associates and joint ventures	116	257	96	325	276	492	-	-	-	-	488	1,074
Result before tax	4,274	1,976	937	1,743	1,773	2,560	107	128	-	-	7,091	6,407
Tax	(1,019)	(182)	(130)	(162)	(248)	(442)	23	(1)	-	-	(1,374)	(787)
Net profit	3,255	1,794	807	1,581	1,525	2,118	130	127	-	-	5,717	5,620
Total assets											267,700	119,100
Total liabilities											184,626	68,596

6 Segment information (Cont'd)

6.2 Financial information by geographical segments

For the year ended 31 December (Baht Million)

	Hotel & Spa		Mixed use		Restaurant		Retail		Elimination		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues												
Thailand	9,702	9,106	1,501	2,236	15,316	13,815	4,426	4,080	(471)	(245)	30,474	28,992
Europe	21,911	3,777	-	-	279	53	-	-	-	-	22,190	3,830
Australia and New Zealand	6,129	6,209	-	-	2,443	3,195	-	-	-	-	8,572	9,404
Maldives and Middle East	1,912	1,837	-	-	490	364	-	-	-	-	2,402	2,201
The People's Republic of China	202	34	-	-	3,147	3,265	-	-	-	-	3,349	3,299
Latin America	3,279	1,586	-	-	-	-	-	-	-	-	3,279	1,586
Others	3,064	2,386	3,735	3,473	1,775	2,398	-	-	-	-	8,574	8,257
Total	46,199	24,935	5,236	5,709	23,450	23,090	4,426	4,080	(471)	(245)	78,840	57,569
Net profit												
Thailand	481	96	564	1,240	1,542	1,323	130	127	-	-	2,717	2,786
Europe	1,519	435	-	-	(206)	(2)	-	-	-	-	1,313	433
Australia and New Zealand	139	332	-	-	170	379	-	-	-	-	309	711
Maldives and Middle East	563	869	-	-	26	16	-	-	-	-	589	885
The People's Republic of China	143	(27)	(12)	40	138	273	-	-	-	-	269	286
Latin America	617	121	-	-	-	-	-	-	-	-	617	121
Others	(207)	(32)	255	301	(145)	129	-	-	-	-	(97)	398
Total	3,255	1,794	807	1,581	1,525	2,118	130	127	-	-	5,717	5,620
Total assets											267,700	119,100
Total liabilities											184,626	68,596

6 Segment information (Cont'd)

6.2 Financial information by geographical segments (Cont'd)

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

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

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.

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cash on hand	783,785,912	320,532,902	3,776,994	2,346,024
Cash at banks	11,849,424,132	5,004,383,604	107,769,477	1,076,788,187
Time deposits				
(maturity less than 3 months)	126,673,478	11,242,392	-	-
Total cash and cash equivalents	12,759,883,522	5,336,158,898	111,546,471	1,079,134,211

As at 31 December 2018, the average effective interest rate of time deposits was 0.05% - 3.85% per annum and had a maturity less than three months (2017: 0.05% per annum).

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<u>Current</u>				
Trade receivables - third parties, gross	7,565,963,039	2,938,379,967	19,446,125	31,428,154
<u>Less</u> Provision for impairment of trade receivables	(427,478,402)	(160,934,340)	(104,375)	(294,498)
Trade receivables - third parties, net	7,138,484,637	2,777,445,627	19,341,750	31,133,656
Current portion of trade receivables long-term contracts, net	3,087,415,868	2,310,666,198	-	-
Prepayments	1,150,453,772	820,434,365	24,417,741	11,232,972
Receivables from others	2,714,193,825	1,625,662,204	36,984,414	22,914,793
Receivables from related parties (Note 15)	850,822,475	727,360,733	1,464,798,784	1,055,854,170
Total trade and other receivables	14,941,370,577	8,261,569,127	1,545,542,689	1,121,135,591

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Not yet due	4,401,717,263	1,978,484,639	18,807,635	29,107,095
Overdue				
Under 90 days	2,317,089,814	545,494,491	342,667	272,681
91 days to 180 days	433,088,151	83,488,805	38,903	163,334
181 days to 365 days	249,381,024	295,289,508	34,300	1,885,044
Over 365 days	164,686,787	35,622,524	222,620	-
Trade receivables - third parties	7,565,963,039	2,938,379,967	19,446,125	31,428,154
<u>Less</u> Provision for impairment of trade receivables	(427,478,402)	(160,934,340)	(104,375)	(294,498)
Trade receivables - third parties, net	7,138,484,637	2,777,445,627	19,341,750	31,133,656

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<u>Non-current</u>				
Trade receivables long-term contracts	3,903,280,477	3,954,721,703	-	-
<u>Less</u> Unearned interest income	(394,332,938)	(522,720,199)	-	-
<u>Less</u> Provision for impairment of trade receivables	(125,591,562)	(194,063,240)	-	-
Trade receivables long-term contracts, net	3,383,355,977	3,237,938,264	-	-

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Food and beverage	590,316,367	257,414,489	3,091,545	2,703,373
Finished goods (net with allowance)	1,466,925,416	1,182,882,779	125,127	150,745
Raw materials (net with allowance)	860,618,097	942,600,327	-	-
Work in process	39,713,972	105,060,423	-	-
Goods in transit	215,628,368	130,586,384	-	-
Supplies and others	531,539,659	498,102,158	3,772,733	3,956,230
Total inventories	3,704,741,879	3,116,646,560	6,989,405	6,810,348

The cost of inventories recognised as expense and included in cost of sales amounted to Baht 15,418 million (2017: Baht 13,277 million).

During 2018, reversal of Baht 8 million was recorded to the income statement for allowance for obsolete and damaged inventories (2017: of Baht 0.27 million).

10 Land and real estates project for sales

	Consolidated financial statements	
	2018 Baht	2017 Baht
Residential units	1,656,794,039	1,750,671,904
Time sharing resort	239,015,147	135,891,873
Total land and real estates project for sales	1,895,809,186	1,886,563,777

The cost of land and real estates project sold recognised during the year amounting to Baht 796 million (2017: Baht 1,091 million).

11 Other current assets

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Tax receivables	1,716,595,536	567,369,662	57,369,983	81,477,384
Deposits	42,295,956	37,784,868	-	-
Advance payments	45,901,582	141,202,662	-	-
Current portion of loans to other companies	455,949,148	182,556,328	-	-
Others	355,367,315	304,727,835	2,734,243	2,927,194
Total other current assets	2,616,109,537	1,233,641,355	60,104,226	84,404,578

12 Non-current assets classified as held-for-sale and discontinued operation

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

	Consolidated financial statements
	2018 Baht
Property, plant and equipment	838,806,769
Investments	1,347,109,692
Others	2,153,262
Total assets	2,188,069,723
Trade and other payables	91,179,491
Total liabilities	91,179,491

Profit related to discontinued operations was Baht 9.7 million.

13 General investments

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Short-term investment				
Trading investment	-	1,695,238,408	-	-
Total short-term investment	-	1,695,238,408	-	-
Long-term investments				
Available-for-sale investments	26,166,370	29,940,218	24,754,790	28,554,770
General investments, net	531,658,469	67,325	-	-
Total long-term investments	557,824,839	30,007,543	24,754,790	28,554,770

a) Trading investment

	Consolidated financial statements	
	2018 Baht	2017 Baht
Opening net book amount	1,695,238,408	-
Change status from available-for-sale investments	-	1,695,238,408
Disposals	(1,669,044,659)	-
Change in fair value of trading investment	25,664,856	-
Translation adjustment	(51,858,605)	-
Closing net book amount	-	1,695,238,408

13 General investments (Cont'd)

b) Available-for-sale investments

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Opening net book amount	29,940,218	24,765,904	28,554,770	23,040,895
Additions	44,253,544,931	2,044,983,332	-	827
Disposals	(10,000)	(513,550,388)	(10,000)	-
Change status of investments	(43,561,728,356)	(1,531,453,630)	-	-
Revaluation gain previously recognised in other comprehensive income	-	(163,784,778)	-	-
Changes in fair value of investments	(3,754,711)	169,977,907	(3,789,980)	5,513,048
Translation adjustment	(691,825,712)	(998,129)	-	-
Closing net book amount	26,166,370	29,940,218	24,754,790	28,554,770

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Available-for-sale investments, cost	20,709,624	20,713,029	20,016,428	20,019,829
Changes in fair value of investments	5,456,746	9,227,189	4,738,362	8,534,941
Available-for-sale investments	26,166,370	29,940,218	24,754,790	28,554,770

13 General investments (Cont'd)

c) General investments

	Consolidated financial statements	
	2018	2017
	Baht	Baht
Opening net book amount	67,325	44,306
Acquisition from investment in subsidiaries	430,916,451	-
Addition	105,656,426	23,019
Translation adjustment	(4,981,733)	-
Closing net book amount	531,658,469	67,325

General investments as at 31 December comprise:

	Consolidated financial statements	
	2018	2017
	Baht	Baht
General investments, cost	647,382,379	2,707,876
<u>Less</u> Provision for impairment	(115,723,910)	(2,640,551)
General investments, net	531,658,469	67,325

14 Investments in subsidiaries, associates and interests in joint ventures

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Subsidiaries	-	-	6,171,579,290	6,073,492,298
Associates	7,159,591,855	7,087,166,244	2,779,663,176	2,767,066,898
Interests in joint ventures	2,801,463,271	3,542,424,779	-	5,484,460
Total investments in subsidiaries, associates and interests in joint ventures	9,961,055,126	10,629,591,023	8,951,242,466	8,846,043,656

a) Investments in subsidiaries

	Separate financial statements	
	2018 Baht	2017 Baht
At 1 January	6,073,492,298	6,073,492,298
Additions	98,086,992	-
At 31 December	6,171,579,290	6,073,492,298

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
Chao Phaya Resort Limited	Hotel operation and shopping mall	Thailand	81.2	81.2
Hua Hin Resort Limited	Sales of property	Thailand	100	100
Maerim Terrace Resort Limited	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	Hotel operation	Thailand	100	100
Coco Palm Hotel & Resort Limited	Hotel operation	Thailand	100	100
Coco Recreation Limited	Hotel operation	Thailand	100	100
Samui Beach Club Owner Limited	Hotel operation & rent of property	Thailand	100	100
The Minor Food Group Public Company Limited ("MFG")	Sales of food and beverage	Thailand	99.7	99.7
Royal Garden Plaza Limited	Shopping mall	Thailand	100	100
M Spa International Limited ("MST")	Spa services	Thailand	100 ⁽²⁾	51 ⁽²⁾
Samui Beach Residence Limited	Sales of property	Thailand	100	100
Coco Residence Limited	Sales of property	Thailand	100	100

⁽¹⁾ Investment portion of 45.3% represents direct holding in Maerim Terrace Resort Limited. Another 25.7% indirect holding is invested through a subsidiary.

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

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
Minor Hotel Group Limited ("MHG")	Hotel management	Thailand	27.8 ⁽³⁾	27.8 ⁽³⁾
Minor Supply Chain Solutions Limited	Supply chain management	Thailand	100	100
Minor Global Solutions Limited	Under liquidation process	Thailand	100	100
Chao Phaya Resort and Residence Limited	Hotel operation & sales of property	Thailand	100	100
Minor Corporation Public Company Limited ("MINOR")	Distribution	Thailand	91.4 ⁽⁴⁾	91.4 ⁽⁴⁾
RGR International Limited	Management	British Virgin Islands	100	100
R.G.E. (HKG) Limited	Management	Hong Kong	100	100
M&H Management Limited	Management	Republic of Mauritius	100	100
Lodging Investment (Labuan) Limited	Holding investment	Malaysia	100	100
Minor International (Labuan) Limited	Hotel operation	Malaysia	100	100
AVC Club Developer Limited	Vacation club point sales	Republic of Mauritius	100	100
AVC Vacation Club Limited	Vacation club point sales	Republic of Mauritius	100	100
Phuket Beach Club Owner Limited	Management	Thailand	100	100
MHG Phuket Limited ("MHGP")	Hotel operation	Thailand	77.8 ⁽⁵⁾	100
Minor Sky Rider Limited	Entertainment operation	Thailand	100	100
Minor Continental Holding (Mauritius)	Holding investment	Republic of Mauritius	100	100

⁽³⁾ Investment portion of 27.8% represent direct holding in MHG. Another 72.2% indirect holding is invested through a subsidiary.

⁽⁴⁾ Investment portion of 91.4% represents direct holding in MINOR. Another 8.6% indirect holding is invested through a subsidiary.

⁽⁵⁾ Investment portion of 77.8% represents direct holding in MHGP. Another 22.2% indirect holding is invested through a subsidiary.

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>MFG's subsidiaries</u>				
Swensen's (Thai) Limited	Sales of food and beverage	Thailand	100	100
Minor Cheese Limited	Manufacturing and sales of cheese	Thailand	100	100
Minor Dairy Limited	Manufacturing and sales of ice-cream	Thailand	100	100
Minor DQ Limited	Sales of food and beverage	Thailand	100	100
Catering Associates Limited	Catering service	Thailand	51	51
Burger (Thailand) Limited	Sales of food and beverage	Thailand	97	97
International Franchise Holding (Labuan) Limited	Franchise owner	Malaysia	100	100
SLRT Limited	Sales of food and beverage	Thailand	100	100
Primacy Investment Limited	Holding investment	Republic of Mauritius	100	100
The Coffee Club (Thailand) Limited	Sales of food and beverage	Thailand	100	100
The Pizza Company Ltd.	Franchise owner	Republic of Mauritius	100	100

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>International Franchise Holding (Labuan) Limited's subsidiary</u>				
Franchise Investment Corporation of Asia Ltd.	Franchise owner	British Virgin Islands	100	100
<u>Franchise Investment Corporation of Asia Ltd.'s subsidiary</u>				
The Minor (Beijing) Restaurant Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	100
<u>Primacy Investment Limited's subsidiaries</u>				
Delicious Food Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
Minor Food Group (Singapore) Pte. Ltd.	Sale of food and beverage	Singapore	92	100
MFG International Holding (Singapore) Pte. Ltd.	Holding investment	Singapore	100	100
Minor Food (Seychelles) Pte. Ltd.	Sale of food and beverage	Seychelles	100	100
<u>MFG International Holding (Singapore) Pte. Ltd.'s subsidiaries</u>				
Over Success Enterprise Pte. Ltd.	Holding investment	Singapore	100	85.9
The Minor Food Group (India) Private Limited	Sale of food and beverage	Republic of India	70	70
The Minor Food Group (Myanmar) Limited	Sale of food and beverage	Republic of the Union of Myanmar	100	100
Grab Food Ltd.	Sale of food and beverage	The United Kingdom	70	70
Benihana Holding Pte. Ltd. (Note 35)	Sale of food and beverage	Singapore	75	-

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>Delicious Food Holding (Singapore) Pte. Ltd.'s subsidiaries</u>				
Delicious Food Holding (Australia) Pty. Ltd.	Holding investment	Australia	100	100
Delicious Food Australia Finance Pty. Ltd.	Management	Australia	100	100
MHG Hotel Holding Australia Pty. Ltd	Holding investment	Australia	100	100
<u>Delicious Food Holding (Australia) Pty. Ltd.'s subsidiary</u>				
Minor DKL Food Group Pty. Ltd.	Holding investment	Australia	70	70
<u>Minor DKL Food Group Pty. Ltd.'s subsidiaries</u>				
Espresso Pty. Ltd.	Property investment	Australia	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 (NSW) Pty. Ltd.	Property investment	Australia	100	100
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
The Coffee Club Pty. Ltd. (as trustee for The Coffee Club Unit Trust)	Franchise owner	Australia	100	100
The Coffee Club (International) Pty. Ltd.	Franchise owner	Australia	100	100
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
The Coffee Club (Technology) Pty. Ltd.	Holding investment	Australia	100	100
First Avenue Company Pty. Ltd.	Sale of food and beverage	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>Minor DKL Food Group Pty. Ltd.'s subsidiaries</u> (Cont'd)				
Ribs and Rumps Holding Pty. Ltd.	Holding investment	Australia	100	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
TCC Operations Pty. Ltd.	Sale of food and beverage	Australia	100	100
TGT Operations Pty. Ltd.	Sale of food and beverage	Australia	100	100
Nomad Coffee Group Pty. Ltd. (formerly "VGC Food Group Pty. Ltd.")	Holding investment	Australia	70	70
Nitro Coffee Pty. Ltd.	Holding investment	Australia	70	70
<u>Ribs and Rumps Holding Pty. Ltd.'s subsidiaries</u>				
Ribs and Rumps Operating Company Pty. Ltd.	Sales of food and beverage	Australia	100	100
Ribs and Rumps Properties Pty. Ltd.	Sales of food and beverage	Australia	100	100
Ribs and Rumps International Pty. Ltd.	Sales of food and beverage	Australia	100	100
Ribs and Rumps System Pty. Ltd.	Franchise owner	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<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. (formerly "VGC Management Pty. Ltd.")	Management service	Australia	100	100
Veneziano Coffee Roasters Pty. Ltd.	Sales of food and beverage	Australia	100	100
Veneziano Coffee Assets Pty. Ltd.	Assets investment	Australia	100	100
Coffee Hit System Pty. Ltd.	Franchise owner	Australia	100	100
Coffee Hit Properties Pty. Ltd.	Property investment	Australia	100	100
Black Bag Roasters Pty. Ltd.	Sales of food and beverage	Australia	100	100
Veneziano (SA) Pty. Ltd.	Sales of food and beverage	Australia	57.5	-
Inigo Montoya Limited	Holding investment	New Zealand	70	-
<u>Inigo Montoya Limited's subsidiaries</u>				
Flight Coffee Limited	Sales of food and beverage	New Zealand	100	-
The Hanger Limited	Sales of food and beverage	New Zealand	100	-
Good Time Gang Limited	Sales of food and beverage	New Zealand	100	-
<u>MHG Hotel Holding Australia Pty. Ltd.'s subsidiary</u>				
Oaks Hotels & Resorts Limited ("OAKS")	Providing services for accommodation	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>Minor Hotel Group Limited's subsidiaries</u>				
Hospitality Investment International Limited	Holding investment	British Virgin Islands	100	100
MHG International Holding (Singapore) Pte. Ltd.	Management	Singapore	100	100
MHG International Holding (Mauritius) Limited	Holding investment	Republic of Mauritius	100	100
MHG Holding Limited	Holding investment	Thailand	100	100
<u>MHG International Holding (Singapore) Pte. Ltd.'s subsidiaries</u>				
Vietnam Hotel Projekt B.V.	Holding investment	The Kingdom of the Netherlands	100	100
MHG Management (India) Private Limited	Hotel operation	Republic of India	100	100
MHG Australia Holding Pte. Ltd.	Management	Singapore	100	100
MHG IP Holding (Singapore) Pte. Ltd.	Management	Singapore	100	100
MHG Continental Holding (Singapore) Pte. Ltd. (formerly "AVC Vacation Club (Singapore) Pte. Ltd.")	Holding investment	Singapore	100	-
<u>Vietnam Hotel Projekt B.V.'s subsidiaries</u>				
Bai Dai Tourism Company Limited	Hotel operation	Vietnam	100	100
Hoi An Riverpark Hotel Company Limited	Hotel operation	Vietnam	91	91
<u>MHG Australia Holding Pte. Ltd.'s subsidiary</u>				
MHG Australia Investments Pty. Ltd.	Asset management	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>MHG International Holding (Mauritius) Limited's subsidiaries</u>				
Sands Hotels (Proprietary) Limited	Hotel operation	Namibia	100	100
Minor Hotel Group Gaborone (Proprietary) Limited	Hotel operation	Botswana	80	80
Minor Hotel Group MEA DMCC	Hotel management	The United Arab Emirates	100	100
MHG Desaru Hotel Sdn. Bhd.	Hotel operation	Malaysia	60	60
MHG Desaru Villas Sdn. Bhd.	Sale of property	Malaysia	60	60
Minor Hotels Zambia Limited	Hotel operation	Zambia	100	100
<u>Minor Hotel Group Gaborone (Proprietary) Limited's subsidiary</u>				
Letsatsi Casino (Pty) Ltd.	Hotel operation	Botswana	80	80
<u>Hospitality Investment International Limited's subsidiaries</u>				
Lodging Management (Labuan) Limited	Hotel management	Malaysia	100	100
Lodging Management (Mauritius) Limited	Hotel management	Republic of Mauritius	100	100
PT Lodging Management (Indonesia) Limited	Hotel management	Republic of Indonesia	93.3	93.3
Jada Resort and Spa (Private) Limited	Hotel operation	Sri Lanka	87	87
<u>Lodging Management (Mauritius) Limited's subsidiaries</u>				
Sothea Pte. Ltd.	Hotel operation	The Kingdom of Cambodia	80	80
Minor Hotel Group South Africa (PTY) Limited	Management	Republic of South Africa	100	100
<u>MI Squared Limited's subsidiaries</u>				
Rajadamri Residence Limited	Sales of property	Thailand	100	100
Rajadamri Lodging Limited	Hotel operation	Thailand	100	100
Star Traveller Limited	Tour operation	Thailand	49 ⁽¹⁾	49 ⁽¹⁾
Corbin and King Limited (Note 35)	Holding investment	The United Kingdom	74	74

⁽¹⁾ Investment portion in Star Traveller Limited is 49% but the Group has voting right at 66.7%.

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>AVC Vacation Club Limited's subsidiaries</u>				
Anantara Vacation Club (HK) Limited	Marketing services	Hong Kong	100	100
AVC Vacation Club (Singapore) Pte. Ltd.	Marketing services	Singapore	-	100
<u>AVC Club Developer Limited's subsidiaries</u>				
PT MHG Indonesia Limited	Sales & marketing services	Republic of Indonesia	_(1)	_(1)
PT MHG Bali Limited	Hotel and property development	Republic of Indonesia	_(1)	_(1)

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

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>Jada Resort and Spa (Private) Limited's subsidiaries</u>				
Paradise Island Resorts (Private) Limited	Hotel operation	Sri Lanka	100	100
Kalutara Luxury Hotel & Resort (Private) Limited	Hotel operation	Sri Lanka	100	100
<u>Paradise Island Resorts (Private) Limited's subsidiary</u>				
Avani Ambalangoda (Private) Limited	Hotel operation	Sri Lanka	100	100
<u>Anantara Vacation Club (HK) Limited's subsidiary</u>				
Sanya Anantara Consulting Limited	Consulting services	People's Republic of China	100	100
<u>Minor Continental Holding (Mauritius)'s subsidiary</u>				
Minor Continental Holding (Luxembourg) S.A.R.L	Holding investment	Luxembourg	100	100
<u>Minor Continental Holding (Luxembourg) S.A.R.L's subsidiaries</u>				
Minor Continental Portugal, S.A.	Holding investment	Portuguese Republic	100	100
Pojuca S.A.	Hotel operation	Federative Republic of Brazil	100	100
<u>Minor Continental Portugal, S.A.'s subsidiaries</u>				
Marinoteis S.A.	Hotel operation	Portuguese Republic	100	100
Coimbra Jardim Hotel S.A.	Hotel operation	Portuguese Republic	100	100
Tivoli Gave do Oriente S.A.	Hotel operation	Portuguese Republic	100	100

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>Marinoteis S.A.'s subsidiaries</u>				
Sotal S.A.	Hotel operation	Portuguese Republic	100	100
Hotelagos S.A.	Hotel operation	Portuguese Republic	100	100
<u>Corbin and King Limited's subsidiaries</u>				
Corbin and King Holding Limited	Holding investment	The United Kingdom	100	100
Corbin and King Hotel Group Limited	Holding investment	The United Kingdom	100	100
<u>Corbin and King Holding Limited's subsidiaries</u>				
Corbin and King Restaurant Group Limited	Holding investment	The United Kingdom	100	100
The Delaunay Restaurant Limited	Sales of food and beverage	The United Kingdom	100	100
The Wolseley Restaurant Limited	Sales of food and beverage	The United Kingdom	100	100
Brasserie Zedel Limited	Sales of food and beverage	The United Kingdom	100	100
The Collbert Restaurant Limited	Sales of food and beverage	The United Kingdom	100	100
Fischer's Restaurant Limited	Sales of food and beverage	The United Kingdom	100	100
The Bellanger Restaurant Limited	Sales of food and beverage	The United Kingdom	100	100
The Wolseley Restaurant Property Limited	Sales of food and beverage	The United Kingdom	100	100
The Delaunay Property Limited	Property rental	The United Kingdom	100	100
Brasserie Zedel Property Limited	Property rental	The United Kingdom	100	100
Rex Restaurant Property Limited	Property rental	The United Kingdom	100	100
Corbin and King Restaurants Limited	Sales of food and beverage	The United Kingdom	100	100
<u>MHG Continental Holding (Singapore) Pte. Ltd.'s subsidiary</u>				
NH Hotel Group S.A.	Hotel operation	Spain	94.1	

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>Minor Food Group (Singapore) Pte. Ltd.'s subsidiaries</u>				
BBZ Design International Pte. Ltd.	Sales of food and beverage	Singapore	100	100
YTF Pte. Ltd.	Sales of food and beverage	Singapore	100	100
PS07 Pte. Ltd.	Sales of food and beverage	Singapore	100	100
TES07 Pte. Ltd.	Sales of food and beverage	Singapore	100	100
XWS Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Shokudo Concepts Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Shokudo Heeren Pte. Ltd.	Sales of food and beverage	Singapore	100	100
TEC Malaysia Sdn Bhd.	Sales of food and beverage	Malaysia	100	100
Riverside & Courtyard (International) Pte. Ltd.	Sales of food and beverage	Singapore	100	100
Element Spice Cafe Pte. Ltd.	Sales of food and beverage	Singapore	100	100
The Food Theory Group Pte. Ltd.	Sales of Food and beverage	Singapore	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December	31 December
			2018	2017
<u>MINOR's subsidiaries</u>				
Armin Systems Limited	Distribution	Thailand	100	100
NMT Limited	Manufacturing services - consumer products	Thailand	100	100
Minor Development Limited	Property development	Thailand	100	100
Minor Consultants & Services Limited	Distribution	Thailand	100	100
Minor Lifestyle Limited	Distribution	Thailand	100	100
Esmido Fashions Limited	Distribution	Thailand	90.8	90.8
Minor Fashion Limited (formerly “Mysale.co.th Limited”)	Distribution	Thailand	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>OAKS's subsidiaries</u>				
Boathouse Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Calypso Plaza Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Concierge Apartments Australia Pty. Ltd.	Providing services for accommodation	Australia	100	100
Goldsbrough Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
MINT RESIDENTIAL PTY LTD	Providing services for accommodation	Australia	100	100
MH Management (Qld) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (NSW) No. 1 Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Management (NSW) Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Management (SA) Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Management (VIC) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Queensland Accommodation Corporation Pty. Ltd.	Providing services for accommodation	Australia	100	100
Seaforth Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
The Oaks Resorts & Hotels Management Pty. Ltd.	Providing services for accommodation	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>OAKS's subsidiaries</u> (Cont'd)				
Furniture Services Australia Pty. Ltd.	Providing services for accommodation	Australia	100	100
Brisbane Apartment Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Housekeepers Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Management (NZ) Limited (formerly "Oaks Hotels & Resorts NZ Ltd.")	Providing services for accommodation	New Zealand	100	100
Oaks Hotels & Resorts Investments Pty. Ltd.	Holding investment	Australia	100	100
Oaks Hotels and Resorts No.4 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Management) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Leasing (Collins) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels and Resorts (NT) Pty. Ltd.	Asset management	Australia	100	100
Oaks Hotels & Resorts Asset Holding Pty. Ltd.	Providing services for accommodation	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>MH Management (Qld) Pty. Ltd.'s subsidiaries</u>				
Queen Street Property Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Mon Komo Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oasis Caloundra Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Regis Towers) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Emerald Holdings Investments Pty. Ltd.	Providing services for accommodation	Australia	100	100
ACN 153 970 944 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Mon Komo) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Carlyle Mackay) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Milton) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Carlyle Lessee) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Radius) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Rivermarque) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks (M on Palmer) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Prince Place) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Moranbah) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Mews) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Queensland Holdings Pty. Ltd.	Providing services for accommodation	Australia	100	100
ACN 153 490 227 Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (M on Palmer Apartments) Pty. Ltd.	Providing services for accommodation	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>Oaks Queensland Holdings Pty. Ltd.'s subsidiaries</u>				
Queensland Nominee Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Wrap No. 1 Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Emerald Holdings Investments Pty. Ltd.'s subsidiary</u>				
Emerald Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Carlyle Mackay) Pty. Ltd.'s subsidiary</u>				
Mackay (Carlyle) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Milton) Pty. Ltd.'s subsidiary</u>				
Brisbane (Milton) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Brisbane (Milton) Management Pty. Ltd.'s subsidiary</u>				
The Milton Residences Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Carlyle Lessee) Pty. Ltd.'s subsidiary</u>				
Mackay (Carlyle) Lessee Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Radius) Pty. Ltd.'s subsidiary</u>				
Brisbane (Radius) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Rivermarque) Pty. Ltd.'s subsidiary</u>				
Mackay (Rivermarque) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Prince Place) Pty. Ltd.'s subsidiary</u>				
Middlemount (Prince Place) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Moranbah) Pty. Ltd.'s subsidiary</u>				
Moranbah Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Mews) Pty. Ltd.'s subsidiary</u>				
Mews Management Pty. Ltd.	Providing services for accommodation	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>MH Management (NSW) Pty. Ltd.'s subsidiaries</u>				
Oaks Hotels & Resorts (NSW) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Pacific Blue Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Regis Towers Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Hunter Valley) Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (NSW) Pty. Ltd.'s subsidiaries</u>				
183 on Kent Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
187 Kent Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Cable Beach) Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Cable Beach) Pty. Ltd.'s subsidiary</u>				
361 Kent Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Hunter Valley) Pty. Ltd.'s subsidiaries</u>				
Hunter Valley (CL) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
Hunter Valley (CL) Leases Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Hunter Valley (CL) Management Pty. Ltd.'s subsidiary</u>				
Hunter Valley (CL) Memberships Pty. Ltd.	Providing services for accommodation	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>MH Management (VIC) Pty. Ltd.'s subsidiaries</u>				
Pacific Hotel Market Street Pty. Ltd.	Providing services for accommodation	Australia	100	100
Cable Beach Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
MH Residential (leasing) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (Pinnacle) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Operator (VIC) Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts (VIC) Letting Pty. Ltd.	Providing services for accommodation	Australia	100	100
Oaks Hotels & Resorts Leasing (VIC) Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (Pinnacle) Pty. Ltd.'s subsidiary</u>				
Exclusive Pinnacle Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts NZ Ltd.'s subsidiaries</u>				
187 Cashel Management Limited	Liquidation	New Zealand	-	100
187 Cashel Apartments Ltd.	Liquidation	New Zealand	-	100
Oaks Cashel Management Ltd.	Liquidation	New Zealand	-	100
Housekeepers (NZ) Ltd.	Providing services for accommodation	New Zealand	100	100
Harbour Residence Oaks Ltd.	Providing services for accommodation	New Zealand	100	-
<u>Oaks Hotels & Resorts Investments Pty. Ltd.'s subsidiary</u>				
Tidal Swell Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts No. 4 Pty. Ltd.'s subsidiary</u>				
Grand (Gladstone) Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resort Leasing (VIC) Pty. Ltd.'s subsidiary</u>				
Accom (VIC) Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Accom (VIC) Pty. Ltd.'s subsidiary</u>				
Accom Melbourne Pty. Ltd.	Providing services for accommodation	Australia	100	100

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>Wrap No.1 Pty. Ltd.'s subsidiary</u>				
Wrap Management Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Oaks Hotels & Resorts (VIC) Letting Pty. Ltd.'s subsidiary</u>				
Wrap No. 2 Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Wrap No. 2 Pty. Ltd.'s subsidiary</u>				
Wrap Letting Pty. Ltd.	Providing services for accommodation	Australia	100	100
<u>Over Success Enterprise's subsidiaries</u>				
Beijing Qian Bai Ye Investment Counsultation Ltd.	Holding investment	People's Republic of China	100	85.9
Beijing Riverside & Courtyard Investment Management Ltd.	Holding investment	People's Republic of China	100	85.9
Beijing Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Beijing Longkai Catering Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Beijing Three Two One Fastfood Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Beijing JiangShang Catering Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Beijing Jianshan Rundai Catering Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Beijing Xiejia Catering Ltd.	Sales of food and beverage	People's Republic of China	100	85.9

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
		Country of	31 December	31 December
Company	Nature of business	incorporation	2018	2017
<u>Over Success Enterprise's subsidiaries</u> (Cont'd)				
Beijing Dejianhua Catering Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Beijing Bashu Chun Qiu Restaurant	Sales of food and beverage	People's Republic of China	100	85.9
Feng Sheng Ge Restaurant	Sales of food and beverage	People's Republic of China	100	85.9
Beijing Tiankong Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Shanghai Riverside & Courtyard Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Shanghai Riverside & Courtyard & Gongning Catering Ltd.	Deregistration	People's Republic of China	-	85.9
Shanghai Yi Ye Qing Zhou Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Shanghai Riverside & Courtyard Zhenbai Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Beijing Yangguang Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Jinan Riverside & Courtyard Catering Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Tianjin Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Suzhon Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Nanjing Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Shenyang Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Wuhan Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>Over Success Enterprise's subsidiaries</u> (Cont'd)				
Nantong Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Yangzhou Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Red Matches Catering Ltd. (formerly" Beijing Honghouchai Catering Co., Ltd.")	Sales of food and beverage	People's Republic of China	100	85.9
Hangzhou Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Dalian Riverside & Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9
Zhenjiang Riverside& Courtyard Catering Management Co., Ltd.	Sales of food and beverage	People's Republic of China	100	85.9

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH Hotel Group S.A.'s subsidiaries</u>				
Aguamarina S.A.	Corporate service	Dominican Republic	100	-
Agrupacion Financiera Reunida SI	Hotel operation	Spain	100	-
Airport Hotel Frankfurt Raunheim, Gmbh &Co KG	Real estate	Germany	100	-
Aranzazu Donosti S. A. (Extinguida)	Hotel operation	Spain	100	-
Artos Beteiligungs Gmbh	Holding company	Germany	100	-
Astron Immobilien Gmbh	Holding company	Germany	100	-
Blacom, S.A.	Holding company	Argentina	100	-
COPERAMA COLOMBIA SAS	Procurement network	Colombia	100	-
Capredo Investments GmbH	Holding company	Switzerland	100	-
Chartwell De Nuevo Laredo, S.A. De C.V.	Hotel operation	Mexico	100	-
Chartwell Inmobiliaria De Coatzacoalcas, S.A. De C.V.	Hotel operation	Mexico	100	-
Chartwell de Mexico, S.A. de C.V.	Hotel operation	Mexico	100	-
City Hotel S.A.	Hotel operation	Argentina	50	-
Coperama Central Europe Gmbh	Procurement network	Germany	100	-
Coperama Italia Srl	Procurement network	Italy	100	-
Coperama Mexico S.A. de C.V.	Procurement network	Mexico	100	-
Coperama Spain SI.	Procurement network	Spain	100	-
Corporación Hotelera Oriental, S.A.	Hotel operation	Dominican Republic	100	-
Dam 9 B.V.	Holding company	Netherlands	100	-
Desarrollo Inmobiliario Santa Fe, S.A. de C.V.	Hotel operation	Mexico	50	-
Edificio Metro S.A.	Hotel operation	Argentina	100	-
Eurotels Chile S.A.	Holding company	Chile	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December	31 December
			2018	2017
<u>NH Hotel Group S.A.'s subsidiaries</u> (Cont'd)				
Franquicias Lodge, S.A. de C.V.	Hotel operation	Mexico	100	-
Gran Circulo De Madrid, Sa	Catering	Spain	98.7	-
Grupo Hotelero Monterrey, S.A. de C.V.	Hotel operation	Mexico	100	-
Grupo Hotelero Queretaro, S.A. de C.V.	Hotel operation	Mexico	69	-
HOTEL PACIFICO ROYAL LTDA	Hotel operation	Colombia	100	-
HOTELERA CHILE SA	Hotel operation	Chile	100	-
Hoteles Hesperia, S.A.	Hotel operation	Mexico	100	-
HOTELES ROYAL Del ECUADOR SA	Hotel operation	Ecuador	54	-
HORODELSA				
HR QUANTICA SAS	Hotel operation	Colombia	50	-
Heiner Gossen Hotelbetrieb Gmbh	Hotel operation	Germany	100	-
Hispana Santa Fe, S.A. de C.V.	Hotel operation	Mexico	50	-
Hotel Albar Ciudad De Albacete	Hotel operation	Spain	100	-
Sociedad Limitada. (Extinguida)				
Hotel Andino Royal S A S	Hotel operation	Colombia	100	-
Hotel Aukamm Wiesbaden Gmbh	Real estate	Germany	100	-
& Co. kg				
Hotel Hacienda Royal Ltda	Hotel operation	Colombia	100	-
Hotel Holding Onroerend Goed d'Vijff				
Vlieghe B.V.	Hotel operation	Netherlands	100	-
Hotel La Boheme Ltda	Hotel operation	Colombia	100	-
Hotel Medellin Royal Ltda	Hotel operation	Colombia	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH Hotel Group S.A.'s subsidiaries</u> (Cont'd)				
Hotel Parque Royal S A S	Hotel operation	Colombia	100	
Hotel Pavillon Royal Ltda	Hotel operation	Colombia	100	-
Hoteleira Brasil Ltda	Hotel operation	Brazil	100	-
Hotelera De La Parra, S.A. De C.V.	Hotel operation	Mexico	100	-
Hotelera Lancaster S.A.	Hotel operation	Argentina	50	-
Hotelera Norte Sur S.A.	Real estate	Chile	100	-
Hoteles Royal S A	Holding company	Colombia	97	-
Hotelexploitiemaatschappij Onderlangs Arnhem B.V.	Hotel operation	Netherlands	100	-
Hotels Bingen & Viernheim Gmbh & Co. Kg	Real estate	Germany	94	-
INMOBILIARIA Y FINANCIERA CHILE SPA.	Real estate	Chile	100	-
INVERSIONES SHCI S A S EN LIQUIDACION	Real estate	Colombia	100	-
Iber Interbrokers SI	Provision of services	Spain	75	-
Immo Hotel Bcc Nv	Real estate	Belgium	100	-
Immo Hotel Belfort Nv	Real estate	Belgium	100	-
Immo Hotel Brugge Nv	Real estate	Belgium	100	-
Immo Hotel Diegem Nv	Real estate	Belgium	100	-
Immo Hotel Gent Nv	Real estate	Belgium	100	-
Immo Hotel Gp Nv	Real estate	Belgium	100	-
Immo Hotel Mechelen Nv	Real estate	Belgium	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH Hotel Group S.A.'s subsidiaries</u> (Cont'd)				
Immo Hotel Stephanie Nv	Real estate	Belgium	100	
Inmobiliaria Royal SA	Real estate	Chile	66	-
Inmobiliaria Y Financiera Aconcagua S.A.	Hotel operation	Argentina	100	-
Inversores Y Gestores Asociados Sa	Hotel operation	Spain	100	-
(Extinguida)				
Krasnapolsky Hotels & Restaurants N.V.	Holding company	Netherlands	100	-
Krasnapolsky Hotels & Restaurants	Real estate	Netherlands	100	-
Onroerend Goed B.V.				
Krasnapolsky Hotels (Pty) Ltd	Hotel operation	South Africa	100	-
Krasnapolsky Ict B.V.	Hotel operation	Netherlands	100	-
Krasnapolsky International Holding B.V.	Holding company	Netherlands	100	-
Latina Chile S.A.	Hotel operation	Chile	100	-
Latinoamericana Curitiba	Hotel operation	Brazil	100	-
Administração De Hotéis Ltda				
Latinoamericana De Gestion Hotelera SI	Holding company	Spain	100	-
Lenguados Vivos SI (Extinguida)	Hotel operation	Spain	100	
NH Logrono Sa	Hotel operation	Spain	76	-
NH Numancia Sa (Extinguida)	Hotel operation	Spain	100	-
NH Pamplona S.A. (Extinguida)	Hotel operation	Spain	100	-
NH Santander Sa (Extinguida)	Hotel operation	Spain	100	-
NH University S.L. (Extinguida)	Hotel operation	Spain	100	-
NH MARIN SA	Hotel operation	Spain	50	-
NH Malaga S.A. (Extinguida)	Hotel operation	Spain	100	-
NH Hoteles Switzerland GmbH	Hotel operation	Switzerland	100	-
NH Hotels USA, Inc.	Hotel operation	United States	100	

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH Hotel Group S.A.'s subsidiaries</u> (Cont'd)				
Nacional Hispana De Hoteles, S. De R.L. De C.V.	Hotel operation	Mexico	100	-
NH Brasil Administracao De Hoteis E Participacoes Ltda	Hotel operation	Brazil	100	-
NH Central Reservation Office Sa	Hotel operation	Spain	100	-
NH Establecimientos Complementarios Hoteleros Sa (Extinguida)	Hotel operation	Spain	100	-
NH Europa Sl.	Hotel operation	Spain	100	-
NH Finance Sa	Financial company	Luxembourg	100	-
NH Financing Services SARL	Financial company	Luxembourg	100	-
NH Hotel Ciutat De Reus Sa	Hotel operation	Spain	90.1	-
NH Hotelbetriebs- Und Entwicklungs Gmbh	Hotel operation	Germany	100	-
NH Hoteles España Sa	Hotel operation	Spain	100	-
NH Hoteles Participaties B.V.	Hotel operation	Netherlands	100	-
NH Las Palmas, Sa	Hotel operation	Spain	75	-
NH Management Black Sea Srl	Hotel operation	Romania	100	-
Nhow Rotterdam, B.V.	Hotel operation	Netherlands	100	-
Noorderweb, B.V.	Hotel operation	Netherlands	100	-
Nuevos Espacios Hoteleros Sa	Hotel operation	Spain	100	-
Objekt Leipzig Messe, GmbH & Co KG	Real estate	Germany	100	-
Operadora Nacional Hispana, S.A. De C.V.	Hotel operation	Mexico	100	-
PALACIO DE LA MERCED S.A.	Hotel operation	Spain	88	-
PROMOTORA ROYAL S A EN LIQUIDACION	Real estate	Colombia	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH Hotel Group S.A. 's subsidiaries</u> (Cont'd)				
Polis Corporation, S.A.	Hotel operation	Argentina	100	
ROYAL HOTELS, INC.	Hotel operation	United States	100	-
Royal Hotels International Latin América Inc	Hotel operation	United States	100	-
Royal Santiago Hotel S.A.	Hotel operation	Chile	66	-
SOCIEDAD HOTELERA CIEN INTERNACIONAL S A	Hotel operation	Colombia	62	-
SOCIEDAD HOTELERA COTOPAXI SA COPAXI	Hotel operation	Ecuador	54	-
SOCIEDAD OPERADORA BARRANQUILLA ROYAL S A S	Hotel operation	Colombia	100	-
SOCIEDAD OPERADORA CALLE 100 ROYAL SAS	Hotel operation	Colombia	100	-
SOCIEDAD OPERADORA CARTAGENA ROYAL S A S	Hotel operation	Colombia	100	-
SOCIEDAD OPERADORA URBAN ROYAL CALLE 26 S A S	Hotel operation	Colombia	100	-
SOCIEDAD OPERADORA URBAN ROYAL CALLE 93 S A S	Hotel operation	Colombia	100	-
Servicios Chartwell de Nuevo Laredo, S.A. de C.V.	Hotel operation	Mexico	100	-
Servicios Corporativos Chartwell Monterrey, S.A. de C.V.	Hotel operation	Mexico	100	-
Servicios Corporativos Hoteleros, S.A De C.V	Hotel operation	Mexico	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH Hotel Group S.A.'s subsidiaries</u> (Cont'd)				
Servicios Corporativos Krystal Zona Rosa, S.A. de C.V.	Hotel operation	Mexico	100	-
Servicios Hoteleros Tlalnepantla, S.A. de C.V	Hotel operation	Mexico	100	-
Servicios de Operacion Turistica, S.A. de C.V.	Hotel operation	Mexico	100	-
Sociedad Hotelera Calle 74 Ltda	Hotel operation	Colombia	100	-
Sociedad Operadora Nh Royal Panama S.A.	Hotel operation	Panama	100	-
Toralo S.A.	Hotel operation	Uruguay	100	-
VSOP VIII B.V.	Hotel operation	Netherlands	50	-
Wilan Ander SI	Hotel operation	Spain	100	-
Wilan Huel SI	Hotel operation	Spain	100	-
<u>Krasnapolsky Hotels & Restaurants N.V.'s subsidiaries</u>				
NH Private Equity B.V.	Hotel operation	Netherlands	100	-
NH The Netherlands B.V.	Holding company	Netherlands	100	-
<u>Krasnapolsky International Holding B.V.'s subsidiaries</u>				
Astron-Kestrel Hotels (Pty) Ltd	Hotel operation	South Africa	100	-
Krasnapolsky Belgian Shares B.V.	Holding company	Netherlands	100	-
NH Belgium Cvba	Holding company	Belgium	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>Latinoamericana De Gestion Hotelera SI 's subsidiaries</u>				
Latina De Gestion Hotelera S.A.	Hotel operation	Argentina	100	-
NH Wilhelminakade Holding B.V.	Hotel operation	Netherlands	100	-
<u>NH Europa SI. 's subsidiaries</u>				
Caribe Puerto Morelos, S.A. De C.V.	Hotel operation	Mexico	100	-
Coperama Holding SI.	Procurement network	Spain	100	-
Evergreen House Srl	Hotel operation	Romania	100	-
Harrington Hall Hotel Limited	Hotel operation	United Kingdom	25	-
Hotelexplotatiemaatschappij Eindhoven B.V.	Hotel operation	Netherlands	100	-
NH Hotels Czechia sro	Hotel operation	Czech Republic	100	-
NH Hotels Polska SP Zoo	Hotel operation	Poland	100	-
NH Atardecer Caribeño Sa	Corporate services	Spain	100	-
NH Central Europe Gmbh & Co. Kg	Hotel operation	Germany	100	-
NH Central Europe Management Gmbh	Hotel operation	Germany	100	-
NH Hotel Rallye Portugal, Unipessoal, Lda	Hotel operation	Portuguese Republic	100	-
NH Hoteles France	Hotel operation	France	100	-
NH Italia S.p.A.	Hotel operation	Italy	100	-
NH Resorts SI. (Extinguida)	Hotel operation	Spain	100	-
Redocana Hotels Gmbh In Liquidation	Hotel operation	Switzerland	95	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH Hoteles Participaties B.V.'s subsidiary</u>				
Coperama Benelux B.V.	Procurement network	Netherlands	100	
<u>NH Las Palmas, Sa's subsidiaries</u>				
HANUMAN INVESMENT S.L.	Hotel operation	Spain	50	-
NH Lagasca Sa	Hotel operation	Spain	75	-
<u>Toralo S.A.'s subsidiary</u>				
Columbia Palace Hotel S.A.	Hotel operation	Uruguay	100	-
<u>NH The Netherlands B.V. 's subsidiaries</u>				
Atlantic Hotel Exploitatie B.V.	Hotel operation	Netherlands	100	-
De Sparrenhorst B.V.	Hotel operation	Netherlands	100	
Exploitatie Maatschappij Tropenhotel B.V.	Hotel operation	Netherlands	100	-
Exploitiemaatschappij Caransa Hotel B.V.	Hotel operation	Netherlands	100	-
Exploitiemaatschappij Doelen Hotel B.V.	Hotel operation	Netherlands	100	-
Exploitiemaatschappij Grand-Hotel Krasnapolsky B.V.	Hotel operation	Netherlands	100	-
Exploitiemaatschappij Hotel Best B.V.	Hotel operation	Netherlands	100	-
Exploitiemaatschappij Hotel Naarden B.V.	Hotel operation	Netherlands	100	-
Exploitiemaatschappij Schiller Hotel B.V.	Hotel operation	Netherlands	100	-
Highmark Geldrop B.V.	Hotel operation	Netherlands	100	-
Highmark Hoofddorp B.V.	Hotel operation	Netherlands	100	-
Hotel De Ville B.V.	Hotel operation	Netherlands	100	

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
		Country of	31 December	31 December
Company	Nature of business	incorporation	2018	2017
NH The Netherlands B.V.'s subsidiaries (Cont'd)				
Hotelexploitatiemaatschappij Amsterdam Noord B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Atlanta Rotterdam B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Capelle Aan Den Ijssel B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Danny Kayelaan Zoetermeer B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Distelkade Amsterdam B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Epen Zuid-Limburg B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Forum Maastricht B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Jaarbeursplein Utrecht B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Janskerkhof Utrecht B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Leijenberghlaan Amsterdam B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Marquette Heemskerk B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Spuistraat Amsterdam B.V.	Hotel operation	Netherlands	100	-
Hotelexploitatiemaatschappij Stadhouderskade Amsterdam B.V.	Hotel operation	Netherlands	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH The Netherlands B.V.'s subsidiaries (Cont'd)</u>				
Hotelexploitiemaatschappij Stationsstraat Amersfoort B.V.	Hotel operation	Netherlands	100	-
Hotelexploitiemaatschappij Van Alphenstraat Zandvoort B.V.	Hotel operation	Netherlands	100	-
Jan Tabak N.V.	Hotel operation	Netherlands	81	-
Koningshof B.V.	Hotel operation	Netherlands	100	-
Leeuwenhorst Congres Center B.V.	Hotel operation	Netherlands	100	-
Libération Exploitation B.V.	Hotel operation	Netherlands	100	-
Marquette Beheer B.V.	Real estate	Netherlands	100	-
Museum Quarter B.V.	Hotel operation	Netherlands	100	-
NH Caribbean Management B.V.	Management	Netherlands	100	-
Palatium Amstelodamum N.V.	Hotel operation	Netherlands	100	-
Restaurant D'vijff Vlieghe B.V.	Catering service	Netherlands	100	-
Vela Secunda Omnium Primum Viii B.V.	Hotel operation	Netherlands	100	-
<u>NH Belgium Cvba 's subsidiaries</u>				
Hotel Exploitiemaatschappij Diegem N.V.	Hotel operation	Belgium	100	-
<u>Latina De Gestion Hotelera S.A. 's subsidiaries</u>				
Panorama Hotel S.A.	Hotel operation	Argentina	100	-
<u>Hotelexploitiemaatschappij Eindhoven B.V. 's subsidiaries</u>				
NH Hotel & Service GmbH	Hotel operation	Germany	100	-
NH Hotelbetriebs- Und Dienstleistungs GmbH	Hotel operation	Germany	100	-

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

a) Investments in subsidiaries (Cont'd)

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

			Investment portion (%)	
Company	Nature of business	Country of incorporation	31 December 2018	31 December 2017
<u>NH Central Europe GmbH & Co. Kg's subsidiaries</u>				
NH Hoteles Austria GmbH	Hotel operation	Austria	100	-
NH Hoteles Deutschland GmbH	Hotel operation	Germany	100	-
<u>NH Italia S.P.A's subsidiaries</u>				
Grande Jolly Spa	Hotel operation	Italy	97.4	-
NH Italy Management Srl	Hotel operation	Italy	100	-
PORTA ROSSA - S.R.L.	Hotel operation	Italy	100	-
<u>Marquette Beheer B.V. 's subsidiaries</u>				
Hotel Amsterdam Centre Propco B.V.	Hotel operation	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Atlanta Rotterdam B.V.	Real estate	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Bogardeind Geldrop B.V.	Real estate	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Capelle Aan Den Ijssel B.V.	Real estate	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Danny Kayelaan Zoetermeer B.V.	Real estate	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Ijsselmeerweg Naarden B.V.	Real estate	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Kruisweg Hoofddorp B.V.	Real estate	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Maas Best B.V.	Real estate	Netherlands	100	-

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>Marquette Beheer B.V.'s subsidiaries (Cont'd)</u>				
Onroerend Goed Beheer Maatschappij Marquette Heemskerk B.V.	Real estate	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Prins Hendrikkade Amsterdam B.V.	Real estate	Netherlands	100	-
Onroerend Goed Beheer Maatschappij Van Alphenstraat Zandvoort B.V.	Real estate	Netherlands	100	-
<u>Palatium Amstelodamum N.V.'s subsidiaries</u>				
Olofskapel Monumenten B.V.	Real estate	Netherlands	100	-
<u>Restaurant D'vijff Vlieghe B.V.'s subsidiaries</u>				
Nhow Amsterdam B.V.	Hotel operation	Netherlands	100	-
<u>NH Hoteles Austria GmbH's subsidiaries</u>				
Izd Hotel Betriebs GmbH	Hotel operation	Austria	100	-
NH Hungary Hotel Management Ltd	Hotel operation	Hungary	100	-
<u>NH Hoteles Deutschland GmbH's subsidiary</u>				
Hohenstaufen Einhundertneunzehnte Vermögensverwaltungs GmbH	Hotel operation	Germany	100	-
<u>Grande Jolly Spa's subsidiaries</u>				
Hotel Exploitiemaatschappij Vijzelstraat Amsterdam B.V.	Hotel operation	Netherlands	100	-
Hotel Houdstermaatschappij Jolly B.V.	Holding company	Netherlands	100	-
Jolly Hotels Deutschland GmbH	Hotel operation	Germany	100	-
Jolly Hotels Holland N.V.	Hotel operation	Netherlands	100	-

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

a) Investments in subsidiaries (Cont'd)

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

Company	Nature of business	Country of incorporation	Investment portion (%)	
			31 December 2018	31 December 2017
<u>NH Italy Management Srl's subsidiaries</u>				
NH ORIO SRL	Hotel operation	Italy	80	-
NH Laguna Palace Spa	Hotel operation	Italy	100	-
NH Tortona Srl	Hotel operation	Italy	70	-
Satme Invest Srl	Hotel operation	Italy	100	-
<u>Hotel Houdstermaatschappij Jolly B.V. 's subsidiary</u>				
Jolly Hotels Belgio Sa	Hotel operation	Belgium	100	-
<u>Jolly Hotels Holland N.V. 's subsidiaries</u>				
Jolly Hotels France	Hotel operation	France	100	-
Jolly Hotels U.S.A., Inc.	Hotel operation	United States	69.6	-
<u>Satme Invest Srl's subsidiary</u>				
I QUATTRO CANTI SRL	Hotel operation	Italy	50	-

Significant changes in investments in subsidiaries for the year ended 31 December 2018 comprise:

M Spa International Limited

During the first quarter of 2018, the Company acquired the ordinary shares of M Spa International Limited of 200,899 shares, totalling Baht 38 million from a subsidiary of the Group. The investment portion has increased from 51% to 100%.

Coco Palm Hotel & Resort Limited

During the first quarter of 2018, the Company fully paid in the share capital of Coco Palm Hotel & Resort Limited of Baht 60 million. The investment portion has still been 100% interest.

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

a) Investments in subsidiaries (Cont'd)

Significant changes in investment in subsidiaries for the year ended 31 December 2018 comprise: (Cont'd)

MHG Desaru Hotel Sdn. Bhd.

During the second quarter of 2018, a subsidiary of the Group additionally invested in MHG Desaru Hotel Sdn. Bhd. of 10.23 million shares with a par value of MYR 1, totalling MYR 10.23 million or equivalent to Baht 83 million, the investment portion has still been 60% interest.

MHG Desaru Villa Sdn. Bhd.

During the second quarter of 2018, a subsidiary of the Group additionally invested in MHG Desaru Villa Sdn. Bhd. of 3.7 million shares with par value of MYR 1, totalling MYR 3.7 million or equivalent to Baht 30 million, the investment portion has still been 60% interest.

MHG Phuket Limited

During the second quarter of 2018, a subsidiary of the Group invested in newly issued shares of MHG Phuket Limited of 543,000 shares with a par value of Baht 100, totalling Baht 543 million. The additional paid-up capital diluted investment portion held by the Company from 100% to 77.8%. Nevertheless, the investment portion at the Group still remains at 100%.

Benihana Holding Pte. Ltd.

During the second quarter of 2018, a subsidiary of the Group acquired Benihana Holding Pte. Ltd. Details of the acquisition are described in Note 35.

Over Success Enterprise Pte. Ltd.

During the second quarter of 2018, a subsidiary of the Group additionally invested in Over Success Enterprise Pte. Ltd. in an amount of USD 33 million or equivalent to Baht 1,030 million. The investment portion has changed from 85.9% to 100%.

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

a) Investments in subsidiaries (Cont'd)

Summarised financial information for subsidiaries

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

Summarised statement of financial position

	As at 31 December 2018		
	NH Hotel Group S.A. Baht Million	Minor DKL Food Group Pty. Ltd. Baht Million	Total Baht Million
Current			
Assets	18,647	438	19,085
Liabilities	(13,955)	(325)	(14,280)
Total current net assets	4,692	113	4,805
Non-current			
Assets	133,113	6,296	139,409
Liabilities	(41,003)	(1,506)	(42,509)
Total non-current net assets	92,110	4,790	96,900
Net assets	96,802	4,903	101,705
Accumulated NCI	8,282	1,040	9,322

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

a) Investments in subsidiaries (Cont'd)

Summarised statement of comprehensive income

	For the year ended 31 December 2018		
	Minor DKL		Total
	NH Hotel	Food Group	
	Group S.A.	Pty. Ltd.	
	Baht Million	Baht Million	Baht Million
Revenue	16,694	2,831	19,525
Post-tax profit from			
continuing operations	2,521	213	2,734
Total comprehensive income	2,521	213	2,734
Total comprehensive income allocated			
to non-controlling interests	103	13	116

Summarised statement of cash flows

	For the year ended 31 December 2018		
	Minor DKL		Total
	NH Hotel	Food Group	
	Group S.A.	Pty. Ltd.	
	Baht Million	Baht Million	Baht Million
Net cash generated from			
operating activities	531	(257)	274
Net cash used in investing activities	719	672	1,391
Net cash used in financing activities	(1,533)	(472)	(2,005)
Net increase (decrease) in			
cash and cash equivalents	(283)	(57)	(340)

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

b) Investments in associates

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht	Baht	Baht	Baht
At 1 January	7,087,166,244	6,692,163,068	2,767,066,898	2,767,066,898
Acquisition from investment in subsidiaries	271,942,090	-	-	-
Additions	26,403,478	72,439,811	12,596,278	-
Disposals	-	(2,593,620)	-	-
Change status to investment in subsidiaries	(3,821,580)	-	-	-
Share of profit of investments in associates	440,046,562	620,537,337	-	-
Dividends received	(376,477,848)	(295,305,291)	-	-
Impairment charge	(280,000,000)	-	-	-
Translation adjustment	(5,667,091)	(75,061)	-	-
At 31 December	7,159,591,855	7,087,166,244	2,779,663,176	2,767,066,898

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

b) Investments in associates (Cont'd)

Investments in associates are as follows:

Consolidated financial statements				
Company	Nature of business	Country of incorporation	Interests portion as a Group (%)	
			31 December 2018	31 December 2017
Arabian Spa (Dubai) (LLC)	Spa services	United Arab Emirates	49	49
Eutopia Private Holding Limited	Hotel operation	Republic of Maldives	50	50
Tanzania Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	50	50
Zanzibar Tourism and Hospitality Investment Limited	Holding investment	British Virgin Islands	50	50
Sizzler China Pte. Ltd.	Franchise owner	Singapore	50	50
Select Service Partner Limited	Sales of food and beverage	Thailand	51 ⁽¹⁾	51 ⁽¹⁾
Harbour View Corporation Limited	Hotel operation	Vietnam	30.4	30.4
Zuma Bangkok Limited	Sales 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%.

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

b) Investments in associates (Cont'd)

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

Consolidated financial statements				
Company	Nature of business	Country of incorporation	Interests portion as a Group (%)	
			31 December 2018	31 December 2017
S&P Syndicate Public Company Limited	Sales of food and beverage	Thailand	35.8	35.7
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	Sales of food and beverage	Singapore	14.2 ⁽³⁾	14.1 ⁽³⁾
Cardamom Tented Camp Co., Ltd.	Hotel operation	The Kingdom of Cambodia	35	35
Beijing NH Grand China Hotel Management Co., Ltd.	Hotel operation	China	49	-
Borakay Beach, S.L.	Hotel operation	Spain	50	-
Consorcio Grupo Hotelero T2, S. A. de C. V.	Hotel operation	Mexico	10	-
Hotel & Congress Technology Sl. (Extinguida)	Hotel operation	Spain	50	-
Hotelera del Mar, S.A.	Hotel operation	Argentina	20	-
Inmobiliaria 3 Poniente, S.A. De C.V.	Hotel operation	Mexico	27	-
Losan Investment, Ltd.	Hotel operation	United Kingdom	30	-
Mil Novecientos Doce, S.A. de C.V.	Hotel operation	Mexico	25	-
Sotocaribe Sl	Hotel operation	Spain	36	-

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

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

b) Investments in associates (Cont'd)

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

Company	Nature of business	Country of incorporation	Separate financial statements	
			Investment portion (%)	
			31 December 2018	31 December 2017
S&P Syndicate Public Company Limited	Sales of food and beverage	Thailand	35.8	35.7

Significant changes in investments in associates for the year ended 31 December 2018 comprise:

S&P Syndicate Public Company Limited

During the year of 2018, the Group acquired additional shares of S&P Syndicate Public Company Limited of 733,300 shares, totalling Baht 13 million. The investment portion has increased from 35.7% to 35.8%.

Breadtalk Group Limited

During the first quarter of 2018, the Group acquired additional shares of Breadtalk Group Limited of 198,000 shares, totalling USD 0.3 million or equivalent to Baht 8 million. The investment portion has increased from 14.1% to 14.2%.

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

b) Investments in associates (Cont'd)

Summarised financial information for associates

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

S&P Syndicate Public Company Limited is the listed company in the Stock Exchange of Thailand ("SET"). S&P Syndicate Public Company Limited will announce its financial information for the year ended 31 December 2018 later than the Group. Therefore, its 2018 financial information is not currently disclosed. For the purpose of this disclosure only, the Group use the most recent publicly available financial information of S&P Syndicate Public Company Limited which is the information for the period ended 30 September 2018.

For the consolidated financial statements for the year ended 31 December 2018, the Group uses S&P Syndicate Public Company Limited financial information for the year then ended to apply equity method.

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

b) Investments in associates (Cont'd)

Summarised statement of financial position

	As at 30 September 2018	As at 31 December 2018	
	S&P Syndicate Public Company Limited Baht Million	Breadtalk Group Limited Baht Million	Total Baht Million
Current assets			
Cash and cash equivalents	835	4,383	5,218
Other current assets	745	1,955	2,700
Total current assets	1,580	6,338	7,918
Non-current assets	2,372	8,077	10,449
Total assets	3,952	14,415	18,367
Current liabilities			
Financial liabilities (excluding trade payables)	39	546	585
Other current liabilities (including trade payables)	1,000	6,665	7,665
Total current liabilities	1,039	7,211	8,250
Non-current liabilities			
Financial liabilities	167	690	857
Other non-current liabilities	247	2,658	2,905
Total non-current liabilities	414	3,348	3,762
Total liabilities	1,453	10,559	12,012
Net assets	2,499	3,856	6,355

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

b) Investments in associates (Cont'd)

Summarised statement of financial position (Cont'd)

As at 31 December 2018, the fair value of S&P Syndicate Public Company Limited shares held by the Group which is computed by using closing price announced by SET is Baht 3,426 million (2017: Baht 3,834 million) and the carrying amount of the Group's interest was Baht 3,028 million (2017: Baht 3,020 million).

As at 31 December 2018, the fair value of Breadtalk Group Limited (in Singapore) shares held by the Group which is computed by using closing price announced by SGX is Baht 1,533 million (2017: Baht 1,640 million) and the carrying amount of the Group's interest was Baht 1,305 million (2017: Baht 1,283 million).

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

Summarised statement of comprehensive income

	For the nine-month period ended 30 September 2018	For the year ended 31 December 2018	
	S&P Syndicate Public Company Limited Baht Million	Breadtalk Group Limited Baht Million	Total Baht Million
Revenue	5,669	14,609	20,278
Post-tax profit from continuing operations	269	473	742
Other comprehensive income	24	4	28
Total comprehensive income	293	477	770
Dividends received from associates	149	30	179

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

b) Investments in associates (Cont'd)

Reconciliation of summarised financial information

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

	For the nine-month period ended 30 September 2018	For the year ended 31 December 2018	
	S&P Syndicate Public Company Limited Baht Million	Breadtalk Group Limited Baht Million	Total Baht Million
Summarised financial information			
Opening net assets 1 January	2,625	5,034	7,659
Profit for the period/year	269	473	742
Other component of equity	24	4	28
Foreign exchange differences	-	(1,228)	(1,228)
Dividend paid	(417)	(427)	(844)
Closing net assets	2,501	3,856	6,357
Interest portion as a Group	35.8%	14.2%	
Interest in associates	896	547	1,442
Goodwill	2,131	758	2,889
Carrying amount	3,027	1,305	4,332

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

b) Investments in associates (Cont'd)

Individually immaterial associates

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

	2018 Baht Million
Aggregate carrying amount of individually immaterial associates	3,107
Aggregate amounts of the reporting entity's share of:	
Post-tax profit from continuing operations	252
Other comprehensive income	-
Total comprehensive income	252

c) Interests in joint ventures

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Opening net book amount	3,542,424,779	2,693,888,953	5,484,460	5,484,460
Acquisition from investment in subsidiaries	83,810,842	-	-	-
Additions	187,993,764	647,885,097	-	-
Disposal	-	(76,711,420)	-	-
Redemption of interests in joint ventures	(1,049,433,834)	-	(5,484,460)	-
Change status to investment in subsidiaries	(11,126,427)	(56,831,444)	-	-
Share of profit of interests in joint ventures	47,892,934	453,706,871	-	-
Dividends received	(537,551)	(20,881,970)	-	-
Share of other comprehensive loss of interest in joint venture	109,757,940	(109,757,940)	-	-
Reclassification	(110,023,778)	11,551,167	-	-
Translation adjustment	704,602	(424,535)	-	-
At 31 December	2,801,463,271	3,542,424,779	-	5,484,460

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

c) Interests in joint ventures (Cont'd)

The jointly controlled entities are:

Company	Nature of business	Country of incorporation	Consolidated financial statements	
			Interests portion as a Group (%)	
			31 December 2018	31 December 2017
Maikhao Vacation Villas Limited	Liquidation	Thailand	-	50
Minor Fashion Limited (formerly "Mysale.co.th Limited")	Distribution	Thailand	-	50.1
Harbour Residences Oaks Ltd.	Providing services for accommodation	New Zealand	-(1)	50
PH Resorts (Private) Ltd.	Hotel operation	Sri Lanka	49.9	49.9
MHG Deep Blue Financing	Management	Republic of Mauritius	50	50
O Plus E Holdings Private Limited	Holding company	The Republic of the Maldives	50	50
Pecan Deluxe (Thailand) Co. Ltd.	Manufacturing food ingredients	Thailand	49.9	49.9
The Food Theory Group Pte. Ltd.	Sales of food and beverage	Singapore	-(1)	50
Liwa Minor Food & Beverage LLC	Sales of food and beverage	The United Arab Emirates	49	49
Rani Minor Holding II Limited	Holding company	The United Arab Emirates	49	49
MSC Thai Cuisine Co., Ltd.	Food academy	Thailand	43.8	43.8
BTM (Thailand) Ltd.	Sales of food and beverage	Thailand	50	50
MHG Npark Development Company Limited	Sales of property	Thailand	50	50
MHG Signity Assets Holding (Mauritius) Limited	Holding company	Republic of Mauritius	50	50
Patara Fine Thai Cuisine Limited	Sales of food and beverage	The United Kingdom	50	50
PT Wika Realty Minor Development	Hotel operation	Republic of Indonesia	50	50
MHG GP Pte. Ltd.	Holding company	Singapore	50	50

(1) Change status to investment in subsidiary due to additional investment during the year.

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

c) Interests in joint ventures (Cont'd)

The jointly controlled entities are: (Cont'd)

Consolidated financial statements				
Company	Nature of business	Country of incorporation	Interests portion as a Group (%)	
			31 December 2018	31 December 2017
2015 CM Investors Corporation	Holding company	Cayman Islands	-	50
Avadina Hills Limited	Sales of property	Thailand	50	50
Layan Hill Residence Limited	Sales of property	Thailand	50	50
Layan Bang Tao Development Limited	Sales 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	99 ⁽²⁾	-
Ya Hua International Pte. Ltd.	Sales of food and beverage	Singapore	50	-

⁽²⁾ Although the Group holds equity interest of 99%, the Group has the jointly control as agreed in the agreement; therefore, this investment is still classified as interests in joint venture.

Separate financial statements				
Company	Nature of business	Country of incorporation	Interests portion as a Group (%)	
			31 December 2018	31 December 2017
Maikhao Vacation Villas Limited	Liquidation	Thailand	-	50

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

c) Interests in joint ventures (Cont'd)

Significant changes in interests in joint ventures for the year ended 31 December 2018 comprise:

Harbour Residences Oaks Limited

During the first quarter of 2018, a subsidiary of the Group additionally invested in Harbour Residences Oaks Limited which made change to investment in subsidiary. Details of the acquisition are described in Note 35.

The Food Theory Group Pte. Ltd.

During the second quarter of 2018, a subsidiary of the Group additionally invested in The Food Theory Group Pte. Ltd. which made change to investment in subsidiary. Details of the acquisition are described in Note 35.

Art of Baking Co., Ltd.

During the third quarter of 2018, a subsidiary of the Group additionally invested in Art of Baking Co., Ltd. amounting to Baht 158 million which made investment portion increase from 51% to 99%. As the Group has the jointly control as agreed in the agreement; therefore, this investment is still classified as the interests in joint venture.

H&A Park Limited

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

At 31 December 2018, the Group completed the measurement of fair value of identifiable of assets acquired and liabilities assumed from the acquisition already. In consideration of fair value of asset, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.

The fair value at 50% interest of identified assets acquired and liabilities assumed from this acquisition was a result of the fair value of net assets amounting to Baht 255 million, when compared with the investment consideration, resulted in the excess of Baht 37 million of acquisition cost over net fair value of the identifiable assets and liabilities.

Commitments and contingent liabilities in respect of joint ventures

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

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

c) Interests in joint ventures (Cont'd)

Summarised financial information for joint ventures

Set out below are the summarised financial information of joint ventures as at 31 December 2018, which in the opinion of the management, are material to the Group. They have amended the reflect adjustments made by the Group when using equity method, including modifications for difference in accounting policy.

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

Summarised statement of financial position

	As at 31 December 2018		
	PH Resorts (Private) Ltd. Baht Million	Avadina Hills Co., Ltd Baht Million	Total Baht Million
Current assets			
Cash and cash equivalents	44	25	69
Other current assets (excluding cash)	66	416	482
Total current assets	110	441	551
Non-current assets	1,106	663	1,769
Total assets	1,216	1,104	2,320
Current liabilities			
Other current liabilities (including trade payables)	175	33	208
Total current liabilities	175	33	208
Non-current liabilities			
Financial liabilities (excluding trade payables)	654	341	995
Other liabilities	-	30	30
Total non-current liabilities	654	371	1,025
Total liabilities	829	404	1,233
Net assets	387	700	1,087

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

c) Interests in joint ventures (Cont'd)

Summarised statement of comprehensive income

	For the year ended 31 December 2018		
	PH Resorts (Private) Ltd.	Avadina Hills Co., Ltd	Total
	Baht Million	Baht Million	Baht Million
Revenue	343	1	344
Interest expense	(33)	(10)	(43)
Profit or loss from			
continuing operations	(50)	(21)	(71)
Income tax expense	-	(2)	(2)
Post-tax profit or loss			
from continuing operations	(50)	(23)	(73)
Other comprehensive income	1	-	1
Total comprehensive income	(49)	(23)	(72)

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

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

c) Interests in joint ventures (Cont'd)

Reconciliation of summarised financial information

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

	For the year ended 31 December 2018		
	PH Resorts (Private) Ltd.	Avadina Hills Co., Ltd	Total
	Baht Million	Baht Million	Baht Million
Opening net assets 1 January	568	723	1,291
Loss for the year	(50)	(23)	(73)
Other component of equity	2	-	2
Foreign exchange difference	(131)	-	(131)
Closing net assets	389	700	1,089
Interests in joint venture	50%	50%	
Carrying amount	195	350	545
Goodwill	133	-	133
Carrying amount, net	328	350	678

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.

	2018 Baht Million
Aggregate carrying amount of individually immaterial associates	2,224
Aggregate amounts of the reporting entity's share of:	
Post-tax profit from continuing operations	85
Total comprehensive income	85

15 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.

15 Related party transactions (Cont'd)

15.1 Sales and purchase of goods and services

	Consolidated		Separate	
	financial statements		financial statement	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
For the year ended 31 December				
Subsidiaries				
Sales of goods and services	-	-	75,945,839	77,994,885
Dividend income	-	-	980,000,632	1,429,390,358
Interest income	-	-	3,014,932,287	1,881,089,541
Other income	-	-	3,735,900	7,085,160
Purchases	-	-	(1,217,741)	-
Services expenses	-	-	(124,324,037)	(117,034,548)
Interest expenses	-	-	(43,551,816)	(36,061,030)
Other expenses	-	-	(2,231,598)	(9,339,347)
Associates				
Sales of goods and services	424,881,343	495,791,257	-	-
Dividend income	-	-	149,094,832	134,816,697
Interest income	51,873,355	48,269,183	-	-
Other income	1,637,561	2,083,291	-	-
Purchases	(95,943,535)	(111,117,278)	-	-
Joint ventures				
Sales of goods and services	139,483,512	128,610,317	20,000,000	7,000,000
Interest income	99,751,595	81,340,705	30,254,060	2,714,425
Other income	1,031,286	70,479	-	-
Purchases	(90,225,109)	(86,330,293)	-	-
Related parties				
Sales of goods and services	321,871,919	2,168,314	-	-
Purchases	(74,897,616)	(99,460,886)	-	-
Services expenses	(28,825,542)	(27,198,166)	-	-
Other expenses	(55,266,167)	(16,602,067)	(27,986,539)	(16,602,067)

Management remuneration

Management benefit expenses of the Group and the Company for the year ended 31 December 2018 Baht 310 million and Baht 117 million, respectively (2017: Baht 235 million and Baht 105 million, respectively). Management remuneration comprised short-term benefits such as salaries, bonus and other allowances.

15 Related party transactions (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
As at 31 December				
a) Receivables from:				
Subsidiaries	-	-	1,438,114,870	1,047,531,595
Associates	414,513,532	371,959,757	4,039,417	3,947,297
Joint ventures	434,563,919	351,224,247	22,619,144	4,353,855
Related parties	1,745,024	4,176,729	25,353	21,423
Total receivables from related parties (Note 8)	850,822,475	727,360,733	1,464,798,784	1,055,854,170
b) Payables to:				
Subsidiaries	-	-	30,311,746	35,350,889
Associates	9,755,408	16,070,707	-	3,162
Joint ventures	11,867,513	9,886,874	31	-
Related parties	6,230,201	31,751,411	-	669,766
Total payables to related parties (Note 22)	27,853,122	57,708,992	30,311,777	36,023,817

15.3 Long-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
As at 31 December				
Long-term loans to related parties:				
Subsidiaries	-	-	140,904,047,306	55,516,550,059
Associates	1,508,642,707	1,163,188,910	-	-
Joint ventures	4,587,185,099	5,011,194,406	617,080,948	414,932,988
Total long-term loans to related parties	6,095,827,806	6,174,383,316	141,521,128,254	55,931,483,047

15 Related party transactions (Cont'd)

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

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Subsidiaries				
At 1 January	-	-	55,516,550,059	39,243,653,377
Additions	-	-	94,454,855,238	16,990,842,257
Settlement	-	-	(6,831,348,368)	-
Unrealised loss on exchange rate	-	-	(2,236,009,623)	(717,945,575)
At 31 December	-	-	140,904,047,306	55,516,550,059
Associates				
At 1 January	1,163,188,910	1,239,465,885	-	-
Acquisition from investment in subsidiaries	352,748,251	-	-	-
Additions	56,191,650	105,215,309	-	-
Settlement	(50,581,331)	(86,693,021)	-	-
Translation adjustment	(12,904,773)	(94,799,263)	-	-
At 31 December	1,508,642,707	1,163,188,910	-	-

15 Related party transactions (Cont'd)

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

The movement in loans to related parties can be analysed as below: (Cont'd)

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Joint ventures				
At 1 January	5,011,194,406	4,499,167,813	414,932,988	-
Additions	288,377,530	1,114,113,703	217,711,480	417,626,868
Reclassification	(46,556,717)	-	-	-
Settlement	(626,510,877)	(235,090,357)	(15,000,000)	-
Unrealised loss on exchange rate	(3,230,000)	-	(563,520)	(2,693,880)
Translation adjustment	(36,089,243)	(366,996,753)	-	-
At 31 December	4,587,185,099	5,011,194,406	617,080,948	414,932,988

Long-term loans to related parties are unsecured and denominated in Thai Baht and foreign currency. The loans carry interest rate at the market interest with reference to the interest rate quoted by commercial banks. The loans are due for repayment at call but the Group will not call the loans for settlement within the next 12 months. 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 2018, the provision of loan facilities of the Treasury Center to the overseas entities in the Group is Baht 212 million or equivalent to USD 6.5 million. The accumulated loan facilities from 2016 to 2018 is Baht 1,290 million or equivalent to USD 37.2 million.

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

15 Related party transactions (Cont'd)

15.4 Borrowings from related parties

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
As at 31 December				
Short-term borrowings from related parties				
Subsidiaries	-	-	2,089,180,139	1,707,306,993
Total short-term borrowings from related parties (Note 21)	-	-	2,089,180,139	1,707,306,993

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Subsidiaries				
At 1 January	-	-	1,707,306,993	2,317,923,667
Additions	-	-	1,014,949,381	-
Settlements	-	-	(487,857,878)	(548,078,729)
Unrealised gain on exchange rate	-	-	(145,218,357)	(62,537,945)
At 31 December	-	-	2,089,180,139	1,707,306,993

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.

16 Investment properties

	Consolidated financial statements		
	Land and land	Buildings	Total
	improvement	and building	
	Baht	improvement	Baht
At 1 January 2017			
Cost	57,227,186	2,014,049,949	2,071,277,135
<u>Less</u> Accumulated depreciation	(1,155,334)	(1,147,086,181)	(1,148,241,515)
Net book amount	56,071,852	866,963,768	923,035,620
Fair value			1,426,901,000
For the year ended 31 December 2017			
Opening net book amount	56,071,852	866,963,768	923,035,620
Additions	-	33,982,935	33,982,935
Disposals, net	-	(60,760)	(60,760)
Transfer from property, plant and equipment	-	339,116,249	339,116,249
Depreciation charge	(96,518)	(106,264,498)	(106,361,016)
Closing net book amount	55,975,334	1,133,737,694	1,189,713,028
As at 31 December 2017			
Cost	57,227,186	2,392,365,978	2,449,593,164
<u>Less</u> Accumulated depreciation	(1,251,852)	(1,258,628,284)	(1,259,880,136)
Net book amount	55,975,334	1,133,737,694	1,189,713,028
Fair value			1,453,063,409
For the year ended 31 December 2018			
Opening net book amount	55,975,334	1,133,737,694	1,189,713,028
Additions	-	129,964,362	129,964,362
Disposals, net	(32,866,671)	(39,459,959)	(72,326,630)
Depreciation charge	(9,724)	(61,096,122)	(61,105,846)
Closing net book amount	23,098,939	1,163,145,975	1,186,244,914
As at 31 December 2018			
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

16 Investment properties (Cont'd)

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

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

Fair value measurements using significant unobservable inputs (Level 3)

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

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

Group's valuation processes

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

The main Level 3 input used by the Group pertains to the discount rate for investment property 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:

	2018 Baht	2017 Baht
Rental income	335,045,679	345,183,360
Direct operating expense arised from investment property that generated rental income	53,968,613	106,361,016

17 Property, plant and equipment

Consolidated financial statements - Baht

	Land and land improvement	Buildings and fitting equipment	Building and leasehold improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 1 January 2017								
Cost	10,852,923,869	33,540,411,509	10,025,356,051	15,470,878,258	378,474,223	3,688,137,883	2,032,475,766	75,988,657,559
<u>Less</u> Accumulated depreciation	(317,068,155)	(10,227,699,028)	(4,446,139,394)	(9,509,886,858)	(245,863,448)	(2,423,592,853)	-	(27,170,249,736)
<u>Less</u> Provision for impairment	-	(75,580,317)	(31,791,135)	(10,691,076)	-	(1,452,696)	-	(119,515,224)
Net book amount	<u>10,535,855,714</u>	<u>23,237,132,164</u>	<u>5,547,425,522</u>	<u>5,950,300,324</u>	<u>132,610,775</u>	<u>1,263,092,334</u>	<u>2,032,475,766</u>	<u>48,698,892,599</u>
For the year ended 31 December 2017								
Opening net book amount	10,535,855,714	23,237,132,164	5,547,425,522	5,950,300,324	132,610,775	1,263,092,334	2,032,475,766	48,698,892,599
Additions	479,181,494	881,763,911	383,454,844	803,810,317	25,756,677	948,159,499	3,115,821,152	6,637,947,894
Acquisition from investment in subsidiaries, net	-	740,974,866	-	150,721,246	-	7,385,777	-	899,081,889
Adjustment of fair value of assets from investment in subsidiary	-	26,438,700	-	-	-	-	-	26,438,700
Disposals, net	(8,108,850)	(1,266)	(19,563,765)	(12,310,723)	(738,092)	(38,554,622)	(24,702,068)	(103,979,386)
Write-offs, net	(2,763,649)	(65,745,248)	(87,976,208)	(20,531,255)	(2,005,850)	(10,100,868)	(6,992,797)	(196,115,875)
Reclassification	56,350,400	173,305,186	844,862,188	792,451,371	7,707,420	74,690,232	(1,949,366,797)	-
Transfer to investment properties (Note 16)	-	-	-	(337,763,374)	-	-	(1,352,875)	(339,116,249)
Transfer from (to) other accounts	-	-	(1,789,306)	33,795,027	-	(311,661)	(93,516,358)	(61,822,298)
Depreciation charge	(22,388,565)	(1,093,120,984)	(965,550,704)	(1,249,732,953)	(39,596,072)	(263,268,588)	-	(3,633,657,866)
Impairment reversal	-	-	19,340,693	5,243,246	-	1,452,696	-	26,036,635
Translation adjustment	(29,853,800)	(246,637,756)	(73,531,653)	(36,186,100)	(1,834,067)	(3,977,113)	(185,377,145)	(577,397,634)
Closing net book amount	<u>11,008,272,744</u>	<u>23,654,109,573</u>	<u>5,646,671,611</u>	<u>6,079,797,126</u>	<u>121,900,791</u>	<u>1,978,567,686</u>	<u>2,886,988,878</u>	<u>51,376,308,409</u>
At 31 December 2017								
Cost	11,366,123,778	34,907,071,203	10,539,017,005	16,488,821,841	395,343,726	4,722,161,896	2,886,988,878	81,305,528,327
<u>Less</u> Accumulated depreciation	(357,851,034)	(11,178,718,878)	(4,872,250,205)	(10,403,830,169)	(273,442,935)	(2,743,594,210)	-	(29,829,687,431)
<u>Less</u> Provision for impairment	-	(74,242,752)	(20,095,189)	(5,194,546)	-	-	-	(99,532,487)
Net book amount	<u>11,008,272,744</u>	<u>23,654,109,573</u>	<u>5,646,671,611</u>	<u>6,079,797,126</u>	<u>121,900,791</u>	<u>1,978,567,686</u>	<u>2,886,988,878</u>	<u>51,376,308,409</u>

17 Property, plant and equipment (Cont'd)

Consolidated financial statements - Baht

	Land and land improvement	Buildings and fitting equipment	Building and leasehold improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
For the year ended 31 December 2018								
Opening net book amount	11,008,272,744	23,654,109,573	5,646,671,611	6,079,797,126	121,900,791	1,978,567,686	2,886,988,878	51,376,308,409
Additions	283,142,393	1,823,012,252	587,226,819	1,004,088,858	29,662,115	737,263,057	4,480,269,435	8,944,664,929
Acquisition from investment in subsidiaries, net (Note 35)	40,985,953,264	36,234,432,303	15,374,470	2,796,386,190	1,606,334	13,760,503	1,659,678,365	81,707,191,429
Disposals, net	(52,255)	(59,185,484)	(16,967,920)	(21,369,910)	(4,698,994)	(116,816,919)	(18,795,805)	(237,887,287)
Write-offs, net	-	(153,116,839)	(87,256,453)	(83,351,506)	(52,405)	(18,016,393)	(4,913,299)	(346,706,895)
Reclassification	(2,444,718)	(185,261,362)	1,130,113,814	921,204,045	17,072,965	478,747,492	(2,359,432,236)	-
Transfer to non-current assets classified as held-for-sale	(106,556,721)	-	-	-	-	-	(372,684,515)	(479,241,236)
Transfer from (to) other accounts	(204,776,750)	(90,361,142)	(701,601)	(40,573,807)	-	72,665,141	(37,007,050)	(300,755,209)
Depreciation charge	(24,912,976)	(1,784,898,343)	(1,025,101,149)	(1,643,282,443)	(40,917,625)	(431,063,184)	-	(4,950,175,720)
Impairment reversal (charge)	-	214,055,382	(20,818,318)	(62,744,866)	-	(37,353,477)	-	93,138,721
Translation adjustment	(708,628,423)	(1,395,218,943)	(133,867,956)	(124,242,644)	(1,964,161)	(132,323,238)	(185,392,560)	(2,681,637,925)
Closing net book amount	<u>51,229,996,558</u>	<u>58,257,567,397</u>	<u>6,094,673,317</u>	<u>8,825,911,043</u>	<u>122,609,020</u>	<u>2,545,430,668</u>	<u>6,048,711,213</u>	<u>133,124,899,216</u>
At 31 December 2018								
Cost	51,600,777,239	104,501,378,591	11,507,814,445	32,550,978,123	458,947,569	5,477,780,263	6,048,711,213	212,146,387,443
<u>Less</u> Accumulated depreciation	(370,780,681)	(45,830,716,700)	(5,373,266,672)	(23,657,656,109)	(336,338,549)	(2,895,590,925)	-	(78,464,349,636)
<u>Less</u> Provision for impairment	-	(413,094,494)	(39,874,456)	(67,410,971)	-	(36,758,670)	-	(557,138,591)
Net book amount	<u>51,229,996,558</u>	<u>58,257,567,397</u>	<u>6,094,673,317</u>	<u>8,825,911,043</u>	<u>122,609,020</u>	<u>2,545,430,668</u>	<u>6,048,711,213</u>	<u>133,124,899,216</u>

Depreciation expense of Baht 3,431 million (2017: Baht 2,236 million) has been charged in cost of sales and services, Baht 1,273 million (2017: Baht 1,211 million) in selling expenses and Baht 246 million (2017: Baht 186 million) in administrative expenses.

17 Property, plant and equipment (Cont'd)

	Separate financial statements - Baht							
	Land and land improvement	Buildings	Building improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
At 1 January 2017								
Cost	10,011,983	606,798,444	142,783,224	596,576,490	20,579,369	21,190,403	23,809,290	1,421,749,203
<u>Less</u> Accumulated depreciation	(449,343)	(554,745,180)	(100,796,758)	(475,116,647)	(8,255,900)	(12,898,746)	-	(1,152,262,574)
Net book amount	9,562,640	52,053,264	41,986,466	121,459,843	12,323,469	8,291,657	23,809,290	269,486,629
For the year ended 31 December 2017								
Opening net book amount	9,562,640	52,053,264	41,986,466	121,459,843	12,323,469	8,291,657	23,809,290	269,486,629
Additions	-	-	8,917,383	43,237,115	-	5,736,035	10,120,966	68,011,499
Disposals, net	-	(1,260)	-	(167,663)	-	(3,128)	(921,893)	(1,093,944)
Write-offs, net	-	(22)	-	(28,509)	-	-	-	(28,531)
Reclassification	-	-	10,183,411	9,603,753	-	3,132,652	(22,919,816)	-
Transfer to other account	-	-	-	-	-	-	(1,075,178)	(1,075,178)
Depreciation charge	(34,037)	(28,327,695)	(25,587,531)	(43,130,609)	(3,156,465)	(2,050,976)	-	(102,287,313)
Closing net book amount	9,528,603	23,724,287	35,499,729	130,973,930	9,167,004	15,106,240	9,013,369	233,013,162
At 31 December 2017								
Cost	10,011,983	593,789,452	161,884,018	623,619,687	20,579,369	28,261,935	9,013,369	1,447,159,813
<u>Less</u> Accumulated depreciation	(483,380)	(570,065,165)	(126,384,289)	(492,645,757)	(11,412,365)	(13,155,695)	-	(1,214,146,651)
Net book amount	9,528,603	23,724,287	35,499,729	130,973,930	9,167,004	15,106,240	9,013,369	233,013,162

17 Property, plant and equipment (Cont'd)

	Separate financial statements - Baht							
	Land and land improvement	Buildings	Building improvement	Furniture, fixtures and other equipment	Motor vehicles	Operating equipment	Construction in progress	Total
For the year ended 31 December 2018								
Opening net book amount	9,528,603	23,724,287	35,499,729	130,973,930	9,167,004	15,106,240	9,013,369	233,013,162
Additions	23,000	88,825	3,237,238	17,748,425	601,028	81,327	153,213	21,933,056
Write-offs, net	-	(83,145)	-	(72,977)	(52,405)	-	-	(208,527)
Reclassification	-	-	695,813	2,839,100	-	-	(3,534,913)	-
Depreciation charge	(2,797)	(4,934,686)	(5,855,993)	(41,295,008)	(3,114,661)	(2,745,200)	-	(57,948,345)
Closing net book amount	9,548,806	18,795,281	33,576,787	110,193,470	6,600,966	12,442,367	5,631,669	196,789,346
At 31 December 2018								
Cost	10,034,983	591,789,330	165,719,848	639,249,877	19,747,739	28,343,262	5,631,669	1,460,516,708
<u>Less</u> Accumulated depreciation	(486,177)	(572,994,049)	(132,143,061)	(529,056,407)	(13,146,773)	(15,900,895)	-	(1,263,727,362)
Net book amount	9,548,806	18,795,281	33,576,787	110,193,470	6,600,966	12,442,367	5,631,669	196,789,346

17 Property, plant and equipment (Cont'd)

Borrowing cost amounting to Baht 33 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 4% per annum in calculation of borrowing cost to be included in cost of the assets.

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cost - capitalised finance leases	38,004,097	40,205,010	-	-
<u>Less</u> Accumulated depreciation	(11,325,227)	(14,301,098)	-	-
Net book amount	26,678,870	25,903,912	-	-

Subsidiaries of the Group have mortgaged land and building amounting to AUD 92 million and EUR 237 million or equivalent to Baht 10,888 million (2017: AUD 100 million or equivalent to Baht 2,545 million) to secure loans with foreign banks (Note 21).

Capital commitments

	Consolidated financial statements		
	Baht Million	AUD Million	EUR Million
Commitments in respect of building renovation and construction contracts and purchases of assets as at 31 December 2018	1,860	1	67
Commitments in respect of building renovation and construction contracts and purchases of assets and purchases of equipment as at 31 December 2017	367	3	-

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
At 1 January 2017									
Cost	4,569,301,642	585,168,438	166,037,722	199,800,254	8,195,033,639	5,670,451,641	1,281,041,800	300,910,277	20,967,745,413
<u>Less</u> Accumulated amortisation	(697,947,131)	(96,162,190)	(162,927,225)	(131,850,239)	(391,808,039)	-	(844,480,256)	-	(2,325,175,080)
<u>Less</u> Provision for impairment	(3,371,706)	-	(12,445)	(1,855,372)	(153,775,854)	(801)	(56,823)	-	(159,073,001)
Net book amount	<u>3,867,982,805</u>	<u>489,006,248</u>	<u>3,098,052</u>	<u>66,094,643</u>	<u>7,649,449,746</u>	<u>5,670,450,840</u>	<u>436,504,721</u>	<u>300,910,277</u>	<u>18,483,497,332</u>
For the year ended 31 December 2017									
Opening net book amount	3,867,982,805	489,006,248	3,098,052	66,094,643	7,649,449,746	5,670,450,840	436,504,721	300,910,277	18,483,497,332
Additions	172,738,030	5,885,368	-	23,204,447	-	-	177,754,521	82,241,295	461,823,661
Acquisition from investment in subsidiaries	51,878,125	2,713,347	-	-	1,395,817,468	-	2,091,756	-	1,452,500,696
Adjustment of fair value of assets from investment in subsidiary	-	-	-	-	(13,089,000)	-	-	-	(13,089,000)
Write-offs, net	-	(168,888)	-	(720,100)	-	(76,890,852)	(6,018,759)	-	(83,798,599)
Reclassification	-	18,332,909	-	-	-	(18,332,909)	154,473,912	(154,473,912)	-
Transfer (to) from other account	-	-	-	(2,800,301)	-	-	1,439,371	1,043,208	(317,722)
Amortisation charge	(106,809,626)	(1,383,394)	(98,621)	(8,931,993)	-	-	(162,425,865)	-	(279,649,499)
Impairment (charge) reversal	-	(1,086,727)	-	-	-	-	13,146	-	(1,073,581)
Translation adjustment	(78,107,251)	(10,879,310)	(106,240)	(614,090)	(255,332,139)	6,679,393	(16,599,570)	(111,924)	(355,071,131)
Closing net book amount	<u>3,907,682,083</u>	<u>502,419,553</u>	<u>2,893,191</u>	<u>76,232,606</u>	<u>8,776,846,075</u>	<u>5,581,906,472</u>	<u>587,233,233</u>	<u>229,608,944</u>	<u>19,664,822,157</u>
At 31 December 2017									
Cost	4,700,183,655	601,051,866	166,931,768	222,284,601	9,168,654,114	5,581,907,273	1,668,201,627	229,608,944	22,338,823,848
<u>Less</u> Accumulated amortisation	(789,189,537)	(97,545,586)	(164,038,577)	(144,196,623)	(391,808,039)	-	(1,080,924,718)	-	(2,667,703,080)
<u>Less</u> Provision for impairment	(3,312,035)	(1,086,727)	-	(1,855,372)	-	(801)	(43,676)	-	(6,298,611)
Net book amount	<u>3,907,682,083</u>	<u>502,419,553</u>	<u>2,893,191</u>	<u>76,232,606</u>	<u>8,776,846,075</u>	<u>5,581,906,472</u>	<u>587,233,233</u>	<u>229,608,944</u>	<u>19,664,822,157</u>

	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 2018									
Opening net book amount (as previously reported)	3,907,682,083	502,419,553	2,893,191	76,232,606	8,776,846,075	5,581,906,472	587,233,233	229,608,944	19,664,822,157
Retrospective adjustment of fair value (Note 35)	-	-	-	-	(1,167,255,129)	1,378,175,984	-	-	210,920,855
Opening net book amount (as restated)	3,907,682,083	502,419,553	2,893,191	76,232,606	7,609,590,946	6,960,082,456	587,233,233	229,608,944	19,875,743,012
Additions	206,264,189	1,952,882	-	19,014,742	-	175,793	278,468,973	226,905,231	732,781,810
Acquisition from investment in subsidiaries (Note 35)	4,455,982,832	-	-	-	261,970,194	39,788,267,833	849,314,858	-	45,355,535,717
Disposals, net	(1,128,299,799)	-	-	-	-	-	(264,071)	(1,713,733)	(1,130,277,603)
Write-offs, net	(3,689,240)	(518,130)	-	(1,148,759)	-	-	(2,707,009)	(108,500)	(8,171,638)
Reclassification	-	-	-	-	-	-	139,473,882	(139,473,882)	-
Transfer (to) from other account	(251,252)	-	-	(1,356,572)	-	-	12,365,728	5,883,453	16,641,357
Amortisation charge	(216,170,333)	(2,015,912)	(81,837)	(10,626,004)	-	-	(315,442,110)	-	(544,336,196)
Impairment charge	-	(2,137,397)	-	(790,962)	-	(35,438,330)	(28,317,954)	-	(66,684,643)
Translation adjustment	(518,776,954)	(30,860,563)	(7,744)	(1,328,764)	(488,166,299)	(847,342,206)	(23,452,911)	-	(1,909,935,441)
Closing net book amount	<u>6,702,741,526</u>	<u>468,840,433</u>	<u>2,803,610</u>	<u>79,996,287</u>	<u>7,383,394,841</u>	<u>45,865,745,546</u>	<u>1,496,672,619</u>	<u>321,101,513</u>	<u>62,321,296,375</u>
At 31 December 2018									
Cost	9,970,424,989	586,361,615	166,931,768	240,903,297	7,779,888,319	45,901,184,677	4,663,905,482	321,101,513	69,630,701,660
<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)
<u>Less</u> 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>6,702,741,526</u>	<u>468,840,433</u>	<u>2,803,610</u>	<u>79,996,287</u>	<u>7,383,394,841</u>	<u>45,865,745,546</u>	<u>1,496,672,619</u>	<u>321,101,513</u>	<u>62,321,296,375</u>

Amortisation of Baht 368 million (2017: Baht 155 million) has been charged in the cost of sales and services, Baht 47 million (2017: Baht 41 million) in selling expenses and Baht 129 million (2017: Baht 83 million) in administrative expenses.

18 Intangible assets (Cont'd)

	Separate financial statements (Baht)		
	Computer software	Computer software under installation	Total
At 1 January 2017			
Cost	43,105,539	36,589,931	79,695,470
<u>Less</u> Accumulated amortisation	(39,501,417)	-	(39,501,417)
Net book amount	<u>3,604,122</u>	<u>36,589,931</u>	<u>40,194,053</u>
For the year ended 31 December 2017			
Opening net book amount	3,604,122	36,589,931	40,194,053
Additions	107,500	184,275	291,775
Disposals, net	(65,375)	(36,589,931)	(36,655,306)
Transfer from other account	430,000	599,838	1,029,838
Amortisation charge	(1,021,826)	-	(1,021,826)
Closing net book amount	<u>3,054,421</u>	<u>784,113</u>	<u>3,838,534</u>
At 31 December 2017			
Cost	43,404,029	784,113	44,188,142
<u>Less</u> Accumulated amortisation	(40,349,608)	-	(40,349,608)
Net book amount	<u>3,054,421</u>	<u>784,113</u>	<u>3,838,534</u>
For the year ended 31 December 2018			
Opening net book amount	3,054,421	784,113	3,838,534
Additions	220,248	19,722,970	19,943,218
Reclassification	864,438	(864,438)	-
Amortisation charge	(1,001,391)	-	(1,001,391)
Closing net book amount	<u>3,137,716</u>	<u>19,642,645</u>	<u>22,780,361</u>
At 31 December 2018			
Cost	44,478,716	19,642,645	64,121,361
<u>Less</u> Accumulated amortisation	(41,341,000)	-	(41,341,000)
Net book amount	<u>3,137,716</u>	<u>19,642,645</u>	<u>22,780,361</u>

A subsidiary of the Group has mortgaged asset management rights amounting to AUD 163 million or equivalent to Baht 3,723 million (2017: AUD 142 million or equivalent to Baht 3,614 million) to secure loans with foreign banks (Note 21).

18 Intangible assets (Cont'd)

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

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

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

	Consolidated financial statements					
	31 December 2018			31 December 2017		
	Hotel & Spa Baht Million	Restaurant Baht Million	Total Baht Million	Hotel & Spa Baht Million	Restaurant Baht Million	Total Baht Million
Goodwill	3,725	3,658	7,383	3,875	4,902	8,777
Brand	40,363	5,503	45,866	264	5,318	5,582

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

	Hotel and Spa	Restaurant
Gross margin ¹	24% - 72%	72% - 76%
Growth rate ²	2% - 29%	2% - 16%
Discount rate ³	6% - 12%	5% - 7%

¹ Budgeted gross margin.

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

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

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

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

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 cash generating units (CGUs) under the hotel business and spa which have value in use higher than the carrying value of approximately Baht 189 million. In this case, if the pre-tax discount had been 1.5% per annum higher than management's estimate, the Group would have recognised impairment loss of approximately Baht 60 million. However, other cash generating units still have their value in use higher than the carrying value.

19 Prepaid rents

	Consolidated financial statements Baht	Separate financial statements Baht
At 1 January 2017		
Cost	4,377,044,982	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,392,344,657)</u>	<u>(17,444,664)</u>
Net book amount	<u>1,984,700,325</u>	<u>1,245,867</u>
For the year ended 31 December 2017		
Opening net book amount	1,984,700,325	1,245,867
Additions	133,070,609	-
Write-offs, net	(989,676)	-
Transfer to other account	(1,733,573)	-
Amortisation charge	(110,477,173)	(623,018)
Translation adjustment	<u>8,095,157</u>	<u>-</u>
Closing net book amount	<u>2,012,665,669</u>	<u>622,849</u>
At 31 December 2017		
Cost	4,405,895,298	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,393,229,629)</u>	<u>(18,067,682)</u>
Net book amount	<u>2,012,665,669</u>	<u>622,849</u>
For the year ended 31 December 2018		
Opening net book amount (as previously reported)	2,012,665,669	622,849
Retrospective adjustment of fair value (Note 35)	<u>445,815,480</u>	<u>-</u>
Opening net book amount (as restated)	2,458,481,149	622,849
Additions	52,201,756	-
Disposals, net	(5,883,778)	-
Write-offs, net	(11,029,826)	-
Transfer from other account	139,101,501	-
Amortisation charge	(169,550,988)	(622,849)
Translation adjustment	<u>(69,640,853)</u>	<u>-</u>
Closing net book amount	<u>2,393,678,961</u>	<u>-</u>
At 31 December 2018		
Cost	4,995,236,349	18,690,531
<u>Less</u> Accumulated amortisation	<u>(2,601,557,388)</u>	<u>(18,690,531)</u>
Net book amount	<u>2,393,678,961</u>	<u>-</u>

Amortisation of Baht 101 million (2017: Baht 52 million) has been charged in the cost of sales and services, Baht 49 million (2017: Baht 49 million) in selling expenses and Baht 18 million (2017: Baht 9 million) in administrative expenses.

20 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Loans to other companies	1,170,018,798	386,636,848	-	-
Deposits	1,746,885,224	1,164,204,279	10,966,209	11,120,351
Deferred charges	124,758,053	177,287,672	285,038	32,894,465
Others	1,271,336,775	64,771,211	407,408,127	-
Total other non-current assets	4,312,998,850	1,792,900,010	418,659,374	44,014,816

21 Borrowings

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Current				
Bank overdrafts	46,895,892	44,599,342	-	-
Short-term borrowings from financial institutions	3,433,642,576	1,509,933,903	3,427,833,826	1,000,962,153
Sub-total	3,480,538,468	1,554,533,245	3,427,833,826	1,000,962,153
Borrowings from related parties (Note 15)	-	-	2,089,180,139	1,707,306,993
Current portion of long-term borrowings				
Finance lease liabilities	13,998,602	7,474,588	-	-
Borrowings from financial institutions	9,635,759,029	1,757,932,380	9,303,839,271	653,618,000
Sub-total	9,649,757,631	1,765,406,968	9,303,839,271	653,618,000
Current portion of debentures	4,502,710,140	2,000,000,000	4,500,000,000	2,000,000,000
Total current borrowings	17,633,006,239	5,319,940,213	19,320,853,236	5,361,887,146
Non-current				
Finance lease liabilities	21,823,896	10,264,789	-	-
Borrowings from financial institutions	73,231,947,709	21,698,332,404	61,687,828,310	13,546,109,566
Debentures	36,007,094,338	23,134,045,000	22,575,011,352	23,134,045,000
Total non-current borrowings	109,260,865,943	44,842,642,193	84,262,839,662	36,680,154,566
Total borrowings	126,893,872,182	50,162,582,406	103,583,692,898	42,042,041,712

21 Borrowings (Cont'd)

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

	Consolidated financial statements Baht	Separate financial statements Baht
For the year ended 31 December 2018		
Opening amount	23,456,264,784	14,199,727,566
Additions	85,537,786,106	84,110,365,470
Acquisition from investment in subsidiaries	2,908,902,287	-
Repayments	(27,014,972,713)	(26,340,990,799)
Amortisation of underwriting fees	128,088,772	88,779,718
Unrealised gain on exchange rate	(1,072,732,106)	(1,066,214,374)
Translation adjustment	(1,075,630,392)	-
Closing amount	82,867,706,738	70,991,667,581

Borrowings from financial institutions

As at 31 December 2018, significant long-term borrowings from financial institutions by the Group and the Company comprise:

- The Company has an unsecured loan from a bank of Baht 2,000 million. The loan carries fixed interest rate and is due for repayment in April 2020. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- The Company has an unsecured loan from a bank of AUD 33.8 million. The loan carries a variable interest rate of 6-month BBSY plus a margin and is due for repayment between 2018 and 2020. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- The Company has an unsecured loan from a bank of USD 20 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment in May 2019. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- The Company has an unsecured loan from a bank of USD 238 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment in 2023. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- The Company has an unsecured loan from a bank of USD 22.7 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment in June 2019. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.

21 Borrowings (Cont'd)

Borrowings from financial institutions (Cont'd)

- f) The Company has an unsecured loan from a bank of GBP 14.9 million. The loan carries a variable interest rate of LIBOR plus a margin and is due for repayment during 2018 to 2020. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- g) The Company has an unsecured loan from a bank of SGD 12.1 million. The loan carries a variable interest rate of SOR plus a margin and is due for repayment in December 2020. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- h) The Company have a secured loans from a bank of EUR 1,177 million. The loan carries a variable interest rate of EURIBOR plus a margin and is due for repayment between 2019 and 2020. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- i) The Company has an unsecured loan from a bank of EUR 259 million. The loan carries a variable interest rate of EURIBOR plus a margin and is due for repayment in 2020. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- j) The Company has an unsecured loan from a bank of EUR 138.9 million. The loan carries a variable interest rate of EURIBOR plus a margin and is due for repayment in 2023. The loan is subject to certain conditions which the Company has to comply with throughout the loan period.
- k) A subsidiary has a secured loan from a bank of AUD 104.5 million. The loan carries a variable interest rate of Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in August 2020. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- l) A subsidiary has a secured loan from a bank of AUD 34.1 million. The loan carries a variable interest rate of Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment during 2018 to 2022. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- m) A subsidiary has a secured loan from a bank of AUD 18.6 million. The loan carries a variable interest rate of Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in 2023.
- n) A subsidiary has a secured loan from a bank of USD 21.2 million. The loan carries a variable interest rate of 3-month LIBOR plus a margin and is due for repayment during 2017 to 2020. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.

21 Borrowings (Cont'd)

Borrowings from financial institutions (Cont'd)

- o) A subsidiary has a secured loan from a bank of AUD 13.5 million. The loan carries a variable interest rate of 30-day Australian Bank Bill Swap Reference Rate plus a margin and is due for repayment in 2020.
- p) A subsidiary has a secured loan from a bank of EUR 11.9 million. The loan carries a variable interest rate of 3-month EURIBOR plus a margin and is due for repayment during 2018 to 2022. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- q) A subsidiary has secured loans from two banks of AUD 169.6 million. The loans carry interest rates of Australian Bank Bill Swap Reference Rate plus a margin and are due for repayment during 2018 to 2022. The loans are subject to certain conditions which the subsidiary has to comply with throughout the loan periods and use the subsidiary's land and building and asset management rights as collateral (Note 17 and Note 18).
- r) A subsidiary has secured loan from a bank of USD 3.9 million. The loan carries a variable interest rate of cost of fund plus a margin and is due for repayment during 2019 to 2025. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- s) A subsidiary has secured loan from a bank of MYR 13.3 million. The loan carries a variable interest rate of cost of fund plus a margin and is due for repayment during 2021 to 2026. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- t) A subsidiary has secured loan from a bank of MYR 5.4 million. The loan carries a variable interest rate of cost of fund plus a margin and is due for repayment during 2020 to 2023. The loan is subject to certain conditions which the subsidiary has to comply with throughout the loan period.
- u) A subsidiary has secured loans from banks of EUR 28 million. The loans carry a variable and fixed interest rates which due for repayment during 2020 and 2036. The loans are subject to certain conditions which the subsidiary has to comply with throughout the periods and use the subsidiary's hotel properties as collateral (Note 17).
- v) A subsidiary has unsecured loans totaling EUR 48 million. The loans carry a variable interest rate which due for repayment during 2019 and 2037. The loans are subject to certain conditions which the subsidiary has to comply with throughout the periods.

The carrying amounts of long-term bank borrowings as of 31 December 2018 approximate to their fair values.

21 Borrowings (Cont'd)

Debentures

Debentures comprise:

Consolidated financial statements						
Issued date	Due date	Period (Years)	31 December 2018	31 December 2017	Interest rate	Condition
			Baht Million	Baht Million		
Mar 2011	Mar 2018	7	-	1,500	Fixed	Unsecured, senior and with a debenture holders' representative
Oct 2011	Oct 2021	10	300	300	Fixed	Unsecured, senior and without a debenture holders' representative
Oct 2011	Oct 2018	7	-	500	Fixed	Unsecured, senior and without a debenture holders' representative
Aug 2012	Aug 2022	10	2,700	2,700	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2014	Mar 2019	5	4,500	4,500	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2020	5	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2025	10	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2021	5	2,800	2,800	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2031	15	1,200	1,200	Fixed	Unsecured, senior and without a debenture holders' representative
Jul 2017	Jul 2027	10	1,622	1,634	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2017	Sep 2024	7	1,000	1,000	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2017	Sep 2032	15	1,000	1,000	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2018	Mar 2028	10	1,000	-	Fixed	Unsecured, senior and without a debenture holders' representative
Oct 2018	Oct 2033	15	2,970	-	Fixed	Unsecured, senior and without a debenture holders' representative
Apr 2017	Oct 2023	6	12,718	-	Fixed	Secured, senior and with a debenture holders' representative

Separate financial statements						
Issued date	Due date	Period (Years)	31 December 2018	31 December 2017	Interest rate	Condition
			Baht Million	Baht Million		
Mar 2011	Mar 2018	7	-	1,500	Fixed	Unsecured, senior and with a debenture holders' representative
Oct 2011	Oct 2021	10	300	300	Fixed	Unsecured, senior and without a debenture holders' representative
Oct 2011	Oct 2018	7	-	500	Fixed	Unsecured, senior and without a debenture holders' representative
Aug 2012	Aug 2022	10	2,700	2,700	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2014	Mar 2019	5	4,500	4,500	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2020	5	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
May 2015	May 2025	10	4,000	4,000	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2021	5	2,800	2,800	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2016	Mar 2031	15	1,200	1,200	Fixed	Unsecured, senior and without a debenture holders' representative
Jul 2017	Jul 2027	10	1,622	1,634	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2017	Sep 2024	7	1,000	1,000	Fixed	Unsecured, senior and without a debenture holders' representative
Sep 2017	Sep 2032	15	1,000	1,000	Fixed	Unsecured, senior and without a debenture holders' representative
Mar 2018	Mar 2028	10	1,000	-	Fixed	Unsecured, senior and without a debenture holders' representative
Oct 2018	Oct 2033	15	2,970	-	Fixed	Unsecured, senior and without a debenture holders' representative

21 Borrowings (Cont'd)

Debentures (Cont'd)

The movements in debentures can be analysed as below:

	Consolidated financial statements Baht	Separate financial statements Baht
For the year ended 31 December 2018		
Opening amount	25,134,045,000	25,134,045,000
Additions	4,006,242,548	4,006,242,548
Acquisition of subsidiary	15,181,394,988	-
Repayments	(3,682,811,066)	(2,000,000,000)
Amortisation of underwriting fees	1,918,804	1,918,804
Unrealised gain on exchange rate	(67,195,000)	(67,195,000)
Translation adjustment	(63,790,796)	-
Closing amount	40,509,804,478	27,075,011,352

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

At the Annual General Meeting of the shareholders of the Company held on 4 April 2017, the shareholders passed a resolution to approve the total outstanding principal amount of debentures (at par value) issued by the Company at any time of not exceeding Baht 45,000 million (Revolving Principal Basis).

At the Extraordinary General Meeting of the Shareholders of the Company held on 9 August 2018, the shareholders passed a resolution to approve additional principal amount of debenture (at par value) of not exceeding Baht 50,000 million, total aggregated amount of all outstanding debentures issued by the Company at any time of not exceeding Baht 95,000 million (Revolving Principal Basis).

As at 31 December 2018, a total amount of Baht 43,086 million debentures remains available for issuance under this shareholders' resolutions.

21 Borrowings (Cont'd)

Debentures (Cont'd)

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

	Consolidated financial statements			
	Carrying amounts		Fair value	
	2018	2017	2018	2017
	Baht Million	Baht Million	Baht Million	Baht Million
Debentures	40,510	25,134	40,876	26,033

	Separate financial statements			
	Carrying amounts		Fair value	
	2018	2017	2018	2017
	Baht Million	Baht Million	Baht Million	Baht Million
Debentures	27,075	25,134	27,442	26,033

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

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

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	Baht Million	Baht Million	Baht Million	Baht Million
Borrowings:				
- at fixed rates	45,800	27,685	29,443	27,205
- at floating rates	81,094	22,478	74,141	14,837
Total borrowings	126,894	50,163	103,584	42,042

21 Borrowings (Cont'd)

Debentures (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	%	%	%	%
Borrowings from financial institutions	2.33	3.56	2.16	3.31
Debentures	3.47	3.33	3.32	3.33

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

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht Million	Baht Million	Baht Million	Baht Million
Next year	9,636	1,758	9,304	654
Between 2 and 5 years	71,948	21,698	61,688	13,546
Over 5 years	1,284	-	-	-
Total long-term borrowings	82,868	23,456	70,992	14,200

21 Borrowings (Cont'd)

Borrowing facilities

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

31 December 2018								
Consolidated financial statements							Separate 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	311	77	125	5	53	-	7,660	311
Long-term	37	294	-	-	-	107	3,478	-
	348	371	125	5	53	107	11,138	311

31 December 2017								
Consolidated financial statements						Separate financial statements		
USD Million	EUR Million	CNY Million	BRL Million	Baht Million		USD Million	Baht Million	
Floating interest rate								
Short-term	328	15	74	5	6,445	328	6,445	
Long-term	11	9	-	-	-	-	-	
	339	24	74	5	6,445	328	6,445	

22 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Trade payables - third parties	11,968,448,191	2,802,498,243	8,825,672	21,590,889
Trade payables - related parties (Note 15)	18,590,565	41,934,384	24,750,765	32,349,220
Amounts due to related parties (Note 15)	9,262,557	15,774,608	5,561,012	3,674,597
Accrued expenses	5,589,066,391	4,089,965,591	416,831,522	390,950,617
Account payable - contractors	231,410,541	181,119,364	107,447	384,280
Other payables	4,172,640,227	1,821,416,451	82,227,329	19,174,296
Total trade and other payables	21,989,418,472	8,952,708,641	538,303,747	468,123,899

23 Other current liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	Baht	Baht	Baht	Baht
Booking deposits	652,685,574	617,924,209	13,583,269	15,552,910
Other tax payable	396,494,745	447,759,012	1,290,061	1,166,368
Others	2,075,863,784	813,273,440	23,142,242	37,369,359
Total other current liabilities	3,125,044,103	1,878,956,661	38,015,572	54,088,637

24 Employee benefits obligations

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

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	Baht	Baht	Baht	Baht
Retirement benefits	911,807,578	222,234,045	16,317,710	16,823,424

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	
	2018	2017	2018	2017
	Baht	Baht	Baht	Baht
Present value of unfunded obligation	911,807,578	222,234,045	16,317,710	16,823,424

24 Employee benefits obligations (Cont'd)

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

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
At 1 January	222,234,045	222,770,643	16,823,424	16,387,683
Actuarial loss (gain)	97,350,183	-	(3,458,860)	-
Acquisition from investment in subsidiaries	606,555,523	-	-	-
Current service cost	37,526,630	27,470,178	3,134,911	1,307,211
Interest expense	7,306,432	6,602,920	361,755	551,530
Payment from plans benefit payment	(50,609,157)	(33,322,197)	(543,520)	(1,423,000)
Translation adjustment	(8,556,078)	(1,287,499)	-	-
At 31 December	911,807,578	222,234,045	16,317,710	16,823,424

The amount recognised in the income statements is as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Current service cost	37,526,630	27,470,178	3,134,911	1,307,211
Interest cost	7,306,432	6,602,920	361,755	551,530
Total (included in staff costs)	44,833,062	34,073,098	3,496,666	1,858,741

Of the total charge, Baht 45 million (2017: Baht 34 million) were included in administrative expenses.

The defined benefit obligation are composed by country as follows:

Consolidated financial statements (Baht Million)											
	2018						2017				
	Thailand	South Africa	Australia	Sri Lanka	Europe	Total	Thailand	South Africa	Australia	Sri Lanka	Total
Present value of obligation											
Total	262	19	7	3	621	912	196	16	7	3	222

24 Employee benefits obligations (Cont'd)

The principal actuarial assumptions used were as follows:

	Consolidated and Separate financial statements	
	2018	2017
Discount rate	1.43% - 4.00%	3.5% - 3.75%
Inflation rate	2.5%	2%
Salary growth rate	1.4% - 7%	5% - 7%

Sensitivity analysis

	Consolidated and Separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2018	2017	2018	2017	2018	2017
Discount rate	1%	1%	Decrease by 16.5%	Decrease by 8.3%	Increase by 5%	Increase by 9.5%
Salary growth rate	1%	1%	Increase by 6.56%	Increase by 9.3%	Decrease by 1.63%	Decrease by 8.3%
Withdrawn rate	5%	5%	Decrease by 15.95%	Decrease by 33.5%	Increase by 21.36%	Increase by 41.5%

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

	Hotel & Spa	Restaurant	Retail
The weighted average duration of the defined benefit obligation	13.7 years	14.3 years	13.7 years

24 Employee benefits obligations (Cont'd)

Expected maturity analysis of undiscounted retirement plans:

Consolidated financial statements					
	Less than a year Baht Million	Between 1-2 years Baht Million	Between 2-5 years Baht Million	Over 5 years Baht Million	Total Baht Million
At 31 December 2018					
Defined obligation	13	35	224	1,294	1,566
Total	13	35	224	1,294	1,566
At 31 December 2017					
Defined obligation	11	16	40	347	414
Total	11	16	40	347	414
Separate financial statements					
	Less than a year Baht Million	Between 1-2 years Baht Million	Between 2-5 years Baht Million	Over 5 years Baht Million	Total Baht Million
At 31 December 2018					
Defined obligation	0.4	2	0.8	47	50
Total	0.4	2	0.8	47	50
At 31 December 2017					
Defined obligation	0.2	2	2	27	31
Total	0.2	2	2	27	31

25 Other non-current liabilities

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Deferred income	184,448,959	161,149,890	794,341	609,555
Rental deposits	119,557,428	113,879,621	613,950	640,500
Accrued land rental	323,431,947	322,563,183	-	-
Accrued decommissioning	334,305,872	165,867,839	-	-
Others	3,475,482,071	472,001,411	2,874,770	161,338,035
Total other non-current liabilities	4,437,226,277	1,235,461,944	4,283,061	162,588,090

26 Share capital and premium on share capital

	Consolidated financial statements			
	Number of ordinary shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2017	4,410,368,436	4,410,368,436	7,639,594,103	12,049,962,539
Issuance of shares	208,545,855	208,545,855	7,375,015,614	7,583,561,469
At 31 December 2017	4,618,914,291	4,618,914,291	15,014,609,717	19,633,524,008
Issuance of shares	-	-	-	-
At 31 December 2018	4,618,914,291	4,618,914,291	15,014,609,717	19,633,524,008

	Separate financial statements			
	Number of ordinary shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2017	4,410,368,436	4,410,368,436	7,613,941,727	12,024,310,163
Issuance of shares	208,545,855	208,545,855	7,375,015,614	7,583,561,469
At 31 December 2017	4,618,914,291	4,618,914,291	14,988,957,341	19,607,871,632
Issuance of shares	-	-	-	-
At 31 December 2018	4,618,914,291	4,618,914,291	14,988,957,341	19,607,871,632

As at 31 December 2018, the registered shares comprise 4,618,914,291 ordinary shares (2017: 4,621,828,347 ordinary shares) at a par value of Baht 1 each. The issued and fully paid-up shares comprise 4,618,914,291 ordinary shares (2017: 4,618,914,291 ordinary shares).

27 Legal reserve

	Consolidated and Separate financial statements	
	2018 Baht	2017 Baht
At 1 January	464,178,907	464,178,907
Appropriation during the year	-	-
At 31 December	464,178,907	464,178,907

Under the Public Limited Company Act, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital of the Company. The reserve is non-distributable.

28 Other components of equity

	Consolidated financial statements				
	Discount				Total
	Discount on business combination under common control	on additional investment in subsidiary	Remeasuring available-for-sale investment	Translation adjustment	
	Baht	Baht	Baht	Baht	
At 1 January 2017	(755,412,590)	(400,242,159)	3,360,933	(1,255,593,207)	(2,407,887,023)
Additional investment in subsidiary	-	(490,016,526)	-	-	(490,016,526)
Revaluation	-	-	(105,615,051)	-	(105,615,051)
Currency translation difference	-	-	-	(932,872,689)	(932,872,689)
At 31 December 2017	(755,412,590)	(890,258,685)	(102,254,118)	(2,188,465,896)	(3,936,391,289)
At 1 January 2018	(755,412,590)	(890,258,685)	(102,254,118)	(2,188,465,896)	(3,936,391,289)
Additional investment in subsidiary	-	(951,496,527)	-	-	(951,496,527)
Revaluation	-	-	106,751,208	-	106,751,208
Currency translation difference	-	-	-	(1,900,351,411)	(1,900,351,411)
At 31 December 2018	(755,412,590)	(1,841,755,212)	4,497,090	(4,088,817,307)	(6,681,488,019)

28 Other components of equity (Cont'd)

	Separate financial statements		
	Discount on		
	business		
	combination	Remeasuring of	
	under common	available-for-sale	
	control	investment	Total
	Baht	Baht	Baht
At 1 January 2017	(587,397,515)	2,417,507	(584,980,008)
Revaluation	-	4,410,438	4,410,438
At 31 December 2017	(587,397,515)	6,827,945	(580,569,570)
At 1 January 2018	(587,397,515)	6,827,945	(580,569,570)
Revaluation	-	(3,037,255)	(3,037,255)
At 31 December 2018	(587,397,515)	3,790,690	(583,606,825)

29 Other income

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	Baht	Baht	Baht	Baht
Rental income	213,495,150	165,615,784	35,671,726	36,809,366
Premium sales income	157,366,394	138,612,284	-	-
Freight charges	180,574,918	165,931,163	-	-
Subsidy income	192,651,383	269,041,989	-	-
Advisory income	161,817,849	165,811,811	-	-
Sales of raw material to franchisees	39,353,720	48,903,618	-	-
Maintenance fee income	54,337,739	51,744,111	-	-
Property tax	16,303,797	16,181,369	-	-
Trademark fee income	113,995,395	114,921,661	-	-
Gain from bargain purchases	828,802,405	-	-	-
Others	882,267,714	891,136,657	118,652,198	9,295,086
Total other income	2,840,966,464	2,027,900,447	154,323,924	46,104,452

30 Expenses by nature

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

	Consolidated		Separate	
	financial statements		financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Depreciation on investment properties (Note 16)	61,105,846	106,361,016	-	-
Depreciation on property, plant and equipment (Note 17)	4,950,175,720	3,633,657,866	57,948,345	102,287,313
Reversal impairment of property, plant and equipment (Note 17)	(93,138,721)	(26,036,635)	-	-
Write-off of property, plant and equipment (Note 17)	346,706,895	196,115,875	208,527	28,531
Amortisation of intangible assets (Note 18)	544,336,196	279,649,499	1,001,391	1,021,826
Impairment of intangible assets (Note 18)	66,684,643	1,073,581	-	-
Amortisation of prepaid rents (Note 19)	169,550,988	110,477,173	622,849	623,018
Impairment of investment in associates (Note 14)	280,000,000	-	-	-
Doubtful account (Reversal)	193,524,111	(104,519,657)	(190,123)	294,498
Staff costs	20,217,899,338	15,341,651,823	336,939,229	382,689,325

31 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	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Deferred income tax assets	6,257,144,849	805,406,498	-	-
Deferred income tax liabilities	(26,587,393,882)	(5,693,139,078)	(139,145,422)	(153,454,388)
Deferred income taxes, net	(20,330,249,033)	(4,887,732,580)	(139,145,422)	(153,454,388)

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

31 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	Charged/ (credited)	Charged/ (credited) to other comprehensive	Business		31 December
	2017	to profit	Income	acquisitions	Adjustments	2017
	Baht	or loss Baht	Baht	Baht	Baht	Baht
Deferred tax assets						
Consignment sales	51,261,228	17,659,765	-	-	-	68,920,993
Provision for impairment of assets (reversal)	138,492,586	(124,623,214)	-	-	-	13,869,372
Employee benefit obligations	252,644,967	(66,034,672)	-	-	-	186,610,295
Depreciation	89,181,508	7,005,370	-	-	-	96,186,878
Unearned income	17,023,038	(237,241)	-	-	-	16,785,797
Tax loss carried forward	293,880,326	142,108,199	-	-	-	435,988,525
Translation adjustment	163,012,010	-	-	-	73,495,441	236,507,451
Others	(67,600)	-	-	-	-	(67,600)
	1,005,428,063	(24,121,793)	-	-	73,495,441	1,054,801,711
Deferred tax liabilities						
Accounts receivable	(10,871,036)	6,042,358	-	-	-	(4,828,678)
Asset management right	(1,136,140,892)	(2,457,216)	-	-	-	(1,138,598,108)
Financial lease revenue	(570,371,738)	(64,320,191)	-	-	-	(634,691,929)
Unrealised gain on available-for-sale securities	(228,894,053)	-	(1,102,610)	-	-	(229,996,663)
Unrealised gain on sale of assets in the group	2,303,929	(36,965,986)	-	-	-	(34,662,057)
Fair value adjustment of net assets at acquisition date	(3,961,327,299)	189,634,480	-	(185,195,147)	-	(3,956,887,966)
Translation adjustment	(4,771,908)	-	-	-	232,647,417	227,875,509
Others	(140,748,456)	(29,995,943)	-	-	-	(170,744,399)
	(6,050,821,453)	61,937,502	(1,102,610)	(185,195,147)	232,647,417	(5,942,534,291)
Deferred tax liabilities, net (as previously reported)	(5,045,393,390)	37,815,709	(1,102,610)	(185,195,147)	306,142,858	(4,887,732,580)

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

The gross movements in deferred tax assets and liabilities during the years are as follows: (Cont'd)

	Consolidated financial statements				
	(Restated)	Charged/	Charged/		
	1 January	(credited)	(credited)	Business	31 December
	2018	to profit	to other	acquisitions	2018
	Baht	or loss	comprehensive	Baht	Baht
		Baht	Income		
			Baht		
Deferred tax assets					
Consignment sales	68,920,993	19,784,667	-	-	88,705,660
Provision for					
impairment of assets	13,869,372	144,810,229	-	-	158,679,601
Provisions	186,610,295	(18,568,299)	8,718,972	110,525,002	287,285,970
Depreciation	96,186,878	(29,554,650)	-	-	66,632,228
Unearned income	16,785,797	(151,582)	-	-	16,634,215
Tax loss carried forward	435,988,525	(27,239,244)	-	3,329,530,920	3,738,280,201
Translation adjustment	236,507,451	-	-	-	329,991,354
Others	(67,600)	-	-	-	(67,600)
	<u>1,054,801,711</u>	<u>89,081,121</u>	<u>8,718,972</u>	<u>3,440,055,922</u>	<u>4,686,141,629</u>
Deferred tax liabilities					
Accounts receivable	(4,828,678)	(163,981,685)	-	-	(168,810,363)
Asset management right	(1,138,598,108)	36,040,302	-	-	(1,102,557,806)
Financial lease revenue	(634,691,929)	12,039,696	-	-	(622,652,233)
Unrealised loss on					
available-for-sale securities	(229,996,663)	18,234,719	600,397	-	(211,161,547)
Unrealised gain on sale of					
assets in the group	(34,662,057)	7,819,466	-	-	(26,842,591)
Fair value adjustment of net					
assets at acquisition date	(3,956,887,966)	(252,279,840)	-	(19,981,587,526)	(24,190,755,332)
Translation adjustment	227,875,509	-	-	-	1,070,731,559
Others	(170,744,399)	(31,804,268)	-	438,206,318	235,657,651
	<u>(5,942,534,291)</u>	<u>(373,931,610)</u>	<u>600,397</u>	<u>(19,543,381,208)</u>	<u>(25,016,390,662)</u>
Deferred tax liabilities, net	<u>(4,887,732,580)</u>	<u>(284,850,489)</u>	<u>9,319,369</u>	<u>(16,103,325,286)</u>	<u>(20,330,249,033)</u>

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

	Separate financial statements		
	Charged/ (credited)	Charged/(credited) to other	
	1 January 2017	to profit or loss	comprehensive Income
	Baht	Baht	Baht
Deferred income tax assets			
Provision for impairment of assets	5,159,960	-	-
Provisions	3,356,445	136,259	-
Tax loss carried forward	44,757,626	2,236,474	-
Effective interest rate	3,661,606	(243,671)	-
	56,935,637	2,129,062	-
Deferred income tax liabilities			
Unrealised gain on			
available-for-sales securities	(211,416,477)	-	(1,102,610)
Deferred income tax liabilities, net	(154,480,840)	2,129,062	(1,102,610)
	Separate financial statements		
	Charged/ (credited)	Charged/(credited) to other	
	1 January 2018	to profit or loss	comprehensive Income
	Baht	Baht	Baht
Deferred income tax assets			
Provision for impairment			
of assets (reversal)	5,159,960	(3,760,000)	-
Provisions	3,492,704	462,609	(691,771)
Tax loss carried forward	46,994,100	18,486,509	-
Effective interest rate	3,417,935	(947,695)	-
	59,064,699	14,241,423	(691,771)
Deferred income tax liabilities			
Unrealised gain on			
available-for-sales securities	(212,519,087)	-	759,314
Deferred income tax liabilities, net	(153,454,388)	14,241,423	67,543

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

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of Baht 655 million (2017: Baht 509 million), to carry forward against future taxable income; which no deferred taxes have been recognised as follows:

	Consolidated financial statements	
	2018 Baht	2017 Baht
2018	-	33,148,805
2019	12,118,235	52,129,811
2020	35,104,636	107,193,838
2021	183,194,745	186,834,126
2022	214,318,291	129,474,979
2023	211,189,860	-
	655,925,767	508,781,559

Income taxes

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Current tax:				
Current tax on profits for the year	1,100,130,635	876,842,651	57,234,862	3,982,946
Adjustments in respect of prior year	(10,996,157)	(51,954,481)	(876,351)	1,586,518
Total current tax	1,089,134,478	824,888,170	56,358,511	5,569,464
Deferred tax:				
Origination and reversal of temporary differences	364,181,636	(19,815,909)	(19,091,056)	147,954
Change in unrecognised deductible temporary differences	4,429,885	(16,312,463)	4,849,633	(3,616,472)
Recognised of previously unrecognised tax losses	(83,761,032)	(1,687,337)	-	1,339,456
Total deferred tax	284,850,489	(37,815,709)	(14,241,423)	(2,129,062)
Total income tax	1,373,984,967	787,072,461	42,117,088	3,440,402

31 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 financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Profit before tax	7,090,587,376	6,407,014,214	2,165,553,696	1,976,658,020
Tax calculated at a tax rate of 20%	1,418,117,475	1,281,402,843	433,110,739	395,331,604
Tax effect of:				
Associates' results reported net of tax	(364,561,004)	(212,138,374)	-	-
Effect of different tax rate in other countries	168,619,524	(187,082,672)	(151,298,453)	(76,422,016)
Expenses not deductible for tax purpose	1,217,908,818	160,509,782	1,816,947	1,693,034
Income not subject to tax	(1,382,964,318)	(272,896,026)	(245,499,371)	(312,842,141)
Adjustments in respect of prior year	73,898,383	(73,793,003)	3,973,282	(2,029,954)
Tax incentive expenses	(42,306,405)	(20,696,632)	(1,819,986)	(1,665,843)
Change in unrecognised deductible temporary differences	185,333,487	(7,651,297)	1,833,930	(624,282)
Utilisation of previously unrecognised tax losses	(21,845,468)	(3,067,335)	-	-
Tax losses for which no deferred income tax asset was recognised	121,784,475	122,485,175	-	-
Tax charge	1,373,984,967	787,072,461	42,117,088	3,440,402

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

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

Consolidated financial statements						
	2018			2017		
	Before tax	Tax charge	After tax	Before tax	Tax charge	After tax
	Baht	Baht	Baht	Baht	Baht	Baht
Remeasurement of post-employment benefit obligations	(43,594,860)	8,718,972	(34,875,888)	-	-	-
Unrealised gain (loss) on available-for-sale securities	106,150,811	600,397	106,751,208	(104,512,441)	(1,102,610)	(105,615,051)
Translation adjustment	(1,172,368,761)	-	(1,172,368,761)	(464,382,960)	-	(464,382,960)
Other comprehensive income (loss)	(1,109,812,810)	9,319,369	(1,100,493,441)	(568,895,401)	(1,102,610)	(569,998,011)
Separate financial statements						
	2018			2017		
	Before tax	Tax charge	After tax	Before tax	Tax charge	After tax
	Baht	Baht	Baht	Baht	Baht	Baht
Remeasurement of post-employment benefit obligations	3,458,854	(691,771)	2,767,083	-	-	-
Unrealised gain (loss) on available-for-sale securities	(3,796,569)	759,314	(3,037,255)	5,513,048	(1,102,610)	4,410,438
Other comprehensive income (loss)	(337,715)	67,543	(270,172)	5,513,048	(1,102,610)	4,410,438

32 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 years ended 31 December	
	2018 Shares	2017 Shares
Weighted average number of ordinary shares in issue, net	4,618,914,291	4,441,818,312
Dilutive potential ordinary shares	-	-
Weighted average number of ordinary shares for diluted earnings	4,618,914,291	4,441,818,312

	Consolidated financial statements	
	For the years ended 31 December	
	2018 Baht	2017 Baht
Profit attributable to ordinary shareholders	5,444,770,759	5,415,397,011
Interest expenses on perpetual debentures (net of tax)	210,800,219	-
Profit used to determine diluted earnings per share	5,233,970,540	-
Basic earnings per share	1.1788	1.2192
Diluted earnings per share	1.1332	1.2192

32 Earnings per share (Cont'd)

	Separate financial statements	
	For the years ended 31 December	
	2018	2017
	Baht	Baht
Profit attributable to ordinary shareholders	2,123,436,608	1,973,217,618
Interest expenses on perpetual debentures (net of tax)	210,800,219	-
Profit used to determine diluted earnings per share	1,912,636,389	-
Basic earnings per share	0.4597	0.4442
Diluted earnings per share	0.4141	0.4442

33 Dividend

At the Annual General Meeting of Shareholders of the Company held on 3 April 2018, 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 April 2018.

At the Annual General Meeting of Shareholders of the Company held on 4 April 2017, the shareholders passed a resolution to approve the cash dividend in the amount of Baht 0.35 per share for existing shareholders and shareholders who convert the convertible securities (MINT-W5) of no more than 4,622 million ordinary shares, total dividends to be paid were in the amount of not exceeding Baht 1,618 million and dividends were paid to shareholders in April 2017.

34 Perpetual debentures

At the Extraordinary General Meeting of the shareholders of the Company held on 9 August 2018, the shareholders passed a resolution to approve additional principal amount of debenture (at par value) of not exceeding Baht 50,000 million, which is in the addition of principle amount of Baht 45,000 million previously approved in the Annual General Meeting of the shareholders of the Company held on 4 April 2017 (Note 21), total aggregated amount of all outstanding debentures issued by the Company at any time of not exceeding Baht 95,000 million (Revolving Principal Basis).

In September 2018, the Company issued the subordinated perpetual debentures of totalling Baht 15,000 million, net of issuance cost of Baht 96.3 million, which were recognised as a part of equity in the consolidated and separate financial statement. Such subordinated perpetual debentures carry a fixed interest rate coupon of 5.85% per annum for the first five years, after which the coupon will be adjusted every five years as per the stated terms and conditions.

In December 2018, the Company issued the senior perpetual debentures of totalling USD 300 million with equivalent to Baht 9,821 million, net of issuance cost of Baht 947 million, which were recognised as a part of equity in the consolidated and separate financial statement. Such senior perpetual debentures carry a fixed interest rate coupon of 4.661% per annum for the first three years, after which the coupon will be adjusted every three years as per the stated terms and conditions.

35 Business acquisitions

35.1 New acquisitions

Harbour Residences Oaks Limited

During the first quarter of 2018, a subsidiary of the Group additionally acquired the remaining 50% interest of Harbour Residences Oaks Limited in the total amount of NZD 2.75 million or equivalent to Baht 64 million, which made the holding interest increase from 50% to 100%. As a result, the Group has control over Harbour Residences Oaks Limited. The Group recorded fair value of the investment on status changing date as cost of investment in the subsidiary amounting to Baht 64 million. The Group recognised gain from changing status of investment amounting to Baht 36 million to profit for the year, according to relevant financial reporting standards.

Recognition of goodwill from acquisition in the portion of 100% ownership.

	Baht Million
Additional purchase price considerations	64
Fair value of previously held interest	64
Total purchase price considerations	128
Provisional fair value of net assets under interest acquired	98
Goodwill	30

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

	Baht Million
Cash and cash equivalents	2
Trade and other receivables	10
Property, plant and equipment	18
Asset management rights	106
Deferred tax liabilities	(30)
Liabilities	(8)
Provisional fair value of net assets	98

As at 31 December 2018, 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.

35 Business acquisitions (Cont'd)

35.1 New acquisitions (Cont'd)

Benihana Holding Pte. Ltd.

During the second quarter of 2018, a subsidiary of the Group acquired 75% of the issued shares in Benihana Holding Pte. Ltd. for a consideration of USD 10.5 million or equivalent to Baht 334 million.

Details of the acquisition were as follows:

	Baht Million
Purchase price considerations	334
Provisional fair value of net assets under interest acquired	455
Gain from bargain purchase	(121)

The provisional fair value at 75% interest of identified assets acquired and liabilities assumed from this acquisition was as follows:

	Baht Million
Cash and cash equivalents	27
Receivables and prepayments	38
Inventories	2
Property, plant and equipment	9
Intangible assets	661
Liabilities	(131)
Provisional fair value of net assets	606
Non-controlling interests	(151)
Provisional fair value of net assets under interest acquired	455

As at 31 December 2018, 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.

35 Business acquisitions (Cont'd)

35.1 New acquisitions (Cont'd)

The Food Theory Group Pte. Ltd.

During the second quarter of 2018, a subsidiary of the Group additionally acquired the remaining 50% interest of The Food Theory Group Pte. Ltd. by exchanging with 8% interest of Minor Food Group (Singapore) Pte. Ltd., which made the holding interest increase from 50% to 100%. As a result, the Group has control over The Food Theory Group Pte. Ltd. The Group recorded fair value of the investment on status changing date as cost of investment in the subsidiary amounting to Baht 79 million. The Group recognised gain from changing status of investment amounting to Baht 79 million to profit for the year, according to relevant financial reporting standards.

Recognition of goodwill from acquisition in the portion of 100% ownership

	Baht Million
Additional purchase price considerations	65
Fair value of previously held interest	79
Total purchase price considerations	144
Provisional fair value of net assets (liabilities) under interest acquired	(11)
Goodwill	155

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

	Baht Million
Cash and cash equivalents	22
Trade and other receivables	8
Other current assets	2
Interests in joint venture	9
Property, plant and equipment	10
Deposit	13
Liabilities	(75)
Provisional fair value of net assets (liabilities)	(11)

As at 31 December 2018, 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.

35 Business acquisitions (Cont'd)

35.1 New acquisitions (Cont'd)

Ocean Hervey Bay

During the third quarter of 2018, a subsidiary of the Group acquired the operating assets located in Australia in the amount of AUD 7 million or equivalent to Baht 176 million which is considered as business combination.

Details of the acquisition were as follows:

	Baht Million
Purchase price considerations	176
Provisional fair value of net assets under interest acquired	144
Goodwill	32

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

	Baht Million
Current assets	11
Property, plant and equipment	30
Asset management rights	135
Liabilities	(32)
Provisional fair value of net assets under interest acquired	144

As at 31 December 2018, 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.

35 Business acquisitions (Cont'd)

35.1 New acquisitions (Cont'd)

NH Hotel Group S.A.

During the second and third quarter of the year 2018, a subsidiary of the Group had invested 46.3% of issued shares of NH Hotel Group S.A. in the amount of EUR 1,165 million or equivalent to Baht 43,562 million and during the fourth quarter of the year 2018, the subsidiary of the Group additionally acquired the 47.8% of issued shares in the total amount of EUR 1,180 million or equivalent to Baht 44,105 million, which made the investment portion be 94.1%. The Group recorded fair value of the investment on status changing date and recognised loss from changing status of investment amounting to Baht 800 million to loss for the year, according to relevant financial reporting standards.

The Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of NH Hotel Group S.A. during the fourth quarter of 2018. 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:

	Baht Million
Additional purchase price considerations	44,105
Fair value of previously held interest	42,762
Total purchase price considerations	86,867
Fair value of net assets under interest acquired	87,575
Gain from bargain purchase	(708)

Fair value of identified assets acquired and liabilities assumed from this acquisition was as follows:

	Baht Million
Cash and cash equivalents	10,216
Other current assets	9,254
Intangible assets	44,121
Property, plant and equipment	81,585
Deferred tax assets	5,754
Other non-current assets	3,693
Deferred tax liabilities	(21,807)
Liabilities	(37,346)
Fair value of net assets	95,470
Non-controlling interests	(7,895)
Fair value of net assets under interest acquired	87,575

35 Business acquisitions (Cont'd)

35.1 New acquisitions (Cont'd)

Inigo Montoya Group

During the fourth quarter of 2018, a subsidiary of the Group acquired 70% of the issued shares in Inigo Montoya Group for a consideration of AUD 1.3 million or equivalent to Baht 29 million.

Details of the acquisition were as follows:

	Baht Million
Purchase price considerations	29
Provisional fair value of net assets under interest acquired	5
Goodwill	24

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

	Baht Million
Cash and cash equivalents	2
Property, plant and equipment	16
Other assets	12
Liabilities	(23)
Provisional fair value of net assets	7
Non-controlling interests	(2)
Provisional fair value of net assets under interest acquired	5

As at 31 December 2018, 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.

35 Business acquisitions (Cont'd)

35.1 New acquisitions (Cont'd)

Santai Resort

During the fourth quarter of 2018, a subsidiary of the Group acquired the operating assets located in Australia in the amount of AUD 3.2 million or equivalent to Baht 77 million which is considered as business combination.

Details of the acquisition were as follows:

	Baht Million
Purchase price considerations	77
Provisional fair value of net assets under interest acquired	57
Goodwill	20

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

	Baht Million
Asset management rights	68
Property, plant and equipment	9
Deferred tax liabilities	(20)
Provisional fair value of net assets under interest acquired	57

As at 31 December 2018, 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.

35 Business acquisitions (Cont'd)

35.1 New acquisitions (Cont'd)

QT Port Douglas

During the fourth quarter of 2018, a subsidiary of the Group acquired the operating assets located in Australia in the amount of AUD 14.0 million or equivalent to Baht 331 million which is considered as business combination.

Details of the acquisition were as follows:

	Baht Million
Purchase price considerations	331
Provisional fair value of net assets under interest acquired	329
Goodwill	2

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

	Baht Million
Asset management rights	2
Inventory	299
Property, plant and equipment	30
Deferred tax liabilities	(1)
Liabilities	(1)
Provisional fair value of net assets under interest acquired	329

As at 31 December 2018, 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.

35 Business acquisitions (Cont'd)

35.2 Period year acquisitions

Grab Food Limited

For the acquisition of Grab Food Limited in March 2017, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of Grab Food Limited during the first quarter of 2018, to comply with the measurement period for a business combination referred in TFRS 3 that the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if know, would have affected the measurement of the amounts recognised as of that date and the measurement period shall not exceed one year from the acquisition date. 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:

	Baht Million
Purchase price considerations	57
Fair value of net assets under interest acquired	39
Goodwill	18
Goodwill - as previously reported	36
Adjustment of fair value	18

Details of adjustment of fair value are as follows:

	Baht Million
Increase in intangible assets	31
Increase in deferred tax liability	(6)
Increase in non-controlling interest	(7)
	18

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

	Baht Million
Cash and cash equivalents	13
Property, plant and equipment	25
Intangible assets	35
Other assets	7
Liabilities	(25)
Net fair value of net assets	55
Non-controlling interests	(16)
Fair value of net assets under interest acquired	39

35 Business acquisitions (Cont'd)

35.2 Prior year acquisitions (Cont'd)

Metropolis Auckland

For the acquisition of Metropolis Auckland in May 2017, the Group completed the measurement the fair value of identified assets acquired and liabilities assumed of Metropolis Auckland during the second quarter of 2018. 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:

	Baht Million
Purchase price considerations	278
Fair value of net assets under interest acquired	286
Gain from bargain purchase	8
Gain from bargain purchase - as previously reported	8
Adjustment of fair value	-

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

	Baht Million
Operating assets	307
Liabilities	(21)
Fair value of net assets	286

Corbin and King Group

For the acquisition of Corbin and King Group in December 2017, the Group completed the measurement the fair value of identifiable assets acquired and liabilities assumed of Corbin and King Group during the fourth quarter of 2018, to comply with the measurement period for a business combination referred in TFRS 3 that the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if know, would have affected the measurement of the amounts recognised as of that date and the measurement period shall not exceed one year from the acquisition date. In consideration of fair value of assets, the Group determined the measurement of the identifiable assets and liabilities and considered the possibility that the Group received economic benefit reasonably.

35 Business acquisitions (Cont'd)

35.2 Prior year acquisitions (Cont'd)

Corbin and King Group (Cont'd)

Details of the acquisition were as follows:

	Baht Million
Purchase price considerations	1,013
Fair value of net assets under interest acquired	803
Goodwill	210
Goodwill - as previously reported	1,360
Adjustment of fair value	1,150

Details of adjustment if fair value were as follows:

	Baht Million
Increase in intangible asset	1,347
Increase in prepaid rent	446
Increase in deferred tax liability	(168)
Increase in non-controlling interest	(475)
	1,150

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

	Baht Million
Cash and cash equivalents	159
Other current assets	227
Property, plant and equipment	875
Intangible assets	1,348
Prepaid rents	446
Liabilities	(2,084)
Deferred tax liabilities	(168)
Fair value of net assets under interest acquired	803

35 Business acquisitions (Cont'd)

35.3 Group's valuation processes

The Group has mainly applied the value-in-use model in calculating fair value of property plant and equipment and intangible assets, comprising of income approach and royalty relief method. The Group applied cost approach in calculating fair value of property, plant and equipment, and the market approach in calculating fair value of prepaid rent which are considered as Level 3 of fair value measurement.

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

The main Level 3 input used by the Group pertains to the discount rate and growth rate for business valuation. It is estimated based on discounted cash flow projections of revenue in the future in the light of current market conditions. The fair value also reflects any cash outflows that could be expected in respect of the operation.

The discount rate is estimated based on capital structure and financial factors in overall economy that are, in the opinion of the management, appropriate including the risk premium and reflects current market assessments of the time value of money and risk adjusted which are in the range of 4% - 22% per annum (an exceptional rate of 44% per annum in one location where hyperinflationary is identified).

The growth rate is estimated based on current and future market conditions that are, in the opinion of the management, appropriate. The growth rate is generally in the range of 1.5% - 4% per annum, unless there are specific indicators for growth over average rate.

36 Financial instruments

Financial risk management policies

The financial risk management policies are standard sets of guidelines that the Group use in managing, but not limited to, liquidity risks, interest rate risks, foreign exchange risks and credit risks with the key objectives of managing and mitigating such risks without any means of speculation.

Liquidity risk

The Group manages its liquidity risks by, for example, maintaining sufficient cash and cash equivalent to support its working capital requirements, securing long term funding in advance and diversifying funding sources.

Interest rate risk

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

As at 31 December 2018, the Group has entered into the interest rate swap contracts as follows:

- a) Interest rate swap contract for loan from financial institution in USD currency with principal amount of USD 238 million, which swap floating interest rate to fixed interest rate. The contracts will expire in September 2023.
- b) Interest rate swap contract for debenture from financial institution in THB currency with principal amount of THB 4,000 million, which swap fixed interest rate to floating interest rate. The contract will expire in May 2025.
- c) Interest rate swap contract for debenture from financial institution in THB currency with principal amount of THB 1,000 million, which swap fixed interest rate to floating interest rate. The contract will expire in March 2028.
- d) Interest rate swap contract for loan from financial institution in EUR currency with principal amount of EUR 7.9 million, which swap fixed interest rate to floating interest rate. The contract will expire in June 2023.

36 Financial instruments (Cont'd)

Foreign currency risk

The Groups' exposure to foreign currency risk relates primarily to the purchase or sales of goods and service, borrowing and lending in foreign currency and investments in foreign subsidiaries, associates and joint venture. In order to manage the risk arising from fluctuations in currency exchange rates, the Group uses the derivative, cross currency swap contracts and forward foreign exchange contracts, to manage the risk as follows:

Cross currency interest rate swap contracts

As at 31 December 2018, the Group has entered into the cross currency interest rate swap contracts as follows:

- a) Cross currency swap contract for perpetual debenture of Baht 15,000 million with fixed interest rate converting to an equivalent fixed amount of EUR 400 million with fixed interest rate. The contract will be expire on September 2023.
- b) Cross currency interest rate swap contract for debenture of Baht 4,000 million with fixed interest rate converting to an equivalent fixed amount of EUR 106.1 million with variable interest rate. The contract will expire on May 2020.
- c) Cross currency interest rate swap contract for debenture of Baht 2,800 million with fixed interest rate converting to an equivalent fixed amount of EUR 72.7 million with variable interest rate. The contract will expire on March 2021.
- d) Cross currency interest rate swap contract for debenture of Baht 1,000 million with fixed interest rate converting to an equivalent fixed amount of GBP 22.8 million with variable interest rate. The contract will expire on March 2028.
- e) Cross currency interest rate swap contract for perpetual debenture of USD 300 million with fixed interest rate converting to an equivalent fixed amount of EUR 264.5 million with variable rate. The contract will be expire on December 2021

36 Financial instruments (Cont'd)

Foreign currency risk (Cont'd)

Foreign exchange forward contracts

Foreign exchange forward contracts are used for managing exposure to fluctuations in foreign currency exchange rates for the purchase of goods. As at 31 December 2018 and 2017, the Group has outstanding foreign exchange forward contracts, with maturity less than 6 months as follows:

	Consolidated financial statements	
	2018	2017
	Baht Million	Baht Million
USD 1,964,855 (Baht 32.62/1 USD)	64	193
(2017: USD 5,926,764 (Baht 32.62/1 USD))		

Credit risk

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

Fair value

The fair value of the open cross currency swap contracts and interest rate swap contracts for loans as at 31 December 2018 is favourable amounting to Baht 109 million (2017: unfavourable amounting to Baht 247 million).

The fair value of the open foreign exchange forward contracts for the purchase of goods as at 31 December 2018 is unfavourable amounting to Baht 0.3 million (2017: unfavourable amounting to Baht 0.3 million).

36 Financial instruments (Cont'd)

Financial instrument in Level 2

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

Specific valuation techniques used to value financial instruments include:

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

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

37 Commitments

As at 31 December 2018, the Group has commitments as follows:

The Company

- The Company has extended land lease agreements for periods of 6 years, effective on 01 January 2019. The Company is committed to pay rental fees at a certain amount. As at 31 December 2018, the Company's future commitments according to the minimal rental fees stipulated in the agreement is approximately Baht 1,008 million.
- The Company has entered into a trademark agreement and a hotel management agreement with a subsidiary. The Company has an obligation to pay trademark fees and hotel management fees at certain percentages of revenue generated as indicated in the agreement. The agreement is valid for 10 years and will be terminated in 2026.
- The Company has entered into two agreements for technical assistance and the use of trademarks and trade names with an overseas company under the terms of the agreements, fees calculated at a percentage of gross sales as specified in the agreements. One of them was effective in February 1994 which will be continued until one of the parties terminates the contract, and the other will also be continued until one of the parties terminates the contract. According to the two agreements, a subsidiary must pay franchise fees based on a percentage of sales and must comply with certain terms and conditions.

37 Commitments (Cont'd)

Subsidiaries

Management and services agreements

- A subsidiary has entered into a license and royalty agreement with an overseas company. The subsidiary is committed to pay royalty fees and management hotel fees at the rate, terms and basis as specified in the agreement for a period of 20 years through 2021 and can be renewed at its expiry date for 10 years.
- A subsidiary has entered into service agreements with three companies with regards to hotel operations, whereby the subsidiary has been provided certain services and granted a license. The subsidiary is required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and bases as specified in the agreements. All agreements are effective for the period from September 2006 to June 2024 with option for the subsidiary to extend the period up to the end of the land lease agreement or for another 20 years.
- A subsidiary has entered into service agreements with three companies with regards to hotel operations, whereby the subsidiary has been provided services and granted a license. The subsidiary is required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and bases as specified in the agreements. All agreements are effective from January 2006 to December 2017 and are renewable after expiry date for 20 years.
- A subsidiary has entered into service agreements with three companies with regards to hotel operations, whereby the subsidiary has been provided services and granted a license to operate. The subsidiary is required to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and basis as specified in the agreements. All agreements are effective from February 2007 to January 2027 and are renewable after expiry date for another two periods of 20 years and 10 years, respectively.
- A subsidiary has entered into a consulting agreement regarding hotel operations with two companies, whereby the subsidiary has been provided hotel operating and marketing services, right of trademark use, technical knowledge, and other associated services. The subsidiary is to comply with certain conditions stipulated in these agreements and to pay the fees following the rates, terms and basis as specified in the agreements. All agreements are effective from April 2011 to December 2031.
- A subsidiary has entered into a residential license marketing agreement regarding residential operation with a company, whereby the subsidiary has been provided residential operating and marketing services, right of trademark use, technical knowledge, and other associated services. The subsidiary is to comply with certain conditions stipulated in these agreements and to pay the fees following the rates as specified in the agreements. The agreement is effective from June 2007 to May 2037.
- A subsidiary has entered into the service agreements with a company with regards to consultation, installation, repair and maintenance of computer systems, computer software and information technology systems. The subsidiary is committed to pay the fees following the rates, terms and basis as specified in the agreements. The agreements are effective from July 2015 to December 2019.

37 Commitments (Cont'd)

Subsidiaries (Cont'd)

Management and services agreements (Cont'd)

Rental agreements

- Three subsidiaries have entered into separate land lease agreements for periods between 30 to 42 years, effective on 8 May 1987, 25 January 1989 and 2 July 1994, respectively. The subsidiaries are committed to pay rental fees at a certain percentage of annual gross revenue (to be increased annually until it reaches a specified rate) or at a minimum rent stipulated in the agreement, whichever is higher. As at 31 December 2018, the subsidiaries' future payment commitments in accordance with the minimal rental fees stipulated in the agreements are approximately Baht 48 million (2016: Baht 59 million).
- A subsidiary has extended its land lease agreements for a period of 30 years, effective from 25 January 2019. The subsidiary is committed to pay rental fees at a certain percentage of annual gross revenue (to be increased annually until it reaches a specified rate) or at a minimum rent stipulated in the agreement, whichever is higher. As at 31 December 2018, the subsidiary's future payment commitments in accordance with the minimal rental fees and special remuneration stipulated in the agreements are approximately Baht 1,132 million (2017: Baht 1,132 million).
- A subsidiary has entered into the sublease land agreement of Kihavah Huravalhi Island for 23 years from 23 October 2007 for the construction of a new hotel. As at 31 December 2018, a subsidiary has a commitment to pay rental fee as stipulated in the lease agreement of approximately USD 36 million (2017: USD 38 million).
- Subsidiaries have entered into lease agreements covering the land where their hotels are situated. Under the lease agreements, the subsidiaries have transferred the ownership of the hotel buildings and improvements to the landlord. The subsidiaries committed to pay rental fees at the rates specified in the lease agreements. The lease agreements are for a period of 30 years up to the years 2043 and 2047. As at 31 December 2018, the subsidiaries have commitments to pay minimal rental fees as stipulated in the agreement as follows:

Year	Baht Million
Within 1 year	52
Between 2 and 5 years	229
After 5 years	2,125
	<hr/>
	2,406
	<hr/>

37 Commitments (Cont'd)

Subsidiaries (Cont'd)

Rental agreements (Cont'd)

- On 3 July 2007, a subsidiary entered into an agreement with the Privy Purse Bureau to lease land and construct a building. Under this agreement, the Privy Purse Bureau agrees and permits the subsidiary to undertake building construction, and the subsidiary agreed to construct a residential and hotel building situated on land owned by the Privy Purse Bureau. The building construction permit was under the name of the Privy Purse Bureau and the ownership of the building and other constructions on this land are transferred to the landlord on completion. In addition, the subsidiary was required to pay all expenses with respect to the construction of the building. The construction period was 4 years from the date of receipt of the permit to construct the building from the Bangkok Metropolitan Authority. The Privy Purse agreed with the subsidiary to lease the land and building for the residential, hotel and related commerce for a period of 30 years commencing 1 March 2011. As at 31 December 2018, the subsidiary has a commitment to pay land and building rental fee to the Privy Purse Bureau at the rates stipulated in the agreement amounting to Baht 446 million by which the subsidiary has recorded a part of the rental fee as accrued project cost in the statement of financial position amounting to Baht 272 million.
- A subsidiary has entered into a land rental agreement of which the location is on timeshare residence. The subsidiary has a commitment to pay rental fees as stated in the agreement. The agreement are for a period of 30 years and will end in January 2039. As at 31 December 2018, the subsidiary has commitments to pay Baht 112 million as stipulated, by which Baht 47 million has been included as accrued project cost in the statement of financial position.
- As at 31 December 2018 and 2017, there were lease commitments for the lease and service agreements for restaurant outlets, office spaces, shops, motor vehicles, computer equipment, and office equipment committed by subsidiaries for periods ranging from 1 year to 30 years payable as follows:

	2018		2017	
	Baht Million	AUD Million	Baht Million	AUD Million
Within 1 year	1,610	25	1,390	26
Between 2 and 5 years	1,793	61	1,758	73
After 5 years	9	8	12	10
Total	3,412	94	3,160	109

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

37 Commitments (Cont'd)

Subsidiaries (Cont'd)

Rental agreements (Cont'd)

- A subsidiary has entered into lease agreements covering the land and building. A subsidiary committed to pay rental fees at the rates specified in the lease agreements. As at 31 December 2018, a subsidiary has a commitment to pay rental fee as stipulated in the lease agreement of approximately EUR 0.14 million.
- A subsidiary has entered into lease agreement for periods between 5 to 40 years. The subsidiary is committed to pay rental fee at a certain percentage of annual gross revenue or at a minimum rent stipulated in the agreement. As at 31 December 2018, a subsidiary has commitment to pay rental fee as stipulated in the lease agreement approximately of EUR 3,581 million.

Trademark, franchise and license agreements

- Subsidiaries have entered into a number of franchise agreements in order to obtain rights to operate food restaurants. According to the agreements, those subsidiaries must pay franchise fees based on a percentage of sales and must comply with certain terms and conditions. The payments of franchise fees are included in selling expenses.
- Subsidiaries of the Group's distribution and manufacturing businesses have entered into distribution agreements, franchise agreements and to use trademarks and to receive marketing technical assistance with overseas companies. These agreements have terms of 2 - 10 years and can be renewed unless terminated by either party. The agreements are subject to certain conditions with which the subsidiaries have to comply throughout the agreement periods.
- A subsidiary has entered into a license agreement with an overseas company in order to obtain rights to use a trademark in selling residences. According to the agreement, the subsidiary must pay trademark and royalty fees based on a percentage of sales and must comply with certain terms and conditions.
- Under a one year license agreement ending in 2008 to operate a theatre with an overseas company on a yearly renewal basis, a subsidiary is committed to pay certain fees as specified in the agreement. The agreement is automatically renewed at its expiry date for one year each.

38 Guarantees

Guarantees in the normal courses of business are as follows:

	31 December 2018													
	Consolidated financial statements								Consolidated financial statements					
	Baht Million	US\$ Million	AUD Million	EUR Million	CNY Million	BRL Million	INA Million	MYR Million	Baht Million	US\$ Million	AUD Million	EUR Million	BRL Million	MYR Million
Letters of guarantees issued by banks on behalf of the Group	1,092.1	4.9	12.6	39.3	12.6	-	-	-	614.8	0.9	-	-	-	-
Guarantee given by the Group to financial institution to guarantee for credit facilities	3,499.0	136.3	138.7	219.2	125.0	5.0	65.0	100.2	1,835.3	136.3	138.7	15.0	5.0	100.2

	31 December 2017												
	Consolidated financial statements							Separate financial statements					
	Baht Million	US\$ Million	AUD Million	EUR Million	CNY Million	AED Million	BRL Million	Baht Million	US\$ Million	AUD Million	EUR Million	BRL Million	
Letters of guarantees issued by banks on behalf of the Group	1,104.6	5.6	11.5	1.6	123.1	23.3	-	624.0	2.7	-	-	-	
Guarantee given by the Group to financial institution to guarantee for credit facilities	3,593.9	361.8	139.5	16.2	125.0	-	5.0	1,764.3	123.8	139.5	15.0	5.0	

39 Post statement of financial position event

In January 2019, a subsidiary of the Group had disposed the investment in BTM (Thailand) Ltd., a joint venture, in an amount of Baht 160 million.

In January 2019, a subsidiary of the Group had disposed the investment in Beijing NH Grand China Hotel Management Co., Ltd., an associate, in an amount of Euro 1.9 million.



Management Discussion and Analysis

Overview

4Q18 and 2018 Performance

Summary: Minor International (“MINT”) announced core net profit (excluding non-recurring items) of Baht 2,133 million in 4Q18, a 32% increase from core net profit of Baht 1,611 million in 4Q17. This exceptional fourth quarter performance drove MINT’s full year core net profit to Baht 5,957 million in 2018, a 10% increase from Baht 5,415 million in 2017. MINT’s core profit increase was attributable to the overall performance of Minor Hotels and in particular the consolidation of NH Hotel Group, which commenced on 2 October 2018 (the date that the Spanish Stock Exchange Commission or CNMV approved the takeover bid).

Note that in 2018 and in particular 4Q18, MINT recorded non-core accounting-related items as required under Thai Generally Accepted Accounting Principles (Thai GAAP), which are detailed in the table on page 268. Including non-core items, MINT reported full-year 2018 results with revenue of Baht 79,328 million and net profit of Baht 5,445 million, 35% and 1% growth respectively. For 4Q18, MINT’s reported revenue more than doubled to Baht 32,233 million, while reported net profit showed a decline of 7% to Baht 1,500 million, compared to the same period last year.

In a move to reward its shareholders, MINT’s Board of Directors proposed to pay cash dividend for 2018 in the amount of Baht 0.40 per share, and warrants at the ratio of 20:1, with conversion ratio of 1:1 at the price of Baht 43 per share and a tenor of 2 years and 4 months. The issuance of the warrants is expected to further strengthen MINT’s equity base and in turn its balance sheet position. Both the dividend payment and warrant issuance are subject to shareholder approval.

For fourth quarter performance, MINT demonstrated remarkable growth of its core revenue, which more than doubled from 4Q17 revenue. The increase was attributable to substantial revenue contribution from the consolidation of NH Hotel Group, together with favorable performance of organic hotel operations and continued growth of retail trading & contract manufacturing business.

In 2018, MINT’s core revenue increased by 34%, driven mainly by positive contribution of NH Hotel Group. Furthermore, growth of organic hotel operations, Anantara Vacation Club (AVC) and retail trading & contract manufacturing business also contributed to MINT’s overall revenue expansion in 2018.

Revenue Breakdown

Baht million	4Q18	4Q17	% Chg	% Contribution
As Reported				
Restaurant Services	5,756	6,053	-5	18
Hotel & Mixed-use	25,243	8,352	202	78
Retail Trading & Contract Manufacturing	1,234	1,173	5	4
Total Revenue	32,233	15,578	107	100
Core*				
Restaurant Services	5,756	6,053	-5	18
Hotel & Mixed-use	24,535	8,352	194	78
Retail Trading & Contract Manufacturing	1,234	1,173	5	4
Total Revenue	31,525	15,578	102	100

* Exclude non-core items as detailed in the table on page 268

Revenue Breakdown

Baht million	2018	2017	% Chg	% Contribution
As Reported				
Restaurant Services	23,604	23,582	0	30
Hotel & Mixed-use	51,285	30,970	66	65
Retail Trading & Contract Manufacturing	4,439	4,091	9	5
Total Revenue	79,328	58,644	35	100
Core*				
Restaurant Services	23,484	23,582	0	30
Hotel & Mixed-use	50,577	30,970	63	64
Retail Trading & Contract Manufacturing	4,439	4,091	9	6
Total Revenue	78,499	58,644	34	100

* Exclude non-core items as detailed in the table on page 268

In 4Q18, MINT's core EBITDA increased significantly by 95% y-y, mainly attributable to substantial contribution of NH Hotel Group, together with effective cost control of AVC. Nevertheless, the EBITDA increase was slower than revenue increase, resulting in a decline in core EBITDA margin to 21.3% in 4Q18, compared to 4Q17 EBITDA margin of 22.0%. The decrease was primarily driven by lower profitability of restaurant business with same-store-sales contraction, mismatch of sales recognition from residential development and higher personnel-related expense of MLR portfolio.

In 2018, MINT's core EBITDA showed a 32% increase, mainly from positive contribution of NH Hotel Group, together with favorable performance of organic hotel operations and AVC. However, core EBITDA margin declined slightly to 20.7% in 2018, compared to 2017 EBITDA margin of 20.9%, primarily for the same reasons as in 4Q18. Nonetheless, profitability of organic hotel operations for 2018 showed an improvement from prior year, supported by Minor Hotels' pro-active approach to revenue and cost management.

EBITDA Breakdown

Baht million	4Q18	4Q17	% Chg	% Contribution
As Reported				
Restaurant Services	584	1,118	-48	10
Hotel & Mixed-use	5,353	2,201	143	89
Retail Trading & Contract Manufacturing	85	115	-26	1
Total EBITDA	6,022	3,435	75	100
EBITDA Margin (%)	18.7	22.0		
Core*				
Restaurant Services	710	1,118	-37	11
Hotel & Mixed-use	5,907	2,201	168	88
Retail Trading & Contract Manufacturing	85	115	-26	1
Total EBITDA	6,703	3,435	95	100
EBITDA Margin (%)	21.3	22.0		

* Exclude non-core items as detailed in the table on page 268

EBITDA Breakdown

Baht million	2018	2017	% Chg	% Contribution
As Reported				
Restaurant Services	3,642	4,285	-15	23
Hotel & Mixed-use	11,736	7,684	53	75
Retail Trading & Contract Manufacturing	307	304	1	2
Total EBITDA	15,685	12,273	28	100
EBITDA Margin (%)	19.8	20.9		
Core*				
Restaurant Services	3,647	4,285	-15	22
Hotel & Mixed-use	12,290	7,684	60	76
Retail Trading & Contract Manufacturing	307	304	1	2
Total EBITDA	16,245	12,273	32	100
EBITDA Margin (%)	20.7	20.9		

* Exclude non-core items as detailed in the table on page 268

In 4Q18, MINT's core net profit grew by 32% y-y, but core net profit margin declined to 6.8%, compared to 4Q17 net profit margin of 10.3%. The change in net profit and net profit margin was due to the same reasons as EBITDA. In addition, the acquisition of NH Hotel Group resulted in higher interest expense, which more than doubled, and higher minority interest, in particular from NH Hotel Group, especially in October when MINT had 46% shareholding. Furthermore, 4Q18 effective tax rate rose sharply as NH Hotel Group's effective rate was 29%, which was much higher than MINT's average. Consequently, these three factors further exacerbated downward pressure on the overall margin of the group.

In 2018, MINT's core net profit showed an increase of 10%, supported by contribution of NH Hotel Group, together with improved performance of existing hotel operations. However, core net profit margin decreased to 7.6% in 2018, compared to 2017 net profit margin of 9.2% due to the same reasons as in 4Q18.

Net Profit

Baht million	4Q18	4Q17	% Chg
As Reported			
Total Net Profit	1,500	1,611	-7
Net Profit Margin (%)	4.7	10.3	
Core*			
Total Net Profit	2,133	1,611	32
Net Profit Margin (%)	6.8	10.3	

* Exclude non-core items as detailed in the table on page 268

Net Profit

Baht million	2018	2017	% Chg
As Reported			
Total Net Profit	5,445	5,415	1
Net Profit Margin (%)	6.9	9.2	
Core*			
Total Net Profit	5,957	5,415	10
Net Profit Margin (%)	7.6	9.2	

* Exclude non-core items as detailed in the table on page 268

Non-Core Items

Timeline	Amount [Baht million]	Non-core Items
2Q18	121	• Gain on fair value adjustment on the investment in Benihana (other income)
4Q18	708	• Gain on fair value adjustment on the investment in NH Hotel Group (other income)
	-800	• Loss from changing status of investment in NH Hotel Group (SG&A expenses)
	-96	• Impairment charge of Oaks Grand Gladstone (SG&A expenses)
	-280	• Impairment charge of Rani Investment (SG&A expenses)
	-126	• Impairment charge of Grab (SG&A expenses)
	-87	• Foreign exchange loss on unmatched USD Cross-Currency Swap (SG&A expenses)

Major Developments in 4Q18

	Developments
Restaurant	<ul style="list-style-type: none"> • Added 96 outlets, net q-q, majority of which were The Pizza Company, Dairy Queen and The Coffee Club outlets • Entered into a joint-venture agreement with Vietnam Investments Group to operate as the master franchisee of The Coffee Club brand in Vietnam • Launched the first outlets of The Coffee Club in Qatar, Cambodia and China
Hotel & Mixed-use	<ul style="list-style-type: none"> • Completed tender offer for NH Hotel Group in October 2018, resulting in current shareholding of 94.1% • Opened Anantara Quy Nhon Villas with a total of 26 keys in Vietnam • Launched Oaks Santai Resort Casuarina, a management letting rights contract in New South Wales, Australia • Opened Oaks Resort Port Douglas, a management letting rights contract in Queensland, Australia • Invested in 10% stake in Global Hotel Alliance (GHA), the world's leading alliance of independent hotel brands
Lifestyle	<ul style="list-style-type: none"> • Launched Save My Bag, a handbag and accessory brand from Italy in Thailand
Corporate	<ul style="list-style-type: none"> • Issued perpetual non-call 3-year senior guaranteed capital securities in the amount of USD 300 million • Issued unsubordinated and unsecured EUR-denominated debentures in the amount of EUR 80 million

Segment Performance

Restaurant Business

At the end of 4Q18, MINT's total restaurants reached 2,270 outlets, comprising of 1,159 equity-owned outlets (51% of total) and 1,111 franchised outlets (49% of total). 1,500 outlets (66% of total) are in Thailand, while the remaining 770 outlets (34% of total) are in 26 other countries in Asia, Oceania, Europe and Canada.

Restaurant Outlets by Owned Equity and Franchise

	4Q18	Chg q-q	Chg y-y
Owned Equity	1,159	51	87
• Thailand	949	48	83
• Overseas	210	3	4
Franchise	1,111	45	119
• Thailand	551	39	76
• Overseas	560	6	43
Total Outlets	2,270	96	206

Restaurant Outlets by Brand

	4Q18	Chg q-q	Chg y-y
The Pizza Company	528	28	81
Swensen's	316	-6	-12
Sizzler	66	2	0
Dairy Queen	503	38	56
Burger King	109	10	16
The Coffee Club	462	14	29
Thai Express	95	4	4
Riverside	70	6	14
Breadtalk	47	-4	1
Benihana	20	1	20
Others*	54	3	-3
Total Outlets	2,270	96	206

* Others include restaurants at the airport under MINT's 51% JV, "Select Service Partner" and restaurants in the UK under "Grab", "Patara" and "Suda" brands.

Hub Performance Analysis

In 4Q18, total-system-sales (including sales from franchised outlets) increased by 2.8% y-y, supported by 10% outlet expansion, primarily in Thailand, China, Vietnam and the UAE, together with the consolidation of Benihana since the acquisition in April 2018. Same-store-sales decreased by 4.3% y-y, mainly due to industry-wide consumption slowdown and increased competition across all key hubs.

In 4Q18, Thailand hub reported total-system-sales growth of 5.7% y-y, supported by 12% outlet growth. However, 4Q18 same-store-sales declined by 4.0% y-y as weak domestic consumption continued to put pressure on the performance of almost every brand. In addition, the continued slowdown of Chinese tourist arrivals to Thailand also adversely affected the same-store-sales performance of outlets in tourist locations, most of which are under Burger King and The Coffee Club brands. Nevertheless, Dairy Queen successfully maintained performance resilience amidst the macro slowdown and delivered positive same-store-sales growth in 4Q18. The operational improvement was supported by its affordable price point and seasonal menus, such as Coconut Soft Serve, which were well received by the local market. To restore growth, Thailand hub will focus on ramping up product and service innovation and increasing competitiveness through digital technology, covering areas of data analytics, marketing, order management, delivery system and customer relationship management. In addition, Thailand hub expects to benefit from improving domestic consumption and consumer confidence as the macro environment recovers.

China hub reported total-system-sales growth of 9.3% y-y in 4Q18, mainly attributable to a rapid expansion of Riverside, which had a net increase of 14 outlets or 25% growth y-y. 4Q18 same-store-sales, although showed month-on-month improving trend, decreased by 5.5% y-y. The soft performance was primarily from lower store traffic in tier-2 cities, which was adversely affected by increased competition. Going into 2019, China Hub aims to dominate the grilled fish segment in tier-1 cities. It will continue to drive expansion of Riverside outlets in Beijing and Shanghai, and strengthen its product quality by implementing a food traceability program, which is expected to improve customer value and drive customer growth.

The prolonged slowdown in domestic consumption resulted in a decline in Australia hub's same-store-sales by 4.1% y-y in 4Q18. Nevertheless, overseas operations, led by The Coffee Club in the Maldives and New Zealand, continued to show robust growth. 4Q18 total-system-sales decreased by more than 10% y-y, primarily from the impact of the portfolio rationalization program carried out in late December 2017. Excluding the impact of the rationalization program for a like-for-like comparison, 4Q18 total-system-sales was flat y-y. To turn around its performance in the domestic market, Australia hub will elevate brand experience of The Coffee Club by enhancing convenience for customers through delivery service, launching new and exciting product menus for various occasions and customer segments, as well as introducing loyalty program. For international business, Australia hub will continue to grow The Coffee Club's footprints, from the current 9 countries to more than 12 countries in 2019.

Overall, 2018 group-wide total-system-sales was flat from last year. The positive total-system-sales growth of Thailand and China hubs helped offset the soft performance of other overseas markets. With challenging business environments across Minor Food's key operating markets, Minor Food ended full-year 2018 with a 3.3% decline in same-store-sales.

For 2019, Minor Food remains positive on its growth outlook. Its strong product and marketing strategies, together with the transformation of restaurant experience through digital innovation and best-in-class delivery service, are expected to turn same-store-sales performance to positive territory. Furthermore, its ongoing outlet expansion, particularly in Thailand and China, will help strengthen growth momentum of the overall group. Lastly, the overall profitability is expected to improve as Minor Food expands in scale and drives operational excellence.

Restaurant Business Performance

%	4Q18	4Q17	2018	2017
Average Same-Store-Sales Growth	-4.3	-1.1	-3.3	-0.8
Average Total-System-Sales Growth	2.8	3.2	0.2	5.1

Note: Calculation based on local currency to exclude the impact of foreign exchange

Financial Performance Analysis

4Q18 total restaurant revenue declined by 5% y-y. The resilient top-line growth of Thailand hub helped offset the slowdown in Australia and the impact of strategic outlet closures in Singapore. Franchise fee grew by 3% y-y in 4Q18, led by solid growth of franchise income from Thailand, especially The Pizza Company brand. 4Q18 core EBITDA declined by 37% y-y as all key hubs experienced heightened margin pressure from same-store-sales contraction, together with promotional campaigns and higher sales and marketing expense as a result of Minor Food's efforts to drive customer traffic amidst sluggish economic environment and high competition. Furthermore, the ramping up of new outlets from rapid expansion in Thailand and China during the quarter also temporarily put pressure on the overall margin. Consequently, core EBITDA margin declined to 12.3% in 4Q18, compared to 4Q17 EBITDA margin of 18.5%.

2018 total core restaurant revenue remained flat from prior year. The resilient growth of Thailand hub, which benefitted from disciplined outlet expansion throughout the year, helped offset the slowdown of overseas operations. 2018 core EBITDA dropped by 15%, mainly from negative same-store-sales growth of all hubs and impact of product and promotional campaigns to combat market downturn in Thailand. As a result, core EBITDA margin decreased to 15.5% in 2018, compared to 2017 EBITDA margin of 18.2%.

Financial Performance*

Baht million	4Q18	4Q17	% Chg
Revenue from Operation**	5,333	5,641	-5
Franchise Fee	423	412	3
Total Revenue	5,756	6,053	-5
EBITDA	710	1,118	-37
EBITDA Margin (%)	12.3	18.5	

Baht million	2018	2017	% Chg
Revenue from Operation**	21,842	21,918	0
Franchise Fee	1,641	1,665	-1
Total Revenue	23,484	23,582	0
EBITDA	3,647	4,285	-15
EBITDA Margin (%)	15.5	18.2	

* Exclude non-core items as detailed in the table on page 268

** Include share of profit and other income

Hotel & Mixed-Use Business

Hotel Business

At the end of 4Q18, MINT owns 369 hotels and manages 144 hotels and serviced suites in 51 countries. Altogether, these properties have 75,241 hotel rooms and serviced suites, including 54,995 rooms that are equity-owned and 20,246 rooms that are purely-managed under the Company's brands including Anantara, AVANI, Oaks, Tivoli, NH Collection, NH Hotels, nhov and Elewana Collection. Of the total, 4,272 rooms in Thailand accounted for 6%, while the remaining 70,969 rooms or 94% are located in 50 other countries in Asia, Oceania, Europe, the Americas and Africa.

Hotel Rooms by Owned Equity and Management

	4Q18	Chg q-q	Chg y-y
Owned Equity*	54,995	-38	45,896
• Thailand	2,716	0	24
• Overseas	52,279	-38	45,872
Management**	20,246	-4,983	9,136
• Thailand	1,556	0	-139
• Overseas	18,690	-4,983	9,275
Total Hotel Rooms	75,241	-5,021	55,032

* Owned equity includes all hotels which are majority-owned, leased and joint-venture.

** Management includes all hotels which are under management contracts and management letting rights. The reduction in number of management in 4Q18 was mainly due to the termination of Hesperia management contract, which was part of NH Hotel Group.

Hotel Rooms by Ownership

	4Q18	Chg q-q	Chg y-y
Owned Hotels	19,152	176	12,113
Leased Hotels	33,817	-180	33,817
Joint Ventures	2,026	-34	-34
Managed Hotels	13,311	-5,300	8,619
MLRs*	6,935	317	517
Total Hotel Rooms	75,241	-5,021	55,032

* Properties under management letting rights in Australia and New Zealand

Hotel Performance Analysis

MINT's existing owned hotels portfolio (excluding NH Hotel Group), which accounted for 22% of core hotel & mixed-use revenue in 4Q18, reported y-y organic revenue per available room ("RevPar") increase of 1% in 4Q18. Owned hotels in Thailand saw a decline of organic RevPar by 1% y-y. Although owned hotels in Bangkok continued to deliver robust RevPar growth of 6% y-y, the operation in the provinces of Thailand was impacted by the slowdown of inbound tourists from China and some European countries such as France and Sweden, which resulted in a decrease of organic RevPar by 6% y-y. Outside of Thailand, organic RevPar of owned overseas hotels grew by 5% y-y, led by robust performance of operations in the Maldives, Brazil and Africa. In the Maldives, the owned hotel showed organic RevPar growth of 9% y-y, primarily driven by higher occupancy as a result of MINT's successful marketing program. The Brazil portfolio delivered organic RevPar growth of 5% y-y in Thai Baht term, despite the devaluation of Brazilian real by 15% y-y. The growth was driven by robust demand from domestic and the US markets, as well as MINT's effective revenue management, which resulted in an ADR increase of almost 10% y-y in local currency. Lastly, in Africa, the organic RevPar growth of owned hotels increased by 22% y-y, led by strong performance of hotels in Zambia and Botswana. Excluding the foreign exchange translation impact from the strengthening of the Thai Baht, organic RevPar of owned hotels grew at a faster rate of 5% y-y in 4Q18.

The NH Hotel Group portfolio, contributing 65% of core hotel & mixed-use revenue in 4Q18, saw organic RevPar of its owned and leased hotel portfolio in EUR terms increase by 9% y-y in 4Q18. The strong RevPar growth was supported by higher demand and effective pricing strategies across all of its key markets. Spain and Latin America showed particular strength with double-digit organic RevPar growth in 4Q18, supported by increased MICE activities in Spain and favorable tourism demand in both markets. With the inclusion of new hotels, 4Q18 system-wide RevPar of NH Hotel Group's owned and leased portfolio grew by 4% y-y in EUR terms.

With the inclusion of new hotels and NH Hotel Group, system-wide RevPar of MINT's entire owned and leased hotel portfolio declined by 29% y-y. The decrease was merely because of the change in mix of the hotel portfolio with NH Hotel Group commanding much lower RevPar than MINT's average.

The management letting rights (MLRs) portfolio, contributing 6% of 4Q18 core hotel & mixed-use revenue, showed a decline in RevPar by 2% y-y in Australian dollar term. The slowdown was attributable to softer domestic demand amidst challenging economic environment. With the weakening of Australian dollar, 4Q18 RevPar of MLRs portfolio decreased by 9% y-y in Thai Baht term.

Revenue contribution of management contract (excluding NH Hotel Group) to MINT's core hotel & mixed-use revenue was 2% in 4Q18. Organic RevPar of management contract portfolio increased by 7% y-y in 4Q18, led by improved performance of managed hotels in Oman, Qatar and Indonesia, all of which delivered double-digit RevPar growth in 4Q18. Excluding the foreign exchange translation impact with the strengthening of Thai Baht, organic RevPar of managed hotels grew at a faster rate of 8% y-y in 4Q18. Including the new hotels, which are still ramping up, system-wide RevPar of managed hotels grew by 1% y-y in 4Q18.

In summary, in 4Q18, MINT's organic RevPar of the entire portfolio decreased by 1% y-y, attributable to the soft performance of MLRs portfolio, which was adversely affected by the weakening of Australian dollar. Including new hotels and NH Hotel Group, which commanded lower RevPar than MINT's average, system-wide RevPar of MINT's entire portfolio decreased by 26% y-y in 4Q18.

In 2018, organic RevPar of MINT's entire portfolio decreased by 1%. The robust performance of existing owned hotel portfolio, both in Thailand and overseas, partly alleviated the slowdown of managed hotel and MLRs portfolios from the foreign exchange translation impact with the strengthening of Thai Baht. Including new hotels and NH Hotel Group, system-wide RevPar of the entire portfolio decreased by 15% in 2018.

Hotel Business Performance by Ownership

[System-wide]	Occupancy [%]			
	4Q18	4Q17	2018	2017
Owned & Leased*	69	59	68	62
Joint-venture	57	53	53	49
Managed	63	64	63	64
MLRs**	79	80	79	78
Average*	69	67	69	67
MINT's Portfolio in Thailand	75	75	77	77
Industry Average in Thailand***	71	69	71	68

[System-wide]	ADR [Baht/Night]			
	4Q18	4Q17	2018	2017
Owned & Leased*	3,985	6,617	4,575	6,228
Joint-venture	8,387	9,032	8,152	9,336
Managed	6,223	6,075	5,811	6,108
MLRs**	4,332	4,689	4,297	4,588
Average*	4,207	5,850	4,765	5,705
MINT's Portfolio in Thailand	5,318	5,278	5,048	4,844
Industry Average in Thailand***	1,846	1,801	1,710	1,613

[System-wide]	RevPar [Baht/Night]			
	4Q18	4Q17	2018	2017
Owned & Leased*	2,743	3,881	3,117	3,865
Joint-venture	4,743	4,801	4,343	4,577
Managed	3,902	3,876	3,651	3,917
MLRs**	3,411	3,740	3,391	3,596
Average*	2,900	3,903	3,278	3,837
MINT's Portfolio in Thailand	4,006	3,972	3,889	3,753
Industry Average in Thailand***	1,313	1,250	1,221	1,104

* 4Q18 and 2018 numbers include NH Hotel Group

** Properties under Management Letting Rights in Australia & New Zealand

*** Source for Industry Average: Bank of Thailand

[Organic]	Occupancy [%]			
	4Q18	4Q17	2018	2017
Owned & Leased	62	59	65	62
Joint-venture	57	53	53	49
Managed	66	64	64	64
MLRs**	79	80	79	78
Average	68	67	69	67
MINT's Portfolio in Thailand	76	75	79	77

[Organic]	ADR [Baht/Night]			
	4Q18	4Q17	2018	2017
Owned & Leased	6,313	6,617	6,305	6,228
Joint-venture	8,590	9,032	8,723	9,336
Managed	6,323	6,075	5,833	6,108
MLRs**	4,332	4,689	4,297	4,588
Average	5,649	5,850	5,532	5,705
MINT's Portfolio in Thailand	5,346	5,278	5,097	4,844

[Organic]	RevPar [Baht/Night]			
	4Q18	4Q17	2018	2017
Owned & Leased	3,932	3,881	4,119	3,865
Joint-venture	4,854	4,801	4,658	4,577
Managed	4,149	3,876	3,755	3,917
MLRs**	3,411	3,740	3,391	3,596
Average	3,867	3,903	3,817	3,837
MINT's Portfolio in Thailand	4,076	3,972	4,004	3,753

* 4Q18 and 2018 numbers include NH Hotel Group

** Properties under Management Letting Rights in Australia & New Zealand

*** Source for Industry Average: Bank of Thailand

Hotel Performance Analysis

In 4Q18, core revenue from hotel and related services operation increased more than threefold from the same period last year, with substantial revenue contribution from the consolidation of NH Hotel Group, together with robust growth of organic hotel operations, especially in overseas markets. 4Q18 management income grew by 48% y-y, primarily from robust organic RevPar growth of managed hotels, together with additional management fees, including both technical service and termination fees.

In 2018, core revenue from hotel and related services operation grew by 84%, chiefly due to the revenue consolidation of NH Hotel Group, together with favorable performance of organic hotel operations in Thailand and overseas. 2018 management income increased by 19%, primarily from higher income of managed hotels, especially in Thailand, together with fee contribution from the continued expansion of managed hotel portfolio.

Mixed-use Business & Performance Analysis

One of MINT's mixed-use businesses is plaza and entertainment business. The Company owns and operates three shopping plazas in Bangkok, Phuket and Pattaya. In addition, MINT is the operator of seven entertainment outlets in Pattaya, which include the famous Ripley's Believe It or Not Museum and The Louis Tussaud's Waxworks.

MINT's residential development business develops and sells properties in conjunction with the development of some of its hotels. The first project is The Estates Samui, consisting of 14 villas, adjacent to MINT's Four Seasons Resort Koh Samui. The second project is St. Regis Residences, with 53 residential units located above The St. Regis Bangkok. To date, all units of St. Regis Residences have been sold. The latest project is Layan Residences by Anantara in Phuket, with 15 villas next to Anantara Layan Phuket Resort. In addition, MINT launched three joint-venture residential projects. Anantara Chiang Mai Serviced Suites, a 50% joint-venture project with U City PCL, is situated across Anantara Chiang Mai Resort & Spa and consists of 44 condominium units available for sale. Avadina Hills by Anantara is located next to Layan Residences by Anantara in Phuket with 16 luxury villas for sale. Lastly, the Torres Rani in Maputo, Mozambique consists of 187 condominium units. While most of the units are leased out, there are six penthouses available for sale. In addition, two new residential development projects are currently under construction, including Anantara Desaru in Malaysia and Anantara Ubud Bali in Indonesia to ensure continuous pipeline of MINT's real estate business in the coming years.

Another real estate business of MINT is the point-based vacation club under its own brand, Anantara Vacation Club (AVC). At the end of 2018, AVC had a total inventory of 229 units in Samui, Phuket, Bangkok and Chiang Mai in Thailand, Queenstown in New Zealand, Bali in Indonesia, and Sanya in China. With the successful sales and marketing efforts, AVC maintained positive momentum in 2018 with the increase in number of members by 21% to 12,347 members at the end of 2018.

Revenue from mixed-use business declined by 32% y-y in 4Q18, mainly due to mismatch of sales recognition of residential development. For 2018, revenue from mixed-use business declined by 13%, primarily because of slower pace of residential sales than prior year. Nevertheless, AVC sales continued to show an improvement in 2018, despite the strengthening of Thai Baht, especially in the first half of the year.

Overall Hotel & Mixed-use Financial Performance Analysis

In 4Q18, total core revenue of hotel & mixed-use business grew by almost threefold from the same period last year with a significant increase from the revenue consolidation of NH Hotel Group, together with favorable performance of existing hotel operations. Nevertheless, mixed-use business experienced revenue contraction due to mismatch of sales recognition of residential development. Core EBITDA of hotel & mixed-use business more than doubled in 4Q18, compared to the same period last year, mainly from significant contribution of NH Hotel Group and improved profitability of AVC with its effective cost control during the quarter. However, the slower growth rate of core EBITDA than core revenue growth rate was due to residential development from mismatch of sales compared to the same period last year and MLR portfolio with higher personnel-related expenses. Consequently, core EBITDA margin of hotel & mixed-use business decreased to 24.1% in 4Q18, compared with 4Q17 EBITDA margin of 26.4%.

For 2018, total core revenue of hotel and mixed-use business increased by 63%, supported by substantial revenue contribution of NH Hotel Group, together with continued growth of existing hotel & related services and management business. 2018 core EBITDA of hotel & mixed-use business grew by 60%, primarily from positive contribution of NH Hotel Group, together with robust improvement of existing hotel operations. However, EBITDA of mixed-use business showed a decline in 2018 due to margin pressures from impact of foreign exchange translation on AVC's profitability during the first nine months of the year with the strengthening of Thai Baht and lower residential sales than prior year. As a result, core EBITDA margin of hotel & mixed-use business contracted to 24.3% in 2018, compared to 2017 EBITDA margin of 24.8%.

Going into 2019, Minor Hotels is optimistic on the outlook of its key operating markets. Thailand will continue to benefit from strong inbound tourism trend and the recovery of Chinese tourists, with higher occupancy and ADR. In Europe, Portugal is expected to perform well with positive tourism outlook and improved product offerings, while other European countries, as part of NH Hotel Group, will see stable growth in line with the economy as majority of their business is related to domestic corporate travelers. In addition, 2019 will be the first year of full-year consolidation of NH Hotel Group's financials. In Australia, the MLRs business is expected to improve as domestic economy recovers. Lastly, the mixed-use business will continue to contribute positively to revenue and earnings growth of the overall group.

Financial Performance*

Baht million	4Q18	4Q17	% Chg
Hotel & Related Services**	22,986	6,459	256
Management Fee	485	328	48
Mixed-use	1,064	1,565	-32
Total Revenue	24,535	8,352	194
EBITDA	5,907	2,201	168
EBITDA Margin (%)	24.1	26.4	
Baht million	2018	2017	% Chg
Hotel & Related Services**	44,168	24,010	84
Management Fee	1,396	1,171	19
Mixed-use	5,013	5,790	-13
Total Revenue	50,577	30,970	63
EBITDA	12,290	7,684	60
EBITDA Margin (%)	24.3	24.8	

* Exclude non-core items as detailed in the table on page 268

** Include share of profit and other income

Retail Trading & Contract Manufacturing Business

At the end of 4Q18, MINT had 490 retail trading points of sales, an increase of 92 points of sales from 398 points at the end of 4Q17. Of total 490 retail trading outlets, 83% are operated under fashion brands including Anello, Bossini, Brooks Brothers, Charles & Keith, Esprit, Etam, OVS, Pedro, Radley and Save My Bag, while 17% are operated under home and kitchenware brands including Joseph Joseph, Zwilling J.A. Henckels and Bodum.

Retail Trading's Outlet Breakdown

No. of Outlets	4Q18	Chg q-q	Chg y-y
Fashion	409	27	45
Home & Kitchenware	81	11	47
Total Outlets	490	38	92

In 4Q8, total retail trading & contract manufacturing revenue grew by 5% y-y, driven by improved performance of MINT's retail portfolio, both fashion and home & kitchenware segments, together with higher sales volume of contract manufacturing business. 4Q18 EBITDA of retail trading & contract manufacturing business decreased by 26% y-y with margin pressure from mark-downs on end of season sales of some fashion brands. As a result, EBITDA margin decreased from 9.8% in 4Q17 to 6.9% in 4Q18.

2018 total revenue from retail trading & contract manufacturing increased by 9%, mainly driven by higher sales of retail portfolio. 2018 EBITDA showed a 1% growth. The improved profitability of contract manufacturing business partially offset the lower operating leverage of retail trading business, which was temporarily affected by mark-downs on end of season sales amidst sluggish retail environment in Thailand. Therefore, EBITDA margin declined from 7.4% in 2017 to 6.9% in 2018.

Financial Performance

Baht million	4Q18	4Q17	% Chg
Retail Trading	953	904	5
Manufacturing	282	269	5
Total Revenue*	1,234	1,173	5
EBITDA	85	115	-26
EBITDA Margin (%)	6.9	9.8	

Baht million	2018	2017	% Chg
Retail Trading	3,448	3,112	11
Manufacturing	992	979	1
Total Revenue*	4,439	4,091	9
EBITDA	307	304	1
EBITDA Margin (%)	6.9	7.4	

* Include share of profit and other income

Balance Sheet & Cash Flows

At the end of 2018, MINT reported total assets of Baht 267,700 million, an increase of Baht 148,600 million from Baht 119,100 million at the end of 2017. The increase was primarily the result of (1) Baht 81,749 million increase in property, plant and equipment, mainly from the consolidation of NH Hotel Group, (2) Baht 42,446 million increase in intangible assets, mainly from fair value adjustment on brands of NH Hotel Group and (3) Baht 7,424 million increase in cash and cash equivalents, mainly from the consolidation of NH Hotel Group.

MINT reported total liabilities of Baht 184,626 million at the end of 2018, an increase of Baht 116,030 million from Baht 68,596 million at the end of 2017. The increase was primarily due to (1) the increase in trade accounts payable of Baht 13,037 million, majority of which was due to the consolidation of NH Hotel Group, (2) the increase in bridging facilities and long-term borrowings of Baht 59,411 million, mainly used to support MINT's investment in NH Hotel Group and additional investment in Riverside in China, (3) the increase in debentures of Baht 15,376 million, mainly from the consolidation of NH Hotel Group and (4) the increase in deferred tax liabilities of Baht 20,894 million, mainly related to gain on fair value adjustment on brands of NH Hotel Group.

Shareholders' equity increased by Baht 32,570 million, from Baht 50,504 million at the end of 2017 to Baht 83,074 million at the end of 2018, owing mainly to (1) 2018 net profit of Baht 5,445 million, (2) perpetual debentures of Baht 23,778 million and (3) non-controlling interest of Baht 8,047 million arising from the investment in NH Hotel Group netted off with (4) dividend payment of Baht 1,848 million.

For the full-year 2018, MINT and its subsidiaries reported positive cash flows from operations of Baht 7,360 million, an increase of Baht 775 million. The consolidation of NH Hotel Group had significant impact on the movement of operating assets and liabilities items.

Cash flow paid for investing activities was Baht 83,145 million, due primarily to (1) acquisition of subsidiaries, net cash acquired of Baht 77,608 million, mainly from the acquisition of NH Hotel Group, netted of cash on hand of NH Hotel Group and (2) capital expenditures of hotel, restaurant, and other businesses amounted to Baht 8,809 million.

The Company reported net cash receipt from financing activities of Baht 82,971 million, comprising primarily of (1) cash received from issuance of perpetual debentures of Baht 24,822 million and (2) net receipt of bridging facilities and long-term borrowings of Baht 58,523 million.

In summary, cash flows from operating, investing and financing activities resulted in MINT's net cash and cash equivalents' increase of Baht 12,713 million at the end of 2018.

Financial Ratio Analysis

MINT's gross profit margin decreased from 58.8% in 2017 to 56.3% in 2018, due mainly to higher room and spa costs and depreciation expense recorded in direct cost of hotel and related services operation. Nevertheless, 2018 gross profit margin of restaurant and retail trading & contract manufacturing businesses showed improvement from prior year. MINT reported a decrease in net profit margin to 6.9% in 2018 from 9.2% in 2017. Excluding non-recurring items, core net profit margin declined to 7.6% in 2018. The decline was primarily due to lower profitability of mixed-use, MLR and restaurant businesses, as well as higher interest expense, minority interest and tax rate.

Return on equity decreased from 11.9% in 2017 to 8.2% in 2018, partly as a result of the issuance of perpetual debentures to finance the acquisition of NH Hotel Group. Furthermore, the investment in NH Hotel Group, which MINT began to consolidate its financials only for three months, also put temporary pressure on the overall return on equity as equity base expanded. Return on assets declined from 4.8% in 2017 to 2.8% in 2018, mainly from the consolidation of NH Hotel Group, whose assets were elevated to market value, resulting in lower return on asset. Moreover, MINT's recent investments, which were still ramping up also put temporary pressure on the overall return for the full year.

Collection days remained stable at 58 days in 2018. The provision for impairment as a percentage of gross trade receivables slightly increased from 5.5% for the year 2017 to 5.7% in 2018, mainly from restaurant business with the consolidation of Benihana. MINT's inventory comprises primarily raw materials, work-in-process and finished products of the restaurant and retail trading & contract manufacturing businesses, as well as the C&K operation, which is part of hotel business. Inventory days decreased from 56 days in 2017 to 44 days in 2018, mainly from the consolidation of NH Hotel Group.

with lower inventory level than MINT's existing businesses. Account payable days increased from 48 days in 2017 to 93 days in 2018, mainly from hotel business with the consolidation of NH Hotel Group's financials.

Current ratio decreased from 1.3x at the end of 2017 to 0.9x at the end of 2018, primarily because of the increase in current portions of debentures and long-term borrowings, together with the increase in trade accounts payable from the consolidation of NH Hotel Group. Interest bearing debt to equity increased from 1.0x at the end of 2017 to 1.5x at the end of 2018, largely from the increase in borrowings to support the Company's investment in NH Hotel Group, which was partly offset by the Company's larger equity base as a result of the issuance of perpetual debentures and net profit contribution during the year. MINT expects the improved return from new investments, the full-year consolidation of NH Hotel Group's financials and the proactive management of capital structure together with continued improvement in overall performance, will bring the ratio down to the internal policy of 1.3x by the end of 2019. Interest coverage ratio decreased from 5.1x in 2017 to 4.0x in 2018, mainly because of higher interest expense from acquisition of NH Hotel Group.

Financial Ratio Analysis

Profitability Ratio	31 Dec 2018	31 Dec 2017
Gross Profit Margin (%)	56.3	58.8
Net Profit Margin (%)	6.9	9.2
Core Net Profit Margin* (%)	7.6	9.2
Efficiency Ratio	31 Dec 2018	31 Dec 2017
Return on Equity (%)	8.2	11.9
Return on Assets (%)	2.8	4.8
Collection Period (days)	58	58
Inventory Days	44	56
Accounts Payable Days	93	48
Liquidity Ratio	31 Dec 2018	31 Dec 2017
Current Ratio (x)	0.9	1.3
Leverage & Financial Policy	31 Dec 2018	31 Dec 2017
Interest Bearing Debt/Equity (x)	1.5	1.0
Net Interest Bearing Debt/Equity (x)	1.4	0.9
	31 Dec 2018	31 Dec 2017
Interest Coverage (x)	4.0	5.1

* Exclude non-core items as detailed in the table on page 268

NH Hotel Group

NH Hotel Group delivered solid financial results in 2018 with reported revenue growth of 5%. RevPar of the overall portfolio increased by 4% in 2018 with particular strength in Benelux and Italy. Including hyperinflation accounting effect (IAS 29), NH Hotel Group's revenue grew by 4% to EUR 1,620 million in 2018.

2018 recurring EBITDA grew by 13% to EUR 263 million, which was ahead of NH Hotel Group's original target. The robust EBITDA growth was supported by sound top-line growth and effective cost control of both payroll and operating expenses, resulting in improvement in recurring EBITDA margin from 15.0% in 2017 to 16.3% in 2018.

Net recurring profit more than doubled in 2018, mainly driven by improvement in operational performance and substantial reduction in financial cost, following the early redemption of convertible bond in June 2018. Therefore, net recurring profit margin improved from 2.2% in 2017 to 5.3% in 2018. During 2018, NH Hotel Group recorded non-recurring gains of EUR 32 million, mostly related to net capital gains from asset rotation. Including non-recurring gains, NH Hotel Group's reported net profit increased more than threefold to EUR 118 million in 2018.

For 2019, NH Hotel Group is confident in its business outlook on the back of favorable demand across its key markets, improved asset quality and strong balance sheet and reiterated its full-year EBITDA target of EUR 285 million in 2019.

Financial Performance*

EUR million	2018	2017	% Chg
Revenue	1,620	1,553	4
Recurring EBITDA	263	233	13
Recurring EBITDA Margin (%)	16.3	15.0	1.3
Net Recurring Profit	86	35	N/A
Net Recurring Profit Margin (%)	5.3	2.2	3.1
Net Profit	118	36	N/A
Net Profit Margin (%)	7.3	2.3	5.0

* Include hyperinflation accounting effect (IAS 29), which was implemented on 1 January 2018 and required the operating result of Argentina to be restated for the effects of inflation.

Management's Outlook

2018 was a transformational year for MINT as it led a successful journey to become a truly global company, with operations spanning Australia, Asia, Africa, the Middle East, Europe and the Americas. Now with a solid foundation, MINT is prepared to drive even stronger performance in 2019. Below highlights key growth drivers and strategies in 2019.

Bigger and Better Hotel Platform to Fuel Growth

With wider footprints and broader spectrum of brands, Minor Hotels is well positioned for growth and expansion.

- **RevPar maximization:** Minor Hotels expects the favorable tourism trends across its key markets, including Thailand, Europe, the Maldives and Australia, to help support RevPar expansion. To maximize the growth potential, Minor Hotels will strengthen its sales and distribution strategy, pro-active marketing efforts and revenue management capabilities. Cross-selling between Minor Hotels and NH Hotel Group is also being implemented through integrated digital platforms and combination of global sales force to drive higher occupancy of both platforms. Furthermore, Minor Hotels and NH Hotel Group are collaboratively mapping out plan for merger of loyalty program and cross-redemption in order to strengthen customer loyalty and increase sales.
- **Accelerated growth of asset light model:** with expansive portfolio of brands, ranging from mid-scale to high-end, Minor Hotels is set to accelerate the expansion of its hotel management business and expand both Minor Hotels and NH Hotel Group brands into their previously untapped markets. Over the next 5 years, Minor Hotels expects to secure more than 10 new management contracts under its owned brands in Europe, while NH Hotel Group targets to debut their brands in Asia with more than 20 management contracts to be signed. This, combined with existing hotel management pipelines, will bring the managed hotel portfolio of the group to more than 160 properties by 2023. Minor Hotels believes the growth of its hotel management business will contribute positively to its profitability and return on invested capital going forward.
- **New Lever for Operational Excellence:** Minor Hotels can capitalize on NH Hotel Group's well-established platform and expertise in Europe and Latin America to drive operational excellence of the Tivoli portfolio. Portugal and Brazil operations are being transferred to the management of NH Hotel Group with expected operational improvement on sales and marketing, distribution and combined support functions. In addition, Minor Hotels and NH Hotel Group uniformly reached out to trade partners for optimized pricing scheme based on enlarged hotel portfolio. Various cost saving opportunities from travel agents, both online and traditional, as well as procurement suppliers are being identified and pursued in order to maximize cost efficiency for the group.
- **Financial accretion from NH Hotel Group:** the full-year contribution from NH Hotel Group (pre-synergistic benefit) will accelerate earnings growth of the hospitality business in a meaningful way in 2019. Moreover, the synergistic benefits, mostly related to revenue expansion, are currently being quantified and expected to help spur incremental growth.

With exciting growth prospects, together with Minor Hotels' relentless pursuit of results, the company is set to embark on the next phase of growth in 2019.

Strengthening Restaurant Business through Innovation Excellence

Minor Food is pursuing a disciplined approach to innovation across all aspects of its operation to transform its restaurant business and drive same-store-sales growth.

- **Product innovation:** Minor Food is speeding up the rate of new product development to uplift brand excitement, while keeping up with the key trends to enhance brand relevancy to all generations. For example, The Pizza Company will focus on premiumizing its dine-in menus to enhance dining experience and drive customer spending, while expanding its product lines targeting kids and families to attract higher customer traffic.
- **Service innovation:** Minor Food is driving digital transformation to elevate customer experience, including online ordering system, self-ordering kiosk and cashless payment system. To maximize convenience for customers, Minor Food recently launched the group's single delivery aggregator platform, 1112Delivery where customers can order all of Minor Food brands in one go, receive all orders in one delivery and make one single payment.
- **Innovation of store format:** Minor Food is innovating various new store concepts, which are easy to scale and effectively help drive occasions and frequencies. For example, The Coffee Club recently launched a beverage bar with grab-and-go features to meet the fast-paced consumer lifestyle today. The new store space is well optimized to achieve the most flexibility and scalability for outlet expansion.

Minor Food is confident that its continued efforts of innovation will increase its competitiveness and turn around its performance and growth to positive trajectory in 2019.

Balance Sheet Management

With the issuance of perpetual bonds, MINT successfully maintained its leverage level below its financial covenant of 1.75x gross debt-to-equity (D/E) ratio at the end of 2018. Going into 2019, MINT expects its gearing level to come down further. The full-year consolidation of NH Hotel Group, together with opportunity to recycle some of its European assets, will help increase MINT's equity base and optimize its capital structure.

Connected Transactions

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
1. MJETS Limited [MJETS] Relationship: Common directors	MJETS provided air-chartered flight services to Minor International Public Company Limited (MINT) and its subsidiaries. The services were recorded as other expenses by the following companies: <ul style="list-style-type: none"> • MINT • Minor Hotel Group Limited • Hua Hin Resort Limited 	27.99 1.72 2.01	MINT and its subsidiaries used air-chartered flights for management to travel to business meetings/visit project sites in Thailand and abroad. The services were provided at market rates and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to MJETS and received monthly management fee income , which was charged according to type and quantity of services provided.	1.69	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
2. Select Service Partner Limited [SSP] Relationship: The Minor Food Group Public Company Limited (MFG) holds 51% stake and shares common directors.	MINT's subsidiaries, which sold their products to SSP and recorded sales from SSP, are the following: <ul style="list-style-type: none"> • MFG • Minor DQ Limited • Burger (Thailand) Limited • The Coffee Club (Thailand) Limited • Swensen's (Thai) Limited 	23.06 20.32 157.62 0.21 0.11	MINT's subsidiaries sold products to SSP at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	MFG, MINT's subsidiary, provided management and financial services to SSP and recorded management fee income .	4.23	For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
	MFG, MINT's subsidiary, held a stake in SSP and received dividend income .	132.60	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transactions were fair and reasonable.
3. Eutopia Private Holding Limited [Eutopia] Relationship: MINT indirectly holds 50% stake and shares common directors.	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management service to Eutopia and recorded management fee income .	153.47	Lodging Management (Labuan) Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided IT management service to Eutopia and recorded management fee income , which was charged according to type and quantity of services provided.	0.47	Minor Hotel Group Limited has expertise in providing IT management service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Eutopia and recorded management fee income , which was based on international standard and market prices.	2.47	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	MSpa Ventures Limited, MINT's subsidiary, provided spa management to Eutopia and recorded management fee income , which was based on international standard and market prices.	13.11	MSpa Ventures Limited specializes in spa management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	RGR International Limited, MINT's subsidiary, held a stake in Eutopia and received dividend income .	39.44	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Supply Chain Solutions Limited sold products to Eutopia and recorded sales .	2.28	Products were sold at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
4. MHG Deep Blue Financing Relationship: MINT indirectly has 50% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, provided treasury service to MHG Deep Blue Financing and recorded management fee .	20.94	The treasury service was in accordance with the agreement. Audit Committee had an opinion that the transactions were reasonable.
5. O Plus E Holding Private Limited Relationship: MINT indirectly has 50% shareholding.	Lodging Management (Mauritius) Limited, MINT's subsidiary, provided loan to O Plus E Holding Private Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	• Loan	631.69	
	• Interest income	38.27	
	Minor Hotel Group MEA DMCC, MINT's subsidiary, provided hotel management service to O Plus E Holding Private Limited and recorded management fee income .	32.35	Minor Hotel Group MEA DMCC specializes in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to O Plus E Holding Private Limited and received management fee income , which was based on international standard and market prices.	1.82	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
6. Harbour View Corporation Limited Relationship: MINT indirectly holds 30.39% shareholding and shares common directors.	RGR International Limited, MINT's subsidiary, provided loan to Harbour View Corporation Limited proportionately to its shareholding. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	108.28 6.52	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Harbour View Corporation Limited and recorded management fee income .	5.54	
7. Tanzania Tourism and Hospitality Investment Limited Relationship: MINT indirectly has 50% shareholding.	Hospitality Investment International Limited, MINT's subsidiary, provided loan to Tanzania Tourism and Hospitality Investment Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	257.90 15.27	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
8. Zanzibar Tourism and Hospitality Investment Limited Relationship: MINT indirectly has 50% shareholding.	Hospitality Investment International Limited, MINT's subsidiary, provided loan to Zanzibar Tourism and Hospitality Investment Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	15.29 0.64	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
9 Rocky Hill Limited Relationship: MINT indirectly has 50% shareholding.	Hospitality Investment International Limited, MINT's subsidiary, provided loan to Rocky Hill Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	90.21 4.98	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
10. Sand River Eco Camp Limited Relationship: MINT indirectly has 50% shareholding.	Hospitality Investment International Limited, MINT's subsidiary, provided loan to Sand River Eco Camp Limited in accordance with agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	52.60 3.27	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
11. Elewana Afrika Limited Relationship: MINT indirectly has 50% shareholding.	Hospitality Investment International Limited, MINT's subsidiary, provided loan to Elewana Afrika Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	234.42 16.21	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
12. Zuma Bangkok Limited Relationship: MINT indirectly has 51% shareholding and shares common directors.	Rajadamri Lodging Limited, MINT's subsidiary, provided loan to Zuma Bangkok Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.	40.38	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to Zuma Bangkok Limited. The management fee income was charged according to type and quantity of services provided.	0.12	Minor Hotels Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Supply Chain Solutions Limited sold its products to Zuma Bangkok Limited and recorded sales .	1.10	Products were sold at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
13. Arabian Spa (Dubai) (LLC) Relationship: MINT indirectly has 49% shareholding and shares common directors.	MSpa Ventures Limited, MINT's subsidiary, provided spa management to Arabian Spa (Dubai) (LLC) and recorded management fee income .	1.46	MSpa Ventures Limited specializes in spa management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	MSpa Ventures Limited, MINT's subsidiary, received dividend income from the investment in Arabian Spa (Dubai) (LLC).	17.10	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
14. Sribhathana Garden Limited Relationship: Minor Holdings (Thai) Limited is the common major shareholder (holds 15.76% of MINT) and shares common directors.	Maerim Terrace Resort Limited, MINT's subsidiary, leased land from Sribhathana Garden Limited to operate Four Seasons Resort Chiang Mai. The lease was recorded as rental expenses .	28.83	The leasing of land for hotel operation was a normal business transaction. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting, tax management and financial services to Sribhathana Garden Limited. The management fee income was charged monthly according to type and amount of services provided.	0.29	Minor Hotel Group Limited has the expertise in providing accounting, tax management and financial services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
15. Phuket Vessel Holding Limited Relationship: Common directors	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to Phuket Vessel Holding Limited and received monthly management fee income , which was based on type and quantity of services provided.	0.04	Minor Hotel Group Limited has the expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
16. Minor Holdings (Thai) Limited [MHT] Relationship: Major shareholder of MINT with 15.76% stake. MINT also shares common directors.	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to MHT and received monthly management fee income , which was based on type and quantity of services provided.	0.52	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, leased computers to MHT and recorded rental income .	0.10	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower cost. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
17. S&P Syndicate Public Company Limited [S&P] Relationship: MINT has 35.8% shareholding.	MINT received dividend income from the investment in S&P.	149.09	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transactions were fair and reasonable.
	MINT's subsidiaries purchased products from S&P, the producer and distributor of bakery products and frozen foods. The subsidiaries, which recorded these purchases of goods , are the following: <ul style="list-style-type: none"> • MFG • Swensen's (Thai) Limited • SLRT Limited • Minor DQ Limited • The Coffee Club (Thailand) Limited • The Minor Food Group PCL. (Thai Concept) 	27.12 41.32 1.67 24.27 1.36 0.21	The purchases were considered normal business transactions and purchase prices were at market prices. Audit Committee had an opinion that the transactions were fair and reasonable.
	S&P leased retail space from Chao Phaya Resort Limited, MINT's subsidiary, and recorded rental expenses . The lease contract was based on market rates and fixed lease terms.	3.47	The lease contract is considered a normal business transaction at market rates. Audit committee had an opinion that the transactions were fair and reasonable and were carried out to maximize benefit of the Company.
	S&P leased retail space from Royal Garden Plaza Limited, MINT's subsidiary, and recorded rental expenses . The lease contract was based on market rates and fixed lease terms.	3.63	The lease contract is considered a normal business transaction at market rates. Audit committee had an opinion that the transactions were fair and reasonable and were carried out to maximize benefit of the Company.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to Minor Aircraft Holding Limited and received monthly management fee income , which was based on type and quantity of services provided.	0.09	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
18. Minor Aircraft Holding Limited Relationship: Common shareholder	Minor Hotel Group Limited, MINT's subsidiary, leased computers to Minor Aircraft Holding Limited and received monthly rental fee from Minor Aircraft Holding. The fee was recorded as rental income .	0.02	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower cost. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
19. MJETS Maintenance Limited Relationship: Common directors and common shareholder	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to MJETS Maintenance Limited and recorded management fee income , based on type and quantity of services provided.	0.89	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
20. MDJETS Limited Relationship: Common directors and common shareholder	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to MDJETS Limited and recorded management fee income , based on type and quantity of services provided.	0.02	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
21. Thai Union Group Public Company Limited and its subsidiaries Relationship: Common director	MINT's subsidiaries and related parties purchased products from Thai Union Group Public Company Limited and its subsidiaries, the producer and distributor of frozen seafood products. The subsidiaries, which recorded these purchases of goods , are the following: <ul style="list-style-type: none"> • MFG • SLRT Limited • Minor DQ Limited • The Coffee Club (Thailand) Limited • Burger (Thailand) Limited • Thai concept 	18.38 34.39 4.67 5.89 10.21 1.37	The purchases were done at market prices and under normal business conditions. Audit Committee had an opinion that the transactions were fair and reasonable, and were carried out to maximize the benefit of the Company.
22. InsurExcellence Insurance Brokers Ltd. Relationship: Common director	MINT and its subsidiaries paid insurance premium to InsurExcellence Insurance Brokers Ltd. at market price.	23.23	InsurExcellence Insurance Brokers Ltd. has expertise in the insurance business. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were reasonable and were carried out to maximize the benefit of the Company.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
23. BTM (Thailand) Ltd. Relationship: The Minor Food Group Public Company Limited, MINT's subsidiary, has 50% shareholding.	MINT's subsidiaries sold their products to BTM (Thailand) Ltd. and recorded sales .	6.80	MINT's subsidiaries sold their products to BTM (Thailand) Ltd. at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	The Minor Food Group PCL.'s subsidiaries purchased products from BTM (Thailand) Ltd., the producer of bakery products. The subsidiaries recorded the transaction as purchase of goods .	1.39	The purchases were done at market prices and under normal business conditions. Audit Committee had an opinion that the transactions were fair and reasonable, and were carried out to maximize the benefit of the Company.
	Chao Phaya Resort Limited, MINT's subsidiary, provided IT consulting, internal audit and management service to BTM (Thailand) Ltd. and recorded monthly management fee income , based on type and quantity of services provided.	0.04	Chao Phaya Resort Limited has expertise in providing IT consulting and management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, leased computers to BTM (Thailand) Ltd. and recorded monthly rental income from BTM (Thailand) Ltd.	0.23	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower cost. Audit Committee had an opinion that the transactions were fair and reasonable.
	BTM (Thailand) Ltd. leased retail space from Chao Phaya Resort Limited, MINT's subsidiary, and recorded rental expenses . The lease contract was based on market rates and fixed lease terms.	1.95	The lease contract is considered a normal business transaction at market rate. Audit Committee had an opinion that the transactions were fair and reasonable and were carried out to maximize the benefit of the Company.
	BTM (Thailand) Ltd. leased retail space from Royal Garden Plaza Limited, MINT's subsidiary, and recorded rental expenses . The lease contract was based on market rates and fixed lease terms.	1.69	The lease contract is considered a normal business transaction at market rate. Audit Committee had an opinion that the transactions were reasonable and were carried out to maximize the benefit of the Company.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
24. MHG Signity Asset Holding [Mauritius] Limited Relationship: MINT indirectly has 50% shareholding.	MHG International Holding (Mauritius) Limited, MINT's subsidiary, provided loan to MHG Signity Asset Holding (Mauritius) Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	120.07 8.39	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
25. Indigo Bay SA Limited Relationship: MINT indirectly has 25% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Indigo Bay SA Limited and recorded management fee income .	0.41	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable and were carried out to maximize the benefit of the Company.
	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management and IT management services to Indigo Bay SA Limited and recorded management fee income .	4.78	Lodging Management (Labuan) Limited has expertise in hotel management and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were reasonable.
26. Rani Minor Holding Limited Relationship: MINT indirectly has 25% shareholding.	MHG International Holding (Singapore) Pte. Ltd., MINT's subsidiary, provided loan to Rani Minor Holding Limited according to the agreement.	264.80	The loan was provided in accordance with the agreement. Audit Committee had an opinion that the transactions were fair and reasonable.
27. Cabo Delgado Hoteis & Resorts, Lda. Relationship: MINT indirectly has 25% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Cabo Delgado Hoteis & Resorts, Lda. and recorded management fee income .	1.35	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management and IT management services to Cabo Delgado Hotels & Resorts, Lda. and recorded management fee income .	3.01	Lodging Management (Labuan) Limited has expertise in hotel management and IT management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
28. Elewana Afrika (T) Limited Relationship: MINT indirectly has 50% shareholding.	Hospitality Investment International Limited, MINT's subsidiary, provided loan to Elewana Afrika (T) Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	29.20 2.38	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
29. MHG Npark Development Company Limited Relationship: MINT indirectly has 50% shareholding.	Hua Hin Resort Limited, MINT's subsidiary, provided loan to MHG Npark Development Company Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	50.00 2.78	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, leased computers to MHG Npark Development Company Limited and recorded monthly rental income from MHG Npark Development Company Limited.	0.01	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower cost. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to MHG Npark Development Company Limited and recorded management fee income .	0.13	Minor Hotel Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
	Minor Hotel Group Limited, MINT's subsidiary, received hotel trademark fee from MHG NPark Development Company Limited. The fee was recorded as trademark fee income .	2.35	Minor Hotel Group Limited holds Anantara Brand License. Audit Committee has an opinion that the transactions were fair and reasonable and were carried out to maximize the benefit of the Company.
30. The Food Theory Group Pte. Ltd Relationship: MINT indirectly has 50% shareholding.	MFG International Holding (Singapore) Pte. Ltd., MINT's subsidiary, provided loan to The Food Theory Group Pte. Ltd. in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	- 0.07	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
31. Liwa Minor Food & Beverages LLC Relationship: MINT indirectly has 49% shareholding.	Primacy Investment Limited, MINT's subsidiary, provided loan to Liwa Minor Food & Beverages LLC in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	172.55 3.37	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
32. Pluluang Company Limited Relationship: Common directors	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to Pluluang Company Limited and recorded management fee income . The fee was based on type and quantity of services provided.	0.08	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Hua Hin Resort Limited, MINT's subsidiary, sold residence to Pluluang Company Limited and recorded sales .	318.04	This selling price was based on market price with normal terms and conditions similar to those offered to other buyers of this project. Audit committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
33. Pecan Deluxe [Thailand] Co., Ltd. Relationship: MINT indirectly has 49.9% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, leased computers to Pecan Deluxe (Thailand) Co., Ltd. and recorded monthly rental income .	0.25	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower cost. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Dairy Limited, MINT's subsidiary, sold products to Pecan Deluxe (Thailand) Co., Ltd. and recorded sales .	0.72	Products were sold at market prices and conditions. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to Pecan Deluxe (Thailand) Co., Ltd. And received monthly management fee income , which was based on type and quantity of services provided.	0.57	Minor Hotel Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Pecan Deluxe (Thailand) Co., Ltd., MINT's subsidiary, leased building from Minor Dairy Limited, MINT's subsidiary, and recorded rental expenses . The lease contract was based on market rates and fixed lease terms.	3.41	The lease contract is considered a normal business transaction at market rates. Audit Committee had an opinion that the transactions were fair and reasonable and were carried out to maximize the benefit of the Company.
	MINT's subsidiaries purchased products from Pecan Deluxe (Thailand) Co., Ltd., the manufacturer of food ingredients. The subsidiaries, which recorded these purchases of goods , are the following: <ul style="list-style-type: none"> • Minor DQ Limited • Swensen's (Thai) Limited • Minor Dairy Limited • SLRT Limited 	59.85 7.92 20.80 0.29	The purchases were made at market prices and under normal business conditions. Audit Committee had an opinion that the transactions were fair and reasonable, and were carried out to maximize the benefit of the Company.
34. MSC Thai Cuisine Co., Ltd. Relationship: MINT indirectly has 43.8% shareholding.	Minor Hotel Group Limited, MINT's subsidiary, leased computers and received monthly rental fee, which was recorded as rental income .	0.24	Minor Hotel Group Limited leased a fleet of computers from a third-party leasing company, resulting in lower cost. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
	Minor Hotel Group Limited, MINT's subsidiary, provided accounting service to MSC Thai Cuisine Co., Ltd. The fee was charged according to type and quantity of services provided and recorded as management fee income .	0.27	Minor Hotel Group Limited has expertise in providing accounting service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
35. G5 JETS Limited Relationship: Common directors and common shareholder	Minor Hotel Group Limited, MINT's subsidiary, provided accounting and IT management services to G5 JETS Limited. The fee was charged according to type and quantity of services provided and recorded as management fee income .	0.02	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
36. MHG Lesotho [Proprietary] Limited Relationship: MINT indirectly has 46.9% shareholding and shares common directors.	MHG International Holding (Mauritius) Limited provided management service to MHG Lesotho (Proprietary) Limited and recorded management fee income . The fee was based on international standard and market prices.	20.96	MHG International Holding (Mauritius) Limited has expertise in management service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management and IT management services to MHG Lesotho (Proprietary) Limited and recorded management fee income .	0.44	Lodging Management (Labuan) Limited has expertise in hotel management and IT management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	MHG International Holding (Mauritius) Limited, MINT's subsidiary, provided loan to MHG Lesotho (Proprietary) Limited in accordance with the agreement. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	- 0.13	The loan was provided in accordance with the agreement, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to MHG Lesotho (Proprietary) Limited and recorded management fee income .	1.14	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	MHG International Holding (Mauritius), MINT's subsidiary, held a stake in MHG Lesotho (Proprietary) Limited and received dividend income .	8.62	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transactions were fair and reasonable.
37. Serendib Hotels PLC Relationship: MINT indirectly has 25.0% shareholding and shares common directors.	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management service to Serendib Hotels PLC and recorded management fee income . The fee was based on international standard and market prices.	0.27	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management and IT management services to Serendib Hotels PLC and recorded management fee income .	0.16	Lodging Management (Labuan) Limited has expertise in hotel management and IT management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
38. PH Resorts (Private) Ltd. Relationship: MINT indirectly has 49.9% stake and shares common directors.	Minor Hotel Group Limited, MINT's subsidiary, provided hotel management, marketing and internal audit services to PH Resorts (Private) Ltd. and recorded management fee income . The fee was based on international standard and market prices.	1.80	Minor Hotel Group Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	Lodging Management (Labuan) Limited, MINT's subsidiary, provided hotel management service to PH Resorts (Private) Ltd. and recorded management fee income . The fee was based on international standard and market prices.	15.44	Lodging Management (Labuan) Limited has expertise in hotel management. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
	Lodging Management (Labuan) Limited, MINT's subsidiary, provided marketing service to PH Resorts (Private) Ltd. The management fee income was charged based on actual cost and was the same rate charged to the third parties.	2.39	Lodging Management (Labuan) Limited specializes in marketing service. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
39. Bodhi Hotel Resort Pvt. Ltd. Relationship: MINT indirectly has 25% stake.	Minor Hotel Group Limited, MINT's subsidiary, provided technical services such as hotel facility design and interior design and decoration to Bodhi Hotel Resort Pvt. Ltd. The fee, which was recorded as management fee income , was charged based on percentage of completion as per agreement.	0.91	Minor Hotel Group Limited has specialized staff to provide technical services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable and were carried out to maximize benefit of the Company.
	MHG IP Holding (Singapore) Pte. Ltd., MINT's subsidiary, recorded hotel trademark fee income from Bodhi Hotel Resort Pvt. Ltd.	0.29	MHG IP Holding (Singapore) Pte. Ltd. holds Anantara Brand License. Audit Committee has an opinion that the transactions were fair and reasonable and were carried out to maximize the benefit of the Company.
40. NYE and RGP Development Co., Ltd. Relationship: MINT indirectly has 40% shareholding.	Royal Garden Plaza Limited, MINT's subsidiary, provided loan to NYE and RGP Development Co., Ltd. proportionately to its shareholding. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	<ul style="list-style-type: none"> • Loan • Interest income 	65.20 2.46	
	Minor Hotel Group Limited, MINT's subsidiary provided management service to NYE and RGP Development Co., Ltd and recorded management fee income .	1.95	

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
41. Rani Minor Holding II Limited Relationship: MINT indirectly has 49% shareholding.	MHG International Holding (Mauritius) Limited, MINT's subsidiary, provided loan to Rani Minor Holding II Limited in accordance with the agreement.	2,539.98	The loan was provided in accordance with the agreement. Audit Committee had an opinion that the transactions were fair and reasonable.
42. PT. WIK A Realty Minor Development Relationship: MINT indirectly has 50% shareholding.	MHG International Holding (Singapore) PTE. Ltd., MINT's subsidiary, provided loan to PT. WIK A Realty Minor Development. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.	112.45	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary provided management service to PT. WIK A Realty Minor Development and recorded management fee income.	3.40	Minor Hotel Group Limited has expertise in management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
43. Avadina Hills Co., Ltd. Relationship: MINT indirectly has 49.99% shareholding.	Rajdamri Residence Co., Ltd, MINT's subsidiary, provided loan to Avadina Hills Co., Ltd. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	<ul style="list-style-type: none"> • Loan • Interest income 	340.50 16.56	
	MINT provided loan to Avadina Hills Co., Ltd. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks.		The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	<ul style="list-style-type: none"> • Loan • Interest income 	- 0.35	

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
	Minor Hotel Group Limited, MINT's subsidiary, provided management, IT, marketing and project management services to Avadina Hills Co., Ltd. and recorded management fee income .	0.73	Minor Hotel Group Limited has expertise in providing IT, marketing and management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	MINT provided management, IT, marketing and project management services to Avadina Hills Co., Ltd. and recorded management fee income .	5.00	MINT has expertise in providing IT, marketing and management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	MHG Phuket Ltd., MINT's subsidiary, provided management, IT, marketing and project management services to Avadina Hills Co., Ltd. and recorded management fee income .	0.46	MHG Phuket Ltd. has expertise in providing IT, marketing and management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
44. Layan Bang Tao Development Relationship: MINT indirectly has 50% shareholding.	MINT provided loan to Layan Bang Tao Development. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	120.00 4.53	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary provided accounting and IT management services to Layan Bang Tao Development and recorded management fee income .	0.54	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
45. Layan Hill Residence Relationship: MINT indirectly has 50% shareholding.	MINT provided loan to Layan Hill Residence. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	175.00 5.37	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary provided accounting and IT management services to Layan Hill Residence and recorded management fee income .	1.54	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
	MINT provided accounting and IT management services to Layan Hill Residence and recorded management fee income .	15.00	MINT has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
46. H&A Park Co., Ltd. Relationship: MINT indirectly has 50% shareholding.	MINT provided loan to H&A Park Co., Ltd. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. • Loan • Interest income	192.28 12.07	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary provided accounting and IT management services to H&A Park Co., Ltd. and recorded management fee income .	12.06	Minor Hotel Group Limited has expertise in providing accounting and IT management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Persons	Type of Business	Transaction Size 2018 [Baht million]	Necessity and Rationale
47. Plexus Maldives Private Limited Relationship: MINT indirectly has 50% shareholding.	MINT provided loan to Plexus Maldives Private Limited. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	129.80 7.95	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
	Minor Hotel Group Limited, MINT's subsidiary provided technical service to Plexus Maldives Private Limited and recorded management fee income .	6.91	Minor Hotel Group Limited has expertise in providing IT and management services. For the purpose of optimizing shared resources, Audit Committee had an opinion that the transactions were fair and reasonable.
48. Patara Fine Thai Cuisine Limited Relationship: MINT indirectly has 50% shareholding and shares common directors.	MFG International Holding (Singapore) Pte. Ltd. provided loan to Patara Fine Thai Cuisine. The loan agreement has a definite interest rate, terms and conditions as agreed by both parties. The interest rate was referenced to those of commercial banks. <ul style="list-style-type: none"> • Loan • Interest income 	2.85 0.13	The loan was provided proportionately to the percentage of shareholding, where terms were determined based on market rates. Audit Committee had an opinion that the transactions were fair and reasonable.
49. Breadtalk Group Limited Relationship: MINT indirectly has 14.2% shareholding.	Primacy Investment Limited, MINT's subsidiary, received dividend income from the investment in Breadtalk Group Limited.	29.63	Dividend income is a normal form of return from investments. Audit Committee had an opinion that the transactions were fair and reasonable.

Connected Transaction Approval Procedure

All connected transactions are evaluated by the relevant work units in two respects; firstly, the transactions are reasonable and for the benefit of the Company, and secondly, the transactions are based on a fair price basis. For example, in acquiring assets, investment department must analyze return on investment. If necessary, external advisors or experts shall be engaged in order to provide independent opinion on the transactions. The transactions are then proposed for internal approval where directors or employees with conflict of interest must not participate in the approval process. In addition, the Audit Committee will review the connected transactions to ensure that they are necessary and based on fair price.

In case the transactions fall under the relevant rules and regulations of the Stock Exchange of Thailand, the Company ensures that all relevant rules and regulations are being strictly adhered to by the Company as well as its subsidiaries.

Future Policy on Connected Transactions

The Audit Committee and the Company will jointly consider and review any connected transactions that may arise in the future to ensure that they are necessary and based on fair price.

Pricing policies for related party transactions are as follows:

Pricing Policies	
Sales and purchases	Prices normally charged to third parties
Sales from real estate development operations	Prices normally charged to third parties
Rental income	Agreed prices which are similar to prices normally charged to third parties
Franchise fee	Agreed prices which are similar to prices normally charged to third parties
Management income and other income	Agreed prices which are similar to prices normally charged to third parties
Interest income	Rate as mutually agreed by shareholders and rate determined with reference to interest rates quoted by commercial banks
Rental expenses	Agreed prices which are similar to prices normally charged to third parties
Management expenses	Agreed prices which are costs plus administrative expenses
Royalty fee	Agreed prices which are similar to prices normally charged to third parties
Interest expenses	Rate determined with reference to interest rates quoted by commercial banks
Professional fee	Agreed prices which are similar to prices normally charged to third parties
Other expenses	Agreed prices which are similar to prices normally charged to third parties



Nature of Business

Minor International Public Company Limited (MINT) is a global company focused on three primary businesses including restaurants, hotels and lifestyle brands distribution. MINT is one of Asia's largest restaurant companies with over 2,200 outlets operating system-wide in 27 countries primarily under The Pizza Company, Swensen's, Sizzler, Dairy Queen, Burger King, Thai Express, The Coffee Club, Riverside and Benihana brands. MINT also has manufacturing capabilities for cheese, ice cream, ice cream ingredients and toppings and coffee roasting. MINT is a hotel owner, operator and investor with a portfolio of over 510 hotels and serviced suites under the Anantara, AVANI, Oaks, Tivoli, NH Collection, NH Hotels, nhow, Elewana Collection, Four Seasons, St. Regis, JW Marriott, Radisson Blu and Minor International brands in 53 countries across Asia Pacific, the Middle East, Africa, the Indian Ocean, Europe and the Americas. In addition, MINT operates mixed-use businesses, which are complimentary to the hotel business. These include real estate business, comprising sale of residential and Anantara Vacation Club, retail and property business, and entertainment business. MINT is one of Thailand's largest distributors of lifestyle brands, including Anello, Bodum, Bossini, Brooks Brothers, Charles & Keith, Esprit, Etam, Joseph Joseph, OVS, Radley, Scmadi, Save My Bag, Zwilling J.A. Henckels and Minor Smart Kids. MINT is also a contract manufacturer of household products, with its own manufacturing plant.

Revenue Structure

In the year 2018, the Company and its subsidiaries operated in main business segments as follows:

(1) Food and beverage	27.8%
(2) Hotel and related services operations	55.8%
(3) Mixed-use operations	5.3%
(4) Distribution and manufacturing	5.5%
(5) Other income	5.6%



Major Events in 2018

Month	Major Events in 2018
February	<ul style="list-style-type: none"> Launched AVANI+ Samui Resort in Samui, Thailand, which was previously acquired and closed for renovation since October 2016.
March	<ul style="list-style-type: none"> Opened AVANI Central Melbourne Residences, a management letting rights contract in Melbourne, Australia. Launched the first Swensen's outlet in Pakistan. Issued Baht-denominated debentures in the amount of Baht 1 billion.
April	<ul style="list-style-type: none"> Invested in 75% stake in Benihana Holdings, which operates the world's leading Japanese-inspired teppanyaki restaurant chain. Increased shareholding in Riverside in China from 85.9% to 100%. Opened Kifaru House, a 5-key luxury safari lodge managed by Elewana Collection, in Kenya.
May	<ul style="list-style-type: none"> Acquired 8.6% stake in NH Hotel Group, a leading European hotel operator with a diversified portfolio of 350 hotels in almost 30 countries.
June	<ul style="list-style-type: none"> Increased shareholding in NH Hotel Group to 29.8% and announced the voluntary tender offer for NH Hotel Group. Assumed the exclusive distribution rights of Bodum, a coffee maker and kitchenware brand from Denmark, in Thailand.
July	<ul style="list-style-type: none"> Assumed management of Tivoli Évora Ecoresort, with a total of 56 keys in Portugal.
August	<ul style="list-style-type: none"> Opened Oaks Resort & Spa Hervey Bay, a management letting rights contract in Queensland, Australia.

Month	Major Events in 2018
September	<ul style="list-style-type: none"> • Entered into a 51% joint venture with Srifa Frozen Food to invest in a manufacturing facility for bakery products in Thailand. • Assumed management of Souq Al Wakra Hotel Qatar by Tivoli, with a total of 101 keys in Qatar. • Assumed management of Al Najada Doha Hotel by Tivoli, with a total of 151 keys in Qatar. • Issued Baht-denominated subordinated perpetual debentures in the amount of Baht 15 billion.
October	<ul style="list-style-type: none"> • Completed tender offer for NH Hotel Group, resulting in current shareholding of 94.1%. • Entered into a joint-venture agreement with Vietnam Investments Group to operate as the master franchisee of The Coffee Club brand in Vietnam. • Launched Save My Bag, a handbag and accessory brand from Italy in Thailand. • Issued unsubordinated and unsecured EUR-denominated debentures in the amount of EUR 80 million.
November	<ul style="list-style-type: none"> • Launched Oaks Santai Resort Casuarina, a management letting rights contract in New South Wales, Australia. • Invested in 10% stake in Global Hotel Alliance (GHA), the world's leading alliance of independent hotel brands. • Issued perpetual non-call 3-year senior guaranteed capital securities in the amount of USD 300 million.
December	<ul style="list-style-type: none"> • Opened Anantara Quy Nhon Villas with a total of 26 keys in Vietnam. • Opened Oaks Resort Port Douglas, a management letting rights contract in Queensland, Australia. • Launched the first outlets of The Coffee Club in Qatar, Cambodia and China.



Risk Factors

Conducting businesses carries a level of risks and uncertainties. Such risks may lead to fluctuation in revenues, profits, asset values, liquidity, share price, and potential impact to the Company's reputation.

Managing existing risks and identifying emerging risks, which may not currently be material but can later become material, is critical to the success and sustainability of our business. Risk factors listed below have taken into account both the Company's existing and emerging risks. All stakeholders should acknowledge the impact and the likelihood of occurrence and carefully consider all other associated factors not limited to general and the specific risks contained in this document.

1. Risk of Business Disruption Resulting from the Economic and Political Instability, Natural Disasters and Catastrophe

The Company's revenues, profitability and development plans are dependent upon discretionary spending by consumers and tourist confidence, which can be adversely affected by several external and uncontrollable events, e.g. recession, political unrest, epidemics and natural disasters, etc. Although these risks are common for every business operator, the Company employs various risk mitigation methodologies to minimize the possible adverse impact on the Company's operations and financial results, including but not limited to:

- Optimizing sales mix between different types of businesses; hotel & mixed-use, restaurant, retail trading and contract manufacturing;
- Strengthening and diversifying its brand portfolio to cover many market segments; from serviced apartments to upscale and luxury hotels, and from hamburgers to pizzas to Thai food;
- Expanding geographical coverage across Asia Pacific (including Australia), Africa, the Middle East, Europe and the Americas in order to reduce the reliance on any single country;
- Growing fee-based business of hotel management contracts and franchising in both existing and new or unfamiliar markets;
- Preparing adaptive contingency plans, while unexpected events in the past have increased the Company's ability to handle each situation effectively and improved our recovery capabilities.

2. Risk from the Competition in Core Businesses

2.1 Competition in Hospitality Business

Increase in luxury hotel supplies in the markets the Company serves may result in price competition, pressuring its revenues and profits, especially during the low season due to the pricing pressure with lower level of occupancy, as well as high operating leverage nature of the hotel business. The focus on the quality of the services has ensured that the Company's properties are ranked at the top among competitors in each of the markets. In addition, to mitigate such risks, the Company continues to enhance its diversification, in terms of geographical coverage, classes of hotel properties, brand positioning as well as nationalities of feeder markets. In addition to its own brands, ranging from mid-scale to luxury, the Company also hires world-class hoteliers to manage its hotels under Four Seasons, JW Marriott, St. Regis and Radisson Blu brands. Furthermore, the geographical diversification with the hotel portfolio's presence in more than 50 countries across Asia, the Middle East, Africa, Europe, the Americas, Australia and New Zealand helps

both in terms of brand recognition as well as balancing out the seasonality throughout the year. Lastly, having other complimentary businesses, e.g. spa, retail properties, entertainment and real estate allows the Company to provide a full range of services.

2.2 Competition in Restaurant Business

Restaurant business is highly competitive due to low barrier to entry with respect to price and quality of food products, new product development, digital engagement, advertising levels and promotional initiatives, customer service, reputation and restaurant location. The Company competes in Thailand and international markets with many food service companies. Nevertheless, the Company aims to stay on top of the competition by continually improving existing products, developing and launching new products and new concepts, and actively responding to consumer preferences and changing trends. As a result, the Company is able to maintain its leading position with prominent market share, on the back of strong financial resources and economies of scale. In addition, the Company has diversified its product offerings to include Western concepts, e.g. pizza, steak, hamburger and ice cream and other concepts, e.g. Thai, Chinese and coffee. The increased geographical footprint also results in better coverage of consumers' diverse demand, offering greater diversification and growth for the business.

2.3 Competition in Retail Trading Business

Retail trading business, which includes the distribution of lifestyle products in Thailand, has a fairly competitive environment. However, the Company's current portfolio is set diversely to cater largely to Thai consumers with stores across Bangkok, Greater Bangkok and upcountry, while many major competitors are in Bangkok areas. In addition, the Company has introduced non-apparel brands which could demand more margin compared to apparels and could largely penetrate larger groups of consumers throughout the country. The Company's retail trading portfolio continues to be one of the biggest among independent distributors in Thailand. Furthermore, significant focuses of customer relationship program called "MinorPlus" to increase loyal customers have been deployed and the membership dramatically increased in 2018, reaching 814,000 members. The Company can use the concept of loyalty cards which helps in consumer analysis as well as predicting the products and promotions that satisfy consumer expectation.

3. Risks from New Investments

As the Company intends to continue the expansion of both domestic and international operations, it is exposed to risks inherent in making any new investments such as fluctuation in investment value, the success of project initiation, contractual obligation, licensing and laws & regulations, in addition to the generic country risks. The success of any acquisition will also depend, in part, on our ability to realize all or some of the anticipated benefits from integrating the acquired business with our existing businesses.

The Company closely monitors the development of any new projects through various tools, e.g. thorough due diligence, standard protocols, prudent investment criteria, etc. Local industry experts, legal and accounting professionals are also engaged to work with the Company's specialist teams to ensure its ability to complete the development or the acquisition, operate new businesses on a profitable basis and comply with all related rules and regulations. In addition, for countries that the Company has no presence, the Company will form joint ventures with business partners who have local knowledge and expertise in order to learn the market, rules and regulations, industry landscape and business operations. Until the Company is confident with the operations in that particular country will the Company increase its shareholding. This is reflected in the investments in Africa, the Maldives, Sri Lanka, Vietnam, China, Singapore and Australia. Furthermore, for investments with majority stake in new markets such as in Europe and Latin America, the Company ensures that capable management with local knowledge and expertise will be retained.

4. Risk from Not Being Able to Secure Desired Locations for the Business

Some of the Company's hotel properties are on leased premises. For hotels, most of our leases have a long term of 30 years or more. The Company has the right to renew the lease agreements, with rental fees to be agreed upon, unless the Company voluntarily declines to extend the lease. The Company has been in compliance with all terms and conditions and has maintained excellent relationship with the landlords, and therefore does not foresee such risk arising in the near term.

For restaurant and retail trading businesses, securing prime location is one of the key success factors. Risks include the possibility that rent contracts cannot be renewed, terms and conditions may be changed or desirable locations may not be available at an acceptable cost. Nevertheless, with the scale of its restaurant and retail trading portfolio, together with the strength of the products which helps attract traffic into shopping centers, the Company generally has negotiation power with the landlords, thus allowing it to secure long-term rental agreements.

5. Risk from Non-renewal and Significant Change of Agreement's Terms and Conditions of Franchise and Distribution Business

Some of the restaurant brands under the Company's operations are franchised from abroad. There is a risk of contract renewal or changes in terms and conditions of the contracts. To control such risk, the Company requests for renewal well in advance with contract terms of 10 - 20 years (subject to types of agreement). With the franchised brands being market leaders in their respective food concepts, there is higher likelihood that the contracts will be renewed. In addition, the Company's reliance on the franchised brands becomes less with greater contribution from owned brands, which are The Pizza Company, Thai Express group, The Coffee Club group, Riverside and Benihana.

For retail trading business, securing exclusive distribution agreements is crucial. Two types of agreements are automatic renewal and defined term of maturity. There is a risk on the renewal in case of agreements with defined term of maturity, leading to a possible decline in revenues from retail trading business. Nonetheless, its compliance with terms and conditions and its long and established relationship with the manufacturers enable the Company to successfully renew its contracts, unless the Company voluntarily declines to do so. In addition, should there be any modifications in the agreements especially on the fee structure, the Company shall negotiate to reach mutual benefits for both parties. In addition, the Company continues to look for opportunities to selectively add new brands to its retail trading portfolio.

6. Risk from Termination of Hotel Management Contract and Manufacturing Contract

The Company has increasingly leveraged on its own brands, which include Anantara, AVANI, Oaks, Tivoli, Elewana Collection, NH Collection, NH Hotels and nhow, to manage non-owned hotels in exchange for management fees. Fee structure can be categorized into two phases; a technical service and advisory fee prior to the hotel opening and the management fee once the hotel commences its operations. The management fee is based on the sharing structure of hotel's revenues and gross operating profits. Generally, the contract term lasts 10 - 20 years. Should the hotel owners terminate the contract prior to maturity, the Company is entitled to cancellation fees. With many years of experience in hotel management, Minor Hotels is known for the variety and quality of brands in its portfolio, its flexibility and adaptability to customer needs and most importantly, its dedication to showcase strong performance to keep owners and travelers satisfied.

One of the Company's subsidiaries, NMT Ltd., conducts contract manufacturing business for global fast-moving consumer goods. While barrier to entry is relatively high due to the limited licensed manufacturers, price and product quality play a prominent role in securing orders. With over 30 years of experience, the Company emphasizes on production quality at the appropriate price. Moreover, consistent improvement of production line enables cost reduction. These result in long-term orders from global and regional customers.

7. Financial Risks

7.1 Risk from Fluctuation in Exchange Rate

The Company and its subsidiaries in Thailand receive certain portion of revenues, such as franchise income, hotel management income, dividend income and income from foreign travel agencies and other foreign sources, in non-Thai Baht currencies. These revenues fluctuate according to the exchange rates against Thai Baht. However, they are naturally hedged, partially, against non-Thai Baht expenses, e.g. hotel management expenses, franchise expenses and costs of retail trading products. The Company and its subsidiaries also reduce the foreign exchange risk exposure by quoting all room rates of domestic hotels in Thai Baht, instead of foreign currency, in order to match Thai Baht revenues and Thai Baht expenses. In addition, as the Company expands its operations outside of Thailand, these overseas operations are also subject to the fluctuation of foreign currencies when their performance is consolidated into the Company's financial statements in Thai Baht term. In terms of funding, financing is generally sourced in the same currency of the assets being financed and future cash flow generated from those assets, thereby establishing natural currency hedge to the extent possible. Amidst the volatile foreign currency market driven by the fluctuating global economy and the unpredicted events, the Company has closely monitored the currency exchange fluctuations and at certain extent entered into the forward contracts to minimize the impact from the fluctuations.

7.2 Risk from Interest Rate

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

7.3 Risk from Financial Stability and Ability to Borrow and Satisfy Debt Covenants

In order to support business expansion, additional funding may be required from time to time to fund direct investments, development, initiatives and acquisitions. As a result, the Company and its subsidiaries have to maintain sufficient liquidity and/or credit facilities from financial institutions to support its working capital requirements, procure long-term funding and diversify funding sources. The Company and its subsidiaries strive to maintain strong financial positions in order to comply with all financial covenants. All covenants imposed on the Company have been satisfied at all times.

8. Risks Related to Technology

8.1 Risk from Changing Technology

The Company is reliant upon technology platforms not only for back-of-the-house operations but also for selling and marketing activities. Technology is no longer merely a tool for our operations, but also introduces new types of competitors and transforms customer engagement practice. Failing to keep pace with new technology and changing consumer preferences may put the Company at a competitive disadvantage. The Company recognizes the importance of information technology and incorporates it as part of the Company's long-term strategies. Backed by strong financial resources and economies of scale, the Company is able to remain competitive by making necessary investments in new technologies and systems, with a number of key initiatives. For example, Anantara's central reservation system improves the visibility of live inventory, promotes rate parity, takes bookings in multiple languages, improves yield management and guest profiling. The new platform of The Pizza Company's website and mobile application have improved the customer ordering experience, reduced average online ordering time and allowed customers to track the status of their delivery order online. In addition, the Company puts in place the long-term 5-year strategy specifically for information technology to ensure the support for ongoing business plans.

8.2 Risks Relating to Cyber and Data Security

In the conduct of its business, the Company increasingly collects, uses, transmits and stores data on its information technology systems. This data includes confidential information belonging to the Company, guests, customers and other business partners, as well as personally identifiable information of individuals, including guests, customers and employees. Like other global companies, the Company is subject to cybersecurity threats and incidents, ranging from employee error or misuse, to individual attempts to gain unauthorized access to information technology systems, to sophisticated and targeted measures known as advanced persistent threats. Future cybersecurity breaches, general information security incidents, further increases in data protection costs or failure to comply with relevant legal obligations regarding protection of data could therefore have a material adverse effect on our results of operations, financial position and cash flows.

The Company devotes significant resources to network security, data encryption and other measures to protect our information technology systems and data from unauthorized access or misuse. The Company also relies in part on the reliability of certain tested third parties' cybersecurity measures, including firewalls, virus solutions and backup solutions. As these cybersecurity threats – and government and regulatory oversight of associated risks – continue to evolve, the Company continuously deploys resources to remediate, enhance or expand upon the cybersecurity protection and security measures it currently maintains.

8.3 Reputation Risk from Adverse Customers' Reviews

Social media has been widely used as a channel to communicate and exchange opinions on products, services, and organizations. In the event that the Company becomes the topic of negative news coverage on social media, its outstretch nature may cause serious impact on the brand and reputation of the organization. The Company has resources in place, both digital and human resources to monitor any of adverse reviews, and the preparation of countermeasures and a communication system, which enable the Company to react quickly to potential risk events. In addition, digital technology is applied using various tools to proactively assess market trends, stakeholders' satisfaction and expectations.

9. Emerging Risks

9.1 Risk from Climate Change

The Company's global footprint across Asia Pacific, the Middle East, the Indian Ocean, Africa, Europe and the Americas, exposes its businesses to current and emerging climate change risks, particularly from changing landscapes, natural disasters and food security. In recent years, extreme and frequent climate events such as floods, drought and forest fires have also occurred in Southeast Asia and Australia where the Company has significant presence. These risks threaten the tourism and agriculture sectors, which directly impact the operations and supply chain of the Company's hospitality and restaurant businesses. The Company closely monitors these risks to assess the impact to its businesses, and has established adaptive contingency plans to address potential disruptions, as part of business continuity planning. In addition, the Company continues to ensure that it complies with environmental regulations, and as much as possible, strives to minimize the environmental impact from its operations through resource and waste management, as well as natural heritage and habitat conservation.

9.2 Risk from Business Interruption due to Dependency of Services Performed by Our Third-Party Contractors, Suppliers and Outsourcing Partner

The Company depends on the provision of products and services by third-party contractors and suppliers such as food and beverages suppliers, travel agents, construction contractors, hotel amenities suppliers, technical and IT service providers, payment service providers, logistics providers and housekeeping and laundry services providers. If any third-party contractor or supplier on which the Company relies in conducting our businesses does not satisfactorily perform the services, this may impact the Company's ability to provide an adequate service experience to guests and customers, and/or cause disruption.

The Company continues to monitor the performance of third-party service providers to ensure they deliver services at a satisfactory level and in line with agreed service level agreements. The Company also has contingency plans in place to ensure business continuity and several alternative suppliers to mitigate the risk of business interruption in the supply chain.

The Company sees the importance of possible impact arising from the above risks, and therefore has appointed its internal audit department to periodically evaluate all associated risk factors and effectiveness of risk mitigations. Each business unit performs self-assessment exercise to identify possible risks and cooperates with the internal audit department to analyze the impact and likelihood, and to formulate risk-mitigation procedures. Follow-ups and re-evaluations are conducted on a continuing basis. Formal Group Risk Management Policy and Procedure is in place and being followed by all business units. The effectiveness of risk management is reported to the Audit Committee and Senior Management on a quarterly basis.



Report of the Nominating and Corporate Governance Committee

The Board of Directors of Minor International Public Company Limited (“the Company”) has appointed the Nominating and Corporate Governance Committee which comprises four directors, all of them non-executives of the Company, while the Chairman of the Nominating and Corporate Governance Committee is an independent director. The Nominating and Corporate Governance Committee assists the Board in identifying qualified individuals to become directors, determining the composition and compensation of the Board and its Committees, monitoring processes to assess Board effectiveness, and developing and implementing the Company’s Corporate Governance Guidelines.

In 2018, the Nominating and Corporate Governance Committee held 4 meetings on various matters in accordance with the duties and responsibilities mandated by the Nominating and Corporate Governance Committee Charter, which in summary include:

- Reviewed the Board’s and Committee’s structure and recommend to the Board for the nomination of members of the Board and each Committee
- Reviewed the remuneration for directors and committees and recommended to the Board
- Developed the performance assessment form, oversaw and recommended to the Board an annual self-evaluation process of the Board and its Committees to be used as a tool for reviewing the past year’s performance
- Reviewed the implementation of Corporate Governance Code (CG Code) for listed companies and provided recommendations on the Company’s and Board’s practices under the criteria of Good Corporate Governance
- Reviewed the corporate governance guidelines, charters of the Committees, as well as the business code of conduct, and keep them up-to-date in accordance with ongoing business operations and in line with international practices and best practices as prescribed by related organizations

In the discharge of duties and responsibilities specified in the Nominating and Corporate Governance Committee Charter, the Nominating and Corporate Governance Committee has performed its duties carefully and prudently with an emphasis on maximizing benefit to the Company, shareholders and other stakeholders. The Nominating and Corporate Governance Committee believes that continuing transparent and fair business operations will enhance the operations of the Company to ensure efficiency and sustainable growth.

Ms. Suvabha Charoenying

Chairman of the Nominating and Corporate Governance Committee



Report of the Compensation Committee

The Board of Directors of Minor International Public Company Limited (“the Company”) has appointed the Compensation Committee which comprises five directors, all of them non-executives of the Company, while the Chairman of the Compensation Committee is an independent director. The Compensation Committee has performed its duties as directly assigned by the Board of Directors and as defined in the Compensation Committee Charter.

In 2018, the Compensation Committee held 2 meetings to carry out the duties as assigned by the Board of Directors. The minutes of the meetings were reported to the Board with the following issues:

- Assisted the Board to oversee the development of executive succession plans including that for the Chief Executive Officer
- Reviewed and approved the Chief Executive Officer's and senior executives' compensation based upon the Chief Executive Officer's performance in light of established goals and objectives and reviewed and approved the evaluation process and compensation structure for the Company's senior executive officers based on initial recommendations from the Chief Executive Officer
- Reviewed and discussed with management the Company's compensation status and analysis and made recommendations to the Board
- Reviewed and approved terms and conditions of Employee Joint Investment Program (EJIP) and recommended to the Board

In the discharge of duties and responsibilities specified in the Compensation Committee Charter, the Compensation Committee is of confidence that it has performed duties with prudence, transparency, and regard for the best benefits of the Company and shareholders.

Khunying Jada Wattanasiritham
Chairman of the Compensation Committee



Good Corporate Governance

The Board of Directors (“the Board”) and management of Minor International Public Company Limited (“the Company”, “MINT”) realize the importance of Good Corporate Governance, a critical factor for the Company to achieve its long term sustainable growth objectives.

The Board assumes a leadership role and lead by example of Good Corporate Governance by creating and driving a culture of compliance and ethical conduct throughout the company. Thus, the Board has approved the Good Corporate Governance Guidelines (“the Guidelines”) of the business operations for the Company’s directors, management and employees. The Guidelines shall be reviewed annually and modified as appropriate in order to adapt to the changes in business operations, the regulatory environment, and applicable laws.

The Company publicizes the Guidelines and Business Code of Conduct via the Company’s website (www.minor.com), in order for employees at all levels to better understand and use them as working guidelines, and at the same time for shareholders, stakeholders, investors and other interested parties. In addition, to promote the practice according to the Business Code of Conduct, all employees are required to acknowledge and sign the Business Code of Conduct on the orientation day before commencing his/her employment. During the year, all employees completed the e-training and test for refreshment and acknowledgement the Business Code of Conduct. The following up and report whether the Code is being abided by is part of the internal audit process.

In the year 2018, the Company has complied with the Guidelines and the Board has properly considered and reviewed Corporate Governance Code (“CG Code”) for listed companies and applied the CG Code to the Company’s businesses in the interest of long-term sustainable value creation. The reasons of not comply principle was recorded in Board reports.

The Company’s corporate governance scoring 2018 was rated “excellent” for the sixth consecutive year from Corporate Governance Report of Thai Listed Companies 2018 conducted by the Thai Institute of Directors Association (IOD).

The Company’s corporate governance activities in 2018, which are classified into 5 main categories, are as follows:

1. Rights of Shareholders

The Board values the rights of shareholders and defines a policy in the Guidelines to ensure the equitable treatment of all shareholders and institutional shareholders. The Board is committed to protect the rights and benefits of every group of our shareholders as well as to encourage them to exercise their rights under the standard legal practices as follows:

- **Statutory Rights**

Statutory rights of shareholders and institutional shareholders that include voting rights; rights to receive dividends; rights to sell, buy or transfer shares; rights to attend shareholders’ meetings which the Company does not through its meeting attendance requirements or prerequisites prevent attendance by or places an undue burden on shareholders; rights to appoint and remove directors in which the appointment of each director must be passed by a majority of votes of the shareholders and proxy holders who attend the meeting and vote, rights to approve the appointment of independent auditors, rights to approve director’s remuneration (both cash-based and non-cash compensation), and rights to receive information that is sufficient, timely, and appropriate for decision making. The board ensure that significant corporate decisions are considered and/or approved by the shareholders pursuant to applicable legal requirements. Matters that require shareholder approval are included in the agenda for the shareholders’ meeting.

- **Rights to Propose the Agenda for the Annual General Meeting (“AGM”), to Nominate Qualified Candidates as the Company’s Director and to Send Questions for the AGM in Advance**

The Corporate Secretary will screen the questions and agenda proposals according to the criteria defined for the Board. The Board may assign specific Committees to review respective agenda proposals prior to final decision by the Board.

The Corporate Secretary will propose to the Nominating and Corporate Governance Committee to screen the candidates proposed for directorship. The candidates that are approved by the Nominating and Corporate Governance Committee will be passed to the Board’s meeting for approval. The Board will consider the appropriateness of candidates proposed for directorship.

The agenda proposals and candidate proposals approved by the Board along with the Board opinions will be included in the agenda of the AGM notice. For the agenda proposals and candidate proposals which are not approved by the Board, the Company will communicate to the shareholders via official letter with the reasons of the Board’s refusal.

However, none of the shareholders proposed an agenda, sent questions, nor nominated a qualified candidate as the Company’s director for 2018 AGM in advance.

- **Rights to Receive Information on Shareholders Meeting**

Prior to the AGM, shareholders have the rights to receive an invitation notice for the AGM sufficiently, including the information on the date, time, location of the meeting, detailed information of agenda items, the candidate for election and appointment as a director, rules and procedures to attend the meeting and issues for consideration. The meeting will be held on date, time and location that is convenient for shareholders.

In 2018, the AGM of the Company was held on 3 April 2018 at 2:00 p.m., at Grand Riverside Ballroom, 10th Floor, AVANI Riverside Bangkok Hotel. The Company disclosed the documents of the AGM on 28 February 2018, not less than 30 days prior to the AGM date, via the Company’s website (www.minor.com) in both Thai and English to facilitate foreign shareholders. The invitation notice was sent to all shareholders in advance on 13 March 2018 by the registrar, Thailand Securities Depository Co., Ltd. (“TSD”), not less than 21 days before the meeting.

After the AGM, the Company duly submitted the summary of meeting resolutions, including voting results of each agenda item specifying affirmative, negative and abstention vote counts, to The Stock Exchange of Thailand (“SET”) within the day of the meeting. The minutes of the meeting have been disclosed on the Company’s and the SET’s website within 14 days of AGM date. In the minutes of the shareholders’ meeting, the Company recorded the attendance of directors, executives, and the proportion of attending directors; voting and vote counting methods, meeting resolutions, and voting results (“for”, “against”, and “abstain”) for each proposed resolution; and questions asked and answers provided during the meeting, including the identity of the persons asking and answering the questions.

The Company has disclosed various information in the annual report, which is posted on the SET’s and the Company’s website (www.minor.com) as additional channels for shareholders and public to access the Company’s information.

- **During the AGM**

In 2018 AGM, the Chairman of the Board, the Chairman of the Committees and relevant executives attended the meeting in order to provide shareholders the equal opportunity to ask, suggest, or discuss on issues relevant to the agendas or the Company’s operations before casting vote on each agenda. Significant opinions and/or queries will be recorded in the minutes of the meeting.

Before commencing the meeting, the Chairman of the meeting explains the rules, the number and the proportion of shareholders and shares represented at the meeting in person and through proxies, the meeting method, the voting and vote counting method. For the agenda of the election of directors, the Company allows shareholders to vote for the election of directors on an individual basis.

In order to ensure the transparency and compliance with auditing standards, the Company uses voting cards for all agenda items in AGM. In addition, for accurate and timely report, the Company uses technology of barcode system and electronic PDAs for registration and vote-counting for transparency.

In 2018 AGM, the Company invited an independent individual from legal consultant company to be a meeting inspector, to observe the meeting and review the vote collecting and counting procedures. The Company also invited a representative from the shareholders to witness the vote counting procedure, to ensure that the meeting was conducted with transparency and in compliance with the laws and the Company's Articles of Association.

- **Facilities for Shareholders at the AGM**

With the growing number of shareholders every year, in 2018 AGM, the Company increased the number of registration stations, which used barcode system. The barcode system is used both for registration and ballot counting for timeliness and efficiency. Duty stamps for proxy forms were provided at the document check point to proxies free of charge.

The Company takes into consideration the communication channels with foreign shareholders and therefore prepares relevant documents in English and provides English translation of presentation slides during the meeting. Questions, comments, or any suggestions from foreign shareholders are responded in English by the Company's directors.

The Chairman of the shareholders' meeting conducts the meeting in compliance with the Articles of Association of the Company and the relevant rules and regulations, follows the sequence of the agenda stipulated in the notice of the meeting allocate sufficient time for consideration and debate of agenda items, and providing opportunity to all shareholders who wish to share their opinions or ask questions related to the company. Thus no additions to the agenda or alteration of sequence of agenda items will be made, except if there are appropriate reasons.

All shareholders have equal opportunity to pose questions, request explanations, and express their views to the Board and the AGM as appropriate.

2. Equitable Treatment of Shareholders

The Board values the importance of fair and equitable treatment to shareholders and institutional shareholders and has established policies to supervise, protect and promote the shareholders' rights to ensure that all shareholders will be treated equally and transparently. The Company provides adequate and accurate information to all shareholders and does not grant any privileges to certain groups of shareholders by disclosing inappropriate information to them. Furthermore, the policy relating to the equitable treatment to shareholders must be in accordance with the Guidelines, and the rules and regulations of The Stock Exchange of Thailand ("SET"), and the Securities and Exchange Commission ("SEC"), as well as related laws. The key policies that have been established to ensure the equitable and fair treatment of shareholders are as follows:

- **To Grant the Opportunity for Minority Shareholders to Propose Agenda for AGM, to Nominate Qualified Candidates as the Company's Director and to Send Questions for the AGM in Advance**

The Company allows all shareholders and institutional shareholders, including minority shareholders, holding individually or in aggregate, as the case may be, not less than 2.5% of the total issued and paid up shares of the Company, to propose AGM agenda and to nominate candidates for directorship.

For 2018 AGM, through the SET's website, the Company invited shareholders to propose AGM agenda, to nominate candidates for directorship and to send questions for the AGM during 15 November 2017 - 16 January 2018. All criteria are also disclosed on the Company's website (www.minor.com).

However, none of the shareholders proposed an agenda, sent questions, nor nominated a name of qualified candidate as the Company's director for 2018 AGM in advance.

- **Equitable Voting Rights**

The Company encourages all shareholders and institutional shareholders who cannot vote in person to vote by proxy. In the case that any shareholders or institutional shareholders cannot attend the meeting, the Company has provided three proxy forms prescribed by the Department of Business Development, Ministry of Commerce, to be used as appropriate for shareholders. In order to facilitate the proxy, the Company has provided an independent director to act on behalf of the proxy. The independent director's profile has also been attached to the proxy form.

Shareholders have the rights to vote in the meeting according to the number of shares owned by each shareholder, where one share is entitled to one vote.

- **Equitable Disclosure of Information**

The Company prepared AGM invitation notice and presentation on the Company's performance in both Thai and English, in order to facilitate foreign shareholders. Moreover, the meeting was conducted in English and translated into Thai for the convenience of all shareholders.

- **Policy and Measures on Inside Information**

The Company has established an explicit policy and measurement to prevent all directors and management from using inside information for their own interests. Directors and senior management must report any changes in their MINT share ownership to SEC under Article 59 of the Securities and Exchange Act B.E. 2535 (1992) within three business days from the date of sale, purchase, disposal, or receipt of such shares and inform Corporate Secretary for acknowledgement. The Company prohibits all directors, senior management and executives from trading the Company's securities for at least 30 days prior to the release of earnings information to the SET and SEC. The Company will send written notifications of blackout period to all directors and senior management to abstain from trading or transfer the Company's securities at least 30 days before the information dissemination. Moreover, the Company will report the securities holding of directors in every quarterly Board meeting.

In terms of employees and staff, the Company has a policy to honor confidentiality; not allow employees or staff to disclose confidential information to irrelevant parties unless discharged from such obligation by requirements of the laws. Trading of the Company's securities based on inside information, that has not been disseminated to the general public, is prohibited.

- **Report of Interest of Directors and Management**

In line with resolution of the Board of Directors' meeting, the Company's directors, management and related persons must report to the Company on their vested interests twice a year, in June and December. Corporate Secretary has been assigned to collect and file such reports. Corporate Secretary will send the report of interest to Chairman of the Board and Chairman of the Audit Committee to review and monitor the conflict of interest, in order to abide by the Company's good governance.

- **Conflict of Interest and Connected Transactions**

In order to avoid any conflicts of interest, the Company has established a written policy and approval process for any connected transactions between the Company or persons who may have conflict of interest.

For any transactions that are related to any director of the Company, that particular director does not have the right to vote on such transactions. The Board also has established a policy that prohibits management and staff from utilizing inside information for personal use.

In the process of approving connected transactions, the relevant work units will perform the primary evaluation, by analyzing whether the transactions are reasonable and for the benefit of the Company, and whether they are fairly priced. For example, for asset acquisition, the investment department must perform return on investment analysis, and where necessary, external advisors or experts may be engaged in order to provide independent opinion on the transactions. The transactions are then proposed according to the internal approval process, where directors or management with conflict of interest must not participate in the approval process. Moreover, the Audit Committee oversees that the connected transactions are necessary and are done on a fair price basis.

3. Roles of Stakeholders

The Company realizes the importance of ensuring that all stakeholders' rights are properly observed. Pertinent procedures are carried out in line with the rules and regulations of the SET, the SEC as well as the related laws.

- **Shareholders**

All Company's shareholders are entitled to all basic rights of shareholders; i.e., the right to attend shareholders' meeting, the right to express opinions in the meeting, the right to propose agenda in advance, the right to nominate candidates for directorship, the equitable right to receive Company's information, including financial information, etc. The Company is committed to conduct the business with transparency and to create long-term growth and returns to the shareholders.

- **Investors**

The Company commits to disclose the correct, complete and sufficient information to serve investors' decision making on a timely manner or in an appropriate period.

- **Customers**

The Company has responsibilities to customers at least by adhering to applicable law and standards, committing to continuously improve the quality as well as safety standards of its goods and services, in order to maximize the benefit and satisfaction of its customers. The Company emphasizes on the importance of products and services that create 100% satisfaction to customers.

Food safety is a core focus in all of the Company's restaurants, within both the restaurant and hotel groups. The ingredients and products are controlled to achieve high hygiene standards all the way from suppliers, through logistics, delivery and preparation, until they reach the Company's outlets and customers. The Company conducts very stringent supplier selection process and regular audits of them. In addition, the Company promotes food traceability where all ingredients can be traced back to their sources to ensure product safety throughout the value chain.

The Company aims to engage in end-to-end customer experience. Beyond the normal customer interactions, the Company starts to get involved in other aspects of customers' experience. For example, Minor Food Group initiated a program to include the telephone number and e-mail of the brands' customer relations team at the bottom of receipts so customers can reach out to them when needed. To assure that the consumers receive 100% satisfaction, all of the Company's business units continuously seek customer feedback through various channels including customer satisfaction surveys, analysis of comments from key social media platforms and market surveys. In addition, the Company also ensures that responsible media is created when communicating to the customers without controversial or incorrect contents.

Customers can communicate with the Company, either to complain or report misconducts or unsatisfactory services via feedback@minor.com. Confidentiality will be maintained to the fullest extent possible.

- **Partners**

One of the Company's core values is "partnership". The Company strives to develop win-win relationships with all partners, whether they are suppliers, joint venture partners, owners, franchisees or third party service providers. The Company treats all partners equally and fairly, taking into consideration mutual benefits and is committed to developing relationships which will maximize all parties' benefits.

In selecting partners, the Company takes into consideration partners that have good reputation and high standards, are widely-accepted within the industry, highly ethical and professional, considerate about the employees' welfare and have in place anti-corruption policy. Qualified business partners have to acknowledge the Company's Business Partner Code of Conduct in order to ensure the proper understanding towards the same business goals. The Company has put in place the partners' selection process that is fair, with the following practices:

1. All partners will be treated fairly and compete on equal information.
2. Agreements with partners are standardized, taking into consideration fair terms and conditions for both parties.
3. The Company will set up a system to monitor and ensure the compliance of all terms and conditions and to prevent unfair treatment or corruption throughout the selection process.
4. The Company does not support partners with unethical business practices, illegal actions, corruption or human rights violations. The number of partners increases as the Company grows.

The Company takes into consideration partners with qualifications which are up to the Company's standards and conducts regular supplier audit. The Company continues to develop and grow together with its partners, in order to learn from each other's strengths to create synergies.

The Company's raw materials are mainly sourced from local producers, and where possible, the Company encourages sourcing from local communities where the business units are based. The Company's goal is to maximize local sourcing, and to continually develop local suppliers to operate and produce products at international standards. An example is the collaboration between Sizzler and the Royal Project, where Sizzler introduced the Royal Project's vegetables and produces from experimented fields to customers and at the same time provided market feedback and research for continual improvements.

• Creditors

The Company takes care of business with caution, comply with the disclosure requirements, treats creditors fairly, observes and complies strictly with all agreed terms and conditions, payment schedules and all obligations. In the case that any terms and conditions must be revised, or an event that might significantly impact the Company's financial position, impairing the Company's repayment capability, the Company shall promptly inform its lenders and will together work out potential and reasonable solutions to prevent any damages to all parties. The management closely monitors and regularly reports status to the Board. In addition, the Company will strictly adhere to the loan objectives as proposed to the creditors.

The Company ensure that it does not consciously approve any transactions or propose any transactions for shareholder approval which could negatively affect business continuity, financial liquidity, and solvency.

• Competitors

The Company abides by the framework of international fair trade and competition and will not damage the reputation of competitors through false accusations.

• Employees

The Company considers its employees a valuable asset and treats them fairly at least by adhering to applicable law and standards with regards to work opportunities, remuneration, training and development, adequate resource allocation with confidence in quality and safety of working environment.

Training: The Company provides all employees with professional and career development training by promoting high standards, operational excellence, ethical conduct, efficient evaluation systems throughout the Company and continuous improvement programs, while at the same time, encourages entrepreneurial thinking. The Company provides training courses in relevant areas such as sales, marketing, accounting, leadership, software program and English literacy, as well as softer skills such as grooming and personal hygiene, also environmental issues.

In addition, as part of the efforts to minimize corruptions in the society, the Company has an anti-corruption training course to educate employees regarding Company's policy and guidelines on anti-corruption actions and to encourage all employees to fight against corruptions in all forms. During the year 2018, human resource department has prepared Code of Conduct and Anti-corruption e-training for all employees to refresh and acknowledge the Code annually. The e-training included knowledge test on Anti-corruption and all employees passed the standard test.

Benefits and Welfare: The Company ensures that employees' salary and remuneration are appropriate aligns with the company's objectives with their capabilities and responsibilities, and are competitive with companies in the same industry. In addition, the Company has a reward policy where incentive bonus is paid when the Company's performance target is met, and Employee Joint Investment Program (EJIP) in order to incentivize and create the long-term growth of the Company. Apart from salary and provident fund that are fundamental benefits for Company's management and employees, the Company also provides annual medical benefits.

Health and Safety: The Company is committed to conducting business in a manner that protects and promotes the safety and health of employees, and the communities where the Company operates.

Employee Whistle-blower Policy: Employees who would like to report the wrongdoings or violations of laws and rules, unethical practices, misconduct issue, etc. can do so via several channels below:

1. E-mail: whistleblower@minor.com
2. Post: Whistle-Blower Steering Committee
MINOR Group, Human Resource Department (Whistle-blower)
75 White Group Tower II, 6th Floor, Sukhumvit 42 Road, Klongtoey, Bangkok 10110

Confidentiality and security will be maintained to the fullest extent possible. All reports will undergo appropriate investigation which is systematic and traceable, to ensure that whistle-blowers will not be bothered or harmed. If whistle-blowers had good intentions in doing so, they will be compensated in a fair and appropriate manner in case of any damages.

For more information, please see Whistle-Blower Policy, presented on the Company's website (www.minor.com).

- **Government agencies and Regulators**

The Company complied with laws, rules and regulation of the Government agencies and Regulators strictly in its business operations.

- **Anti-Corruption**

The Company conducts business with a commitment to avoid corruption of all forms, and institutes a risk assessment, risk management and audit process to prevent and control corruption and malfeasance. Also, the Company encourages corporate culture where people are firmly committed to integrity and ethics.

Since 2013, the Company has been included in the list of Signatory Companies of Thailand's Private Sector Collective Action Coalition Against Corruption's Declaration of Intent and has been certified as a member from CAC Certification Committee on 22 January 2016. During 2018, the Company submitted the self-evaluation tools to the CAC to apply for recertifying anti-corruption certificate. The Audit Committee reviewed the Company's compliance and including the Collective Action Coalition Against Corruption's Self-Evaluation Tool before submitting.

During the year 2018, human resource department has prepared Code of Conduct and Anti-corruption e-training for all employees to refresh and acknowledge the Code annually. The e-training included knowledge test on Anti-corruption and all employees passed the standard test.

The Company uses the whistle-blower service and complaint reports as channels to supervise and monitor corruption issues and submitted the quarterly report to the Nominating and Corporate Governance Committee.

For more information, please see Anti-Fraud and Corruption Policy, presented on the Company's website (www.minor.com).

- **Human Rights**

As the Company grows and expands to the international level, the Company realizes that relationships developed with local communities have direct impact on the sustainability of the Company. Wherever the Company operates, acting with respect towards individuals and community with diverse cultures is mandatory. The Company is committed to treat all employees with fairness, respect, and to provide employees with good working environment without verbal, physical and sexual harassment. Basic human rights of the community or any individuals must not be violated, including rights in assets and intellectual properties, expression of opinions, equal treatment and nondiscrimination regardless of gender,

religion, race, political views and gender rights violation. In selecting partners, the Company takes into consideration their actions towards human rights in operating their businesses.

For more information, please see Human Rights Policy, presented on the Company's website (www.minor.com).

• Intellectual Property Rights

The Company realizes the importance of intellectual property rights and will not encourage any violation of patents, copyrights, trademarks, information, information technology and any other aspects of intellectual assets. Regarding the compliance of its respect for intellectual property rights, the Company undertakes the following actions:

- The Company regularly monitors information, documents, media, printing utilized in the Company's business. If the work is subject to intellectual property rights, the Company shall review terms and conditions and strictly abide by them.
- The Board ensures that IT security policies and procedures are in place.
- Employees are not allowed to distribute or redistribute any documents in violation of copyright laws.
- Employees are prohibited to load any non-business related or unlicensed software onto any of the Company's computers.
- The Company does not support any illegal use of products that violate property rights.

• Society and Environment

The Company is committed to conducting businesses that benefit the economy and society at large, and not just considering the Company's financial results but also take into account the ethics, social care and the preservation of environment. The Company has established the Sustainability Department to instill corporate culture and promote to the Company's staff the importance of taking care of, developing and supporting the society, environment, and all stakeholders, in harmony with the Company's sustainable growth objectives through various campaigns and activities.

In terms of social development, the Company operates many projects that promote the quality of life of disadvantaged children and people in various fields; i.e. education, career opportunities and health. In addition, the Company provides emergency relief at times of natural disaster to help the community.

Caring deeply about the community and the environment, the Company encourages employees and customers to be concerned about environmental protection through a "Rethink, Reduce, Reuse and Recycle" lifestyle. The Company continuously operates projects and activities with strategies to conserve energy, reduce waste, save the wildlife and the environment and increase participation in the local communities. Including training session on environmental topics to employees such as Environmental awareness for new employees (Orientation), ISO 14001:2015 Requirement, Chemical Handling and Chemical Spill Protection, Emergency Plan: Flooding, Introduction to environmental legal requirement, etc.

Details of Company's environmental and social activities in 2018 are available in the Sustainability Report and presented on the Company's website (www.minor.com).

• Communities

The Company focuses on the communities which the Company operates by engaging the community through employment, purchasing raw materials and other community development activities including to educate, promote and support the local community in the conservation of nature and the environment. Monitoring progress has been made with the community every year.

• Reporting of Concerns and Whistle-Blower Service

The Company supports whistle-blower service by encouraging all stakeholders to request information, complain or report any misconducts relating to financial reports, internal control system, human rights or business ethics by sending an e-mail to independent directors or the Audit Committee through e-mail: feedback@minor.com. The internal auditor will review these communications and advise the Audit Committee. All complaints and reports will be protected and kept confidential. The Audit Committee will investigate these matters, recommend corrective actions (if any) and will address the outstanding concerns to the Board.

4. Disclosure and Transparency

The Company stresses on the importance of information disclosure in an adequate, accurate and timely manner. In 2018, the Company has complied with the Guidelines and has reviewed and updated the Guidelines to be consistent with international standards.

- **Investor Relations**

The Board stresses on the importance of disclosure of both financial and non-financial information in an adequate, accurate and timely manner. As part of the strategic planning unit which reports to the Chief Operating Officer, Head of Investor Relations has developed and established yearly investor relations plan. The Investor Relations Department also ensures efficient communication process and channels to communicate information including the Company's vision, mission statements, strategies, financial and operational information to shareholders, equity analysts, target investors and fund managers. Last year, the Company successfully delivered the Company's information through various tools including news releases, conference calls, quarterly presentations, local and international investor roadshows, IR website, annual reports, fact sheets, IR materials, and other channels including announcements through the SET and the SEC.

The Company regularly keeps analysts, investors and employees informed by holding analyst meetings, roadshows, conference calls and investor conferences. The Company also participates in various SET events organized for both institutional and retail investors and issues Press release/MD&A. In addition, interested parties can arrange company visits to meet with Company's management to obtain information regarding the Company's operations.

Details of Investor Relations activities in 2018 are as listed in the table:

Activity	No. of Event
Domestic Roadshow (Both institutional and retail investors)	12
International Roadshow	12
Analyst Meeting	4
Company Visit/Conference Call	80
Joint Activities with SET and Other Agencies to Meet Investors	1
Site Visit	2
Press Release/MD&A	73

For more information, please see details of Investor Relations activities in 2018, presented on Company's website (www.minor.com).

In addition, the Company disseminates information regarding business activities and project updates to the press, and also addresses questions and coordinates with the press and the public.

The Company provides a central point of investor contact:

Mr. Chaiyapat Paitoon, Deputy Corporate Chief Financial Officer & Strategic Planning

Mrs. Jutatip Adulbhan, VP of Investor Relations

For more information, please see Information Disclosure Policy, presented on the Company's website (www.minor.com).

- **Report of the Board of Directors**

The Board is responsible for the consolidated financial statements of the Company and its subsidiaries and the financial information shown in the annual report. The Company has effective internal control system, in order to ensure that financial statements are accurate and sufficient as per appropriate accounting policy according to accounting standards in Thailand, and to ensure the proper disclosure of financial information which in line with objectives, strategies and policies of the Company.

The Board has appointed the Audit Committee, which comprises independent directors, to be responsible for the oversight of the quality of financial reporting and internal control. The Opinion Report of the Audit Committee is shown in the annual report.

- **Securities Holding Report of Directors**

The Company has established an explicit policy and measurement to prevent all directors and management from using inside information for their own interests. Directors and senior management must report any changes in their MINT securities ownership to SEC under Article 59 of the Securities and Exchange Act B.E. 2535 (1992) within three business days from the date of sale, purchase, disposal, or receipt of such shares and inform Corporate Secretary for acknowledgement. The Company prohibits all directors, senior management and executives from trading the Company's securities for at least 30 days prior to the release of earnings information to the SET and SEC. The Company will send written notifications of blackout period to all directors and senior management to abstain from trading or transfer the Company's securities at least 30 days before the information dissemination. Moreover, the Company will report the securities holding of directors in every quarterly Board meeting.

In terms of employees and staff, the Company has a policy to honor confidentiality; not allow employees or staff to disclose confidential information to irrelevant parties unless discharged from such obligation by requirements of the laws. Trading of the Company's securities based on inside information, that has not been disseminated to the general public, is prohibited.

- **Remuneration of Directors and Management**

The Company sets the remuneration of directors and senior management consistent with the Company's strategies and long-term objectives, and also reflect the experience, obligations, scope of work, accountability and responsibilities based on relevant industry practices in order to maintain its competitiveness to attract and retain key personnel. The remuneration for directors are meeting fees and fixed fees which needs to get approval from shareholders' meeting, whereas remuneration for senior management, including the Chief Executive Officer (CEO), are salary and bonus. In addition, the Company has Employee Joint Investment Program (EJIP), in order to motivate management to create long-term growth for the Company. The Compensation Committee, which comprises independent directors and non-executive directors, will approve such remunerations, including the salaries and bonuses of executive directors, and review the Company's equity incentive compensation and other stock-based plans and recommend changes in such plans to the Board as appropriate.

2018 remuneration paid to directors and senior management were as follows:

• **Directors' Remuneration**

Directors	BOD Meeting		Type of Fee	Meeting Fees (Baht)					Total
	Attendance	Percentage		Board	AC	CC	NCG	Fees from Sub-sidiaries	
1. Mr. William Ellwood Heinecke	8/10	80%	Annual fee	200,000	-	-	-	180,000	380,000
2. Khunying Jada Wattanasiritham	10/10	100%	Total	1,350,000	490,000	175,000	175,000	-	2,190,000
			Annual fee	-	250,000	150,000	100,000	-	500,000
			Quarterly fees	1,200,000	240,000	-	-	-	1,440,000
			Other meetings	150,000	-	25,000	75,000	-	250,000
3. Mr. Charnporn Jotikasthira	10/10	100%	Total	1,350,000	245,000	125,000	175,000	-	1,895,000
			Annual fee	-	125,000	100,000	100,000	-	325,000
			Quarterly fees	1,200,000	120,000	-	-	-	1,320,000
			Other meetings	150,000	-	25,000	75,000	-	250,000
4. Ms. Suvabha Charoenying	10/10	100%	Total	1,350,000	285,000	125,000	225,000	-	1,985,000
			Annual fee	-	125,000	100,000	150,000	-	375,000
			Quarterly fees	1,200,000	160,000	-	-	-	1,360,000
			Other meetings	150,000	-	25,000	75,000	-	250,000
5. Mrs. Kobkarn Wattanavrangkul	2/2	100%	Total	325,000	70,479	-	-	-	395,479
			Annual fee	-	30,479	-	-	-	30,479
<i>Appointed on 18 January 2018 and resigned on 17 April 2018.</i>			Quarterly fees	300,000	40,000	-	-	-	340,000
			Other meetings	25,000	-	-	-	-	25,000
6. Mr. Edward Keith Hubennette	7/7	100%	Total	1,000,000	-	-	-	-	1,000,000
			Annual fee	-	-	-	-	-	-
<i>(including Conference call*: 3/7)</i>			Quarterly fees	900,000	-	-	-	-	900,000
<i>Appointed on 3 April 2018.</i>			Other meetings	100,000	-	-	-	-	100,000
7. Mr. Anil Thadani	8/10	80%	Total	750,000	-	125,000	175,000	180,000	1,230,000
			Annual fee	-	-	100,000	100,000	180,000	380,000
<i>(including Conference call*: 5/10)</i>			Quarterly fees	600,000	-	-	-	-	600,000
			Other meetings	150,000	-	25,000	75,000	-	250,000
8. Mr. Thiraphong Chansiri	9/10	90%	Total	1,050,000	-	125,000	-	-	1,175,000
			Annual fee	-	-	100,000	-	-	100,000
<i>(including Conference call*: 2/10)</i>			Quarterly fees	900,000	-	-	-	-	900,000
			Other meetings	150,000	-	25,000	-	-	175,000

Directors	BOD Meeting		Type of Fee	Meeting Fees (Baht)					Total
	Attendance	Percentage		Board	AC	CC	NCG	Fees from Sub-sidiaries	
9. Mr. Niti Osathanugrah	5/5	100%	Total	975,000	-	-	-	-	975,000
			Annual fee	-	-	-	-	-	-
			Quarterly fees	900,000	-	-	-	-	900,000
<i>Appointed on 23 May 2018.</i>			Other meetings	75,000	-	-	-	-	75,000
10. Mr. Paul Charles Kenny (including Conference call*: 1/10)	10/10	100%	Annual fee	200,000	-	-	-	-	200,000
11. Mr. Emmanuel Jude Dillipraj Rajakarier	10/10	100%	Annual fee	200,000	-	-	-	520,000	720,000
12. Mr. John Scott Heinecke	10/10	100%	Annual fee	200,000	-	-	-	-	200,000

* Participation in the meeting via telephone conference shall not be counted for a quorum.

In addition to the remuneration, directors also received director privileges in using hotel services as defined in the value of Baht 25,000 per property per year.

- Management Remuneration**

In 2018, remuneration paid to management of the Group and the Company for the year ended 31 December 2018 were Baht 310 million and Baht 117 million, respectively. Management remuneration comprised short term benefits such as salaries, bonuses and other allowances.

- Committees' Functions**

The Board has set and appointed members of the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and Risk Management Steering Committee. Roles, duties and responsibilities of each committee are detailed in shareholders' structure and management section.

- Summary of the Committees' Meeting Attendance**

Directors	Audit Committee	Compensation Committee	NCG Committee
1. Khunying Jada Wattanasiritham	4/4	2/2	4/4
2. Mr. Charamporn Jotikasthira	3/4	2/2	4/4
3. Ms. Suvabha Charoenying	4/4	2/2	4/4
4. Mrs. Kobkarn Wattanavrangkul*	1/1	-	-
5. Mr. Anil Thadani	-	2/2	4/4
6. Mr. Thiraphong Chansiri	-	2/2	-

* Appointed on 18 January 2018 and resigned on 17 April 2018.

- **Auditor Fee**

For the year 2018, the Company has appointed PricewaterhouseCoopers ABAS Limited to be the Company's and subsidiaries' auditors. The Company paid audit fee of Baht 2.38 million for the fees related to the Company and Baht 67.55 million for subsidiaries. No other type of fees has been paid.

5. Responsibilities of the Board

The Company's Articles of Association stipulates that the Board consists of at least five members, but not more than twelve. Not less than half of the Board members must be based in the Kingdom. The Board members must have the qualifications as stipulated by the Public Company Limited Act and related laws.

As of 31 December 2018, the Board of Directors consists of 11 directors, 7 of which are non-executive directors, with the proportion exceeding half of the Board. The composition of the Board is as follows:

- 7 non-executive directors (64% of the Board)
- 4 executive directors (36% of the Board)
- 4 independent directors (36% of the Board)

The Board has diverse skill mix, including industry knowledge, accounting and financing, management skills, international marketing, business strategy, crisis management, corporate governance and legal. The diversity also includes in terms of gender, nationality, education, ethnic group, age, marital status, political opinion and religion.

The Board must consist of at least three independent directors, and must not be less than one-third of the Board size. All independent directors must have the qualifications as stipulated by the Company and in accordance with the SEC Announcement and the SET Notification. The definition of independent directors of the Company is more stringent than the criteria set by the SEC.

Directors must possess knowledge, capabilities and experiences which can benefit the Company's business operations. The Nominating and Corporate Governance Committee will consider the qualifications of the candidates through transparent pre-selection procedures and propose to the Board. The candidates selected by the Board will be included in the AGM agenda for shareholders' approval. All directors' information including experience, qualifications and shareholding in the Company is disclosed in the annual report, which is presented on the Company's website (www.minor.com).

- **Term of Service of Directors**

The term of service of the Company's directors is in accordance with the Public Company Limited Act and the Company's Articles of Association, whereby one-third of the Company's directors (or the number nearest to one-third) shall retire from office. Directors who have served for the longest term shall retire. The Company has not set the maximum term of service of directors for continued and effective work.

The Audit Committee's term of service is 3 years and can be re-appointed after the term of service ends. There is no fixed term of service for other Committees.

- **Independence of the Chairman of the Board**

The Chairman of the Board and the CEO is the same person and is not an independent director. Nevertheless, the current Board structure maintains an appropriate check and balance system because majority of Board members are non-executive directors. To ensure the balance of power and authority of the Board and between the Board and management, the Board appointed the Chairman of Audit Committee to participate in setting the Board meeting agenda.

- **Limitation on Number of Companies that Directors and CEO Can Hold Director Position**

The Company's non-executive directors must not serve on more than five boards of Thai listed companies and executive directors must not serve on more than three boards of Thai listed companies (Currently, CEO of the Company is also an executive director) to ensure the sufficient allocation of time to attend Board meetings in order to monitor the Company's performance and operations. At the end of 2018, all directors of the Company comply with the number of directorship in listed companies.

The directorship of the CEO in other listed companies shall not hold up the CEO's responsibilities as the Company's CEO. However, in holding a director position in other listed companies, the CEO can contribute his experience to other companies while at the same time applies the knowledge learned to the Company, in addition to developing good business relationship and network. Currently, the CEO serves as a director of the Company and one other listed company.

The Company has not yet stipulated limitation on the consecutive directorship terms of independent directors, as the Company's independent directors are qualified according to the definition specified by the SEC and the Company, and are able to provide opinions independently in Board meetings. In the case that the Board re-elects an independent director who has over 9 years of consecutive service for another term, the Board shall explicitly explain the rationales for the nomination to the shareholders.

- **Segregation of Roles, Duties and Responsibilities between the Board and Management**

The Board and management have clear segregated roles, duties and responsibilities for check and balance. The Board will consider and approve overall policies such as vision, mission, strategies, operation policy as well as the allocation of significant resources, Corporate Governance Guidelines, and overall financial objectives to achieve the objectives and goals include monitoring, evaluating and reporting on performance, whereas management will manage the business operations under policies defined by the Board. Roles, duties and responsibilities of the Board and Management are detailed in shareholders' structure and management section.

- **Board of Directors' Meeting**

To ensure that directors are able to attend the Board meetings, Corporate Secretary has set and informed directors of 2018 meeting schedule in advance prior to the current year ended. This includes the quarterly meeting and the annual meeting to consider, review and approve the Company's vision, mission and 5-year strategic plan. Prior to every meeting, directors and management can propose agenda items to the Chairman of the Board. The Chairman of Audit Committee, an independent director, is appointed to participate with the Chairman of the Board in setting the agenda of board meetings. Corporate Secretary will send Board notices with supporting documents to all directors at least 7 days or at least 5 working days before the meeting.

The Board of Directors held the meeting to plan strategies and mid-term 5-year annually, leading to the opportunity to review the objectives and goals, both monetary and non-monetary. The Board ensure that strategies and plans are suitable to the Company's ecosystem which subject to change at any time. In the meeting of strategies and next 5-year plan annually, the Board and management take into account all relevant factors influencing the value chain, including the Company's ecosystem, risks, resources, competitiveness, and stakeholders that may affect the achievement of the objectives and goals of the Company and relay them through the strategies and plans to the Company by monitoring and implementing of the strategic planning. Moreover, the Board promotes innovation and the use of technology to enhance competitiveness, respond to stakeholder concerns and expectations.

In 2018, a total of 10 Board meetings have been held, where Corporate Secretary has sent notices to the Board at least 7 days or at least 5 working days before the meetings. During the meetings, the Chairman of the Board appropriately allocated time for directors to ask management and to carefully review and discuss all relevant information, and to follow up on the implementation of the Company's strategies. Written minutes which have been approved by the Board are filed and made available for verification. In addition, the Company regularly sends monthly performance summary to the Board in order for the Board to closely monitor the Company performance and update the implementation to align with corporate strategy.

For the year 2019, the Company will follow the aforesaid meeting procedures.

At the Board meeting, any directors or management who may have vested interest in any agenda item under consideration must not attend the meeting or must abstain from voting on such agenda item. This is to ensure that the Board and management make decisions for the utmost benefit of shareholders. In addition, at Board meetings, at least two-thirds of all directors should be present during the voting procedure.

MINT management attended the Board meetings to provide useful information to the Board, and to learn directly about the Board's initiatives and policies for effective implementation. This attendance of management is also useful for the consideration of succession plan. The Board can also access the additional information required for their respective roles from the executive management and company secretary under certain limits.

In addition to the Board of Directors' meetings, there was a non-executive directors' meeting 1 session held in the year 2018, in order to discuss the operational management issues without the participation of executive management.

- **Criteria for Nomination of Directors and CEO**

To nominate a new director, the Board will specify the qualification of required director by considering Board skill mix and the consistency with the Company's business strategy. The Board uses the director data pool such as Thai Institute of Directors, etc. to help in the selection process. The Nominating and Corporate Governance Committee will make preliminary selection and recommend to the Board for appointment.

Each year, the Nominating and Corporate Governance Committee will screen candidates for directorship, in the case a vacant position due to completion of term, taking into consideration the nomination by shareholders. The recommendations by shareholders are based on Director qualifications as defined in the Corporate Governance Guideline, Public Company Limited Act and Securities and Exchange Act.

The Compensation Committee is responsible for screening candidate and reviewing compensation for the position of CEO and senior executive officers before recommending to the Board for approval. Details of roles, duties and responsibilities of the Compensation Committee are in the Compensation Committee Charter, which is presented on the Company's website (www.minor.com).

- **Orientation of the Newly Appointed Director**

The newly appointed director is provided with orientation programs. Corporate Secretary will arrange meetings among new director, director and executive management overviewing business operation as well as handbooks that cover roles, authorities and responsibilities of directors, Corporate Governance policies, annual report, memorandum of association, articles of association, the Company's vision, mission, and framework of business operations. New directors also attend meetings with senior management regarding the formulation of the Company's vision and strategic plans.

- **Directors' Development**

The Board has a policy to continuously encourage and support the directors' development, by which Corporate Secretary will coordinate with and facilitate directors in attending related seminars and knowledge sharing programs organized by various organizations.

In 2018, the Board had attended related seminars and knowledge sharing programs as follows:

Director	Project name/Course	Organized by
Khunying Jada Wattanasiritham	Thailand's 9 th National Conference on Collective Action Against Corruption "Disrupting Corruption"	Thailand's Private Sector Collective Action Coalition against Corruption (CAC) and Thai Institute of Directors Association (IOD)
Mr. Charamporn Jotikasthira	IT Governance and Cyber Resilience Program	Thai Institute of Directors Association (IOD)
Mr. Niti Osathanugrah	Impact of corruption on corporate governance: Top Executive Program in Commerce and Trade (TEPCoT) Class 11/2018	Commerce Academy
	Risk issue for the board: Director Certification Program (DCP) Class 253/2018	Thai Institute of Directors Association (IOD)
Mr. Thiraphong Chansiri	Corporate Risk Workshop	Thai Union Group Pcl.
Mr. William Ellwood Heinecke Khunying Jada Wattanasiritham Mr. Charamporn Jotikasthira Ms. Suvabha Charoenying Mr. Thiraphong Chansiri Mr. Paul Charles Kenny Mr. Emmanuel Jude Dillipraj Rajakarier Mr. John Scott Heinecke	Minor Leaders Summit 2018	Minor International Pcl.

Moreover, Corporate Secretary facilitated all Board members to disclose Code of Conduct and Anti-corruption e-training through the Board accessible channel, in order for the Board to refresh the Code anytime.

• Board of Directors' Self-Assessment

The Board assessment consists of entire Board assessment and individual Board member assessment. Sub-committees assessment consists of the assessment of Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee.

The Board assigned Nominating and Corporate Governance Committee to develop and recommend to the Board of Directors, for its approval, an annual self-assessment process of the Board and its Committees. The Committee oversees such annual self-assessments by assigning Corporate Secretary to gather results, comments and the suggestions from the assessment. The results will be summarized to Nominating and Corporate Governance Committee for consideration and report to the Board with the objective to improve each of the committee's performance, assessing the appropriate to composition of the Board and enhance their efficiency.

In 2018, the form of Individual Director Self Assessment is a survey of 3 topics, which are Governance Role, Knowledge of the Organization and the Environment and effective Behavior and Relationships. The results of the survey showed that the practice of the Board is in accordance with the Board guidelines.

The form of Full Board Performance Assessment is a survey of 4 main topics which are Board structure and qualifications, the Board meeting, the duties and responsibilities of the Board and others. The result of the survey showed that the practice of the Board is in accordance with the Board guidelines.

The results of the assessment of sub-committees, which included the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, consistently met or exceeded expectation.

- **CEO and Senior Management Assessment**

The Compensation Committee individually reviews the performance of the senior executive officers – the CEO, COO, CFO and other executive officers – and establishes and approves their compensation. Once a year, the Committee shall evaluate the CEO's performance in light of the established goals and objectives, in order to set the CEO's annual compensation, including salary, bonus and equity and non-equity incentive compensation. The Committee also regularly evaluates the effectiveness of the different elements of the Company's overall executive compensation program and reports to the Board.

For more information, please see the Compensation Committee Charter, presented on the Company's website (www.minor.com).

- **Succession Plan**

Compensation Committee responsible to assist the Board in developing and evaluating potential candidates for senior executive positions, including the Chief Executive Officer, and to oversee the development of executive succession plans. The Board will annually approve and maintain a Succession Plan for the CEO and management.

- **Corporate Secretary**

The Company has assigned Corporate Secretary to be in charge of the following responsibilities:

1. Prepare and file Board and shareholders' documents which are the directors' registration records, notices of Board and shareholders' meetings, minutes of Board and shareholders' meetings, the Company's annual report and quarterly financial reports.
2. File reports on the conflict of interest of directors and management.
3. Advise the rules and regulations related to the directors' duties and responsibilities for acquiring knowledge and understanding of relevant law and standards, and other applicable obligations, risk factors, and the company's business environment including timely and regular updates.
4. Administer other activities as directed.

The Company's Corporate Secretary is Ms. Saranya Soontaros. Her educational background, work experience, and attendance of relevant training programs are shown in Shareholders' Structure and Management section.

- **Internal Control System**

The Company stresses the importance of strong internal control and internal audit throughout the organization. Written responsibilities, authority delegation, and management controls have been adopted to create transparency for utilization of the Company's resources, to prevent damages and to ensure smooth business operations of the Company. The duties of staff, controllers and evaluators have been established and segregated in order to ensure that proper verification, monitoring and balancing of power processes are in place.

The Company has an Internal Audit Department to verify and balance the management control process. Internal Audit Department reports directly to the Audit Committee in order to ensure that the main operations and financial activities are performed according to the guidelines and that the Company is in compliance with laws and regulations relating to the Company's businesses in all material aspects. Internal Audit Department also serves as a support function of the compliance unit for the group, where non-compliance circumstances or activities will be reported directly to the Audit Committee and the Board. The head of internal audit is Mr. Torpong Muadchaiyaphum, Director of Internal Audit & Risk Management.

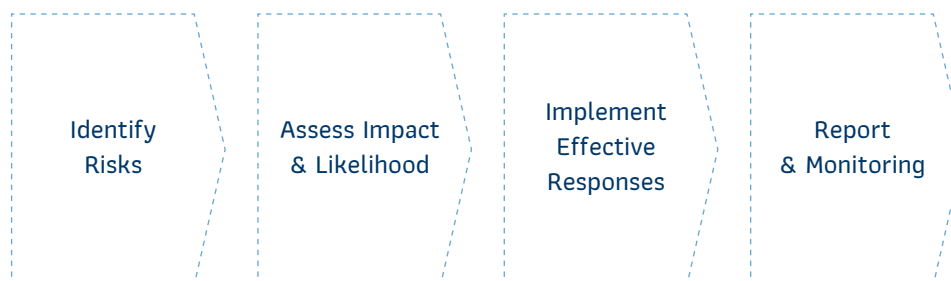
- **Risk Management System**

Certain aspects of its business operation may expose the Company to both internal and external risks. The Company recognizes the importance of controlling these risks and minimizing the possibility of any negative impact to the Company. In assessing risks, every business unit and department has to identify existing and emerging risk factors that may have impact on its business in terms of strategic risk, financial risk, operational risk, IT risk management and compliance risk. The Internal Audit Department acts as a facilitator to support business units and other departments that identified these risk factors in order to put in place proper risk mitigation actions to minimize the negative impacts. The effectiveness of risk mitigations are regularly assessed through various Internal Audit activities. The Company has also a formal risk management policy and procedure in place to support an effective risk management processes. This policy and procedure, which is published on the Company's website (www.minor.com), is adhered to by all business units. The policy covers Risk Governance Structure and Reporting and risk management approach, which involves identifying risk categories, assessing the impact and likelihood of risks materializing, prioritizing the risks using standard risk matrices, implementing appropriate responses to risk (through mitigation, detection, transfer, or termination of risk activities) and monitoring the outcomes.

KEY RISKS

- Strategic Risks
- Operational Risks
- Financial Risks
- Compliance Risks
- Technological Risks
- Environmental Risks

RISK MANAGEMENT APPROACH





Shareholders' Structure and Management

The Board structure consists of the Board of Directors, the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and Risk Management Steering Committee.

Board of Directors

As at 31 December 2018, the Board of Directors comprises 11 directors as follows:

1. Mr. William Ellwood Heinecke

Position	<ul style="list-style-type: none"> Chairman (Appointed 1 September 1978) Group Chief Executive Officer
Age	<ul style="list-style-type: none"> 69 years (Born in 1949)
Educational Credential	<ul style="list-style-type: none"> Honorary Doctoral of Business Administration in Management, Yonok College, Lampang International School of Bangkok Director Certification Program (DCP) Class 64/2005, Thai Institute of Directors Association (IOD)
Other Current Position	<ul style="list-style-type: none"> Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee of Indorama Ventures Pcl. Chairman and Director of Minor International Pcl.'s subsidiaries Director of Pacific Cross International Ltd.
No. of Director Position	<ul style="list-style-type: none"> Listed Company 3 Companies (including 1 Listed Company in Spain) Non-Listed Company 43 Companies
Experience	<ul style="list-style-type: none"> Director of Sermisuk Pcl. Director of S&P Syndicate Pcl. Director of Saatchi & Saatchi Limited Chairman and Managing Director of Ogilvy & Mather (Thailand) Limited
% of Shareholding as of 31 December 2018	<ul style="list-style-type: none"> MINT: 149,797,451 shares or 3.24% of paid up shares MINT: 5,200 shares or 0.00% of paid up shares (Spouse)

2. Khunying Jada Wattanasiritham

Position	<ul style="list-style-type: none"> • Independent Director (Appointed 25 April 2008) • Chairman of the Audit Committee • Chairman of the Compensation Committee • Member of the Nominating and Corporate Governance Committee
Age	<ul style="list-style-type: none"> • 73 years (Born in 1945)
Educational Credential	<ul style="list-style-type: none"> • M.A. in Economic Development, Williams College, Massachusetts, USA • M.A. in Natural Sciences & Economics, Cambridge University, UK • B.A. in Natural Sciences & Economics, Cambridge University, UK • Director Certification Program (DCP) Class 2000, Thai Institute of Directors Association (IOD)
Other Current Position	<ul style="list-style-type: none"> • Chairman of SCB Life Assurance Pcl. • Chairman of Chubb Samaggi Insurance Pcl. • Chairman of Siam Paragon Development Co., Ltd. • Director of Siam Piwat Co., Ltd. • Director of Royal Paragon Enterprise Co., Ltd. • Director and Treasurer of The Thai Red Cross Society
No. of Director Position	<ul style="list-style-type: none"> • Listed Company 1 Company • Non-Listed Company 5 Companies 21 Organizations
Experience	<ul style="list-style-type: none"> • Independent Director, Chairman of the Corporate Social Responsibility Committee and Member of the Nomination, Compensation and Corporate Governance Committee of The Siam Commercial Bank Pcl.
% of Shareholding as of 31 December 2018	<ul style="list-style-type: none"> • MINT: - None -

3. Mr. Charamporn Jotikasthira

Position	<ul style="list-style-type: none"> • Independent Director (Appointed 4 April 2017) • Member of the Audit Committee • Member of the Compensation Committee • Member of the Nominating and Corporate Governance Committee 		
Age	• 61 years (Born in 1957)		
Educational Credential	<ul style="list-style-type: none"> • Master of Business Administration, Harvard University, USA • Bachelor of Electrical Engineering and Computer Science, Massachusetts Institute of Technology, USA • Director Certification Program (DCP) Class 185/2014, Thai Institute of Directors Association (IOD) • The Executive Program of Energy Literacy for a Sustainable Future Class 1/2012, Thailand Energy Academy (TEA) • Director Accreditation Program (DAP) Class 66/2007, Thai Institute of Directors Association (IOD) • National Defence Course for The Joint State Private Sector 2004, The National Defence College of Thailand • Executive Leadership Program Class 11, Capital Market Academy (CMA) 		
Other Current Position	<ul style="list-style-type: none"> • Executive Director of Bangkok Bank Pcl. • Independent Director, Member of the Audit Committee and Chairman of the Risk Management Committee of Singha Estate Pcl. • Director of The Thai Silk Company (Jim Thompson) • Governor of The Stock Exchange of Thailand • Director of Thai Institute of Directors Association • Member of the Chulabhorn Royal Academy Council • Director of Office of the National Strategic Committee • Director of Suksapattana Foundation • Director of Foundation for Research in Information Technology • Member of Finance Committee Srisavarindhira Thai Red Cross Institute of Nursing 		
No. of Director Position	<ul style="list-style-type: none"> • Listed Company • Non-Listed Company 	3 Companies 1 Company 6 Organizations	
Experience	<ul style="list-style-type: none"> • President of Thai Airways International Pcl. • Member of The Financial Institutions Policy Committee (FIPC), Bank of Thailand • Executive Chairman of Electronic Transactions Development Agency • President of The Stock Exchange of Thailand • Chairman of Thailand Securities Depository Co., Ltd. • Chairman of Thailand Clearing House Co., Ltd. • Chairman of Settrade.com Co., Ltd. • Chairman of Family Know How Co., Ltd. • Director of Nok Air Pcl. • Director of Thai Smile Airways Co., Ltd. 		
% of Shareholding as of 31 December 2018	• MINT: - None -		

4. Ms. Suvabha Charoenying

Position	<ul style="list-style-type: none">• Independent Director (Appointed 22 January 2016)• Member of the Audit Committee• Member of the Compensation Committee• Chairman of the Nominating and Corporate Governance Committee									
Age	<ul style="list-style-type: none">• 55 years (Born in 1963)									
Educational Credential	<ul style="list-style-type: none">• Master of Business Administration in Finance and Marketing, Assumption University• Bachelor of Business Administration in Finance and Banking, Assumption University• Families in Business from Generation to Generation Program, Harvard Business School, USA• TLCA Leadership Development Program, IMD Lausanne, Switzerland• Capital Market Academy Leadership Program (Batch 1), Capital Market Academy (CMA)• Strategic Board Master Class (SBM) Class 2/2017, Thai Institute of Directors Association (IOD)• Audit Committee Program (ACP) Class 2011, Thai Institute of Directors Association (IOD)• Certified Financial Planner (CFP) Class 1/2009, Thai Financial Planner Association (TFPA) / Financial Planning Standards Board (FPSB)• Finance for Non-Finance Director (FN) Class 1/2003, Thai Institute of Directors Association (IOD)• Director Certification Program (DCP) Class 1/2000, Thai Institute of Directors Association (IOD)									
Other Current Position	<ul style="list-style-type: none">• Director of SF Corporation Pcl.• Non-Executive Director of TQM Corporation Pcl.• Director of Gourmet Asia Co., Ltd.• Director of Gourmet Enterprise Co., Ltd.• Director of Family Office Co., Ltd.• Vice Chairman of Thai Financial Planner Association (TFPA)									
No. of Director Position	<table><tr><td>• Listed Company</td><td>2</td><td>Companies</td></tr><tr><td>• Non-Listed Company</td><td>4</td><td>Companies</td></tr><tr><td></td><td>1</td><td>Organization</td></tr></table>	• Listed Company	2	Companies	• Non-Listed Company	4	Companies		1	Organization
• Listed Company	2	Companies								
• Non-Listed Company	4	Companies								
	1	Organization								
Experience	<ul style="list-style-type: none">• Director, Executive Director, Senior Executive Advisor and Managing Director of Thanachart Securities Pcl.• Independent Director of Big C Supercenter Pcl.• Independent Director of Humanica Co., Ltd.• Independent Director of T.K.S. Technologies Pcl.• Chief Executive Officer of Schroder Asset Management Ltd.• Executive Director of Securities One Pcl.• Vice President of Morgan Grenfell Thai Company Limited									
% of Shareholding as of 31 December 2018	<ul style="list-style-type: none">• MINT: - None -									

5. Mr. Edward Keith Hubennette

Position	<ul style="list-style-type: none"> Independent Director (Appointed 3 April 2018)
Age	<ul style="list-style-type: none"> 67 years (Born in 1951)
Educational Credential	<ul style="list-style-type: none"> Certificate, Executive Coaching, Cambridge University, UK Diploma, Executive Coaching, Berkeley School for Executive Coaching Haas School of Business University of California, USA Intensive Program in Hotel Management with Specific Focus on Marketing and Branding, Cornell University, New York, USA Diploma, International Finance, Thunder School of Global Management, Phoenix, USA Intensive Program in International Finance, Wharton School Executive Development, Philadelphia, USA
Current Position	<ul style="list-style-type: none"> Managing Director of OPA Associates Trustee of Waterkeeper Alliance Chapter Member of the Board of American Red Cross, San Francisco, USA
No. of Director Position	<ul style="list-style-type: none"> Listed Company 1 Company Non-Listed Company 1 Company
Experience	<ul style="list-style-type: none"> Vice President United Kingdom & Ireland of Marriott Hotels International Vice President Hawaii & South Pacific of Marriott Hotels International – Honolulu, Hawaii Vice President Asia & South Pacific of Marriott Hotels International – Hong Kong
% of Shareholding as of 31 December 2018	<ul style="list-style-type: none"> MINT: - None -

6. Mr. Anil Thadani

Position	<ul style="list-style-type: none"> Director (Appointed 26 June 1998) Member of the Compensation Committee Member of the Nominating and Corporate Governance Committee
Age	<ul style="list-style-type: none"> 72 years (Born in 1946)
Educational Credential	<ul style="list-style-type: none"> Master of Business Administration, University of California, Berkeley, USA Master of Science, University of Wisconsin, Madison, USA
Other Current Position	<ul style="list-style-type: none"> Director of Rajadamri Hotel Pcl. Founder and Chairman of Symphony Asia Holdings Pte. Ltd. and Director of its subsidiaries Founder and Director of Symphony International Holdings Limited (listed on London Stock Exchange) and Director of its subsidiaries Advisor of SMU Committee for Institutional Advancement, Singapore Management University Member of International Institute for Strategic Studies
No. of Director Position	<ul style="list-style-type: none"> Listed Company 2 Companies (including 1 Listed Company in the UK) Non-Listed Company 50 Companies
% of Shareholding as of 31 December 2018	<ul style="list-style-type: none"> MINT: 59,411,662 shares or 1.29% of paid up shares

7. Mr. Thiraphong Chansiri

Position	<ul style="list-style-type: none"> • Director (Appointed 26 August 2013) • Member of the Compensation Committee 		
Age	<ul style="list-style-type: none"> • 53 years (Born in 1965) 		
Educational Credential	<ul style="list-style-type: none"> • Master of Business Administration in Management, University of San Francisco, USA • Bachelor of Business Administration in Marketing, Assumption University • Director Certification Program (DCP) Class 10/2001, Thai Institute of Directors Association (IOD) 		
Other Current Position	<ul style="list-style-type: none"> • President and CEO of Thai Union Group Pcl. and Director of its subsidiaries • Councilor of Thailand Management Association (TMA) • Board of Trustees of Siam Technology College 		
No. of Director Position	<ul style="list-style-type: none"> • Listed Company • Non-Listed Company 	2 32 2	Companies Companies Organizations
% of Shareholding as of 31 December 2018	<ul style="list-style-type: none"> • MINT: - None- • MINT: 14,300 shares or 0.00% of paid up shares (Spouse) 		

8. Mr. Niti Osathanugrah

Position	• Director (Appointed 23 May 2018)
Age	• 45 years (Born in 1973)
Educational Credential	<ul style="list-style-type: none"> • Master of Arts in Economic Law, Chulalongkorn University • Bachelor of Arts in Economic and Political Science, Amherst College, USA • High School, Deerfield Academy, USA • Capital Market Academy (CMA) Class 20, Capital Market Academy • Global Business Leader Batch 1 (GBL1), Lead Business Institute • Executive Development Program Batch 9, Royal Thai Arm Force • Top Executive Program in Commerce and Trade (TEPCoT) Class 11/2018, Commerce Academy • Director Certification Program (DCP) Class 253/2018, Thai Institute of Directors Association (IOD) • Audit Committee Program (ACP) Class 42/2013, Thai Institute of Directors Association (IOD) • Role of Compensation Committee (RCC) Class 13/2011, Thai Institute of Directors Association (IOD) • Director Accreditation Program (DAP) Class 27/2004, Thai Institute of Directors Association (IOD)
Other Current Position	<ul style="list-style-type: none"> • Director, Executive Director and Nomination and Remuneration Committee of Osotspa Pcl. • Director and Managing Director of Bangkok Rinvest Co., Ltd. • Director and Managing Director of Pichaisawat Co., Ltd. • Director of Safety Insurance Pcl. • Director of Osathanugrah Holding Co., Ltd. • Director of Business Risk Management Committee, Domestic Trade Committee, Business Law-Taxation-and Regulation Committee of Thai Chamber of Commerce • Director of Osathanugrah Foundation
No. of Director Position	<ul style="list-style-type: none"> • Listed Company 2 Companies • Non-Listed Company 4 Companies 2 Organizations
Experiences	<ul style="list-style-type: none"> • Risk Management Committee of Osotspa Pcl. • Director, Nomination and Remuneration Committee and Risk Management Committee of Cham Issara Development Pcl.
% of Shareholding as of 31 December 2018	• MINT: 365,954,851 shares or 7.92% of paid up shares

9. Mr. Paul Charles Kenny

Position	• Director (Appointed 29 April 1997)
Age	• 69 years (Born in 1949)
Educational Credential	<ul style="list-style-type: none"> • General Management Program, Ashridge Management College, UK • Director Certificate Program (DCP) Class 28/2003, Thai Institute of Directors Association (IOD)
Other Current Position	• Chief Executive Officer and Director of The Minor Food Group Pcl. and Directors of its subsidiaries
No. of Director Position	<ul style="list-style-type: none"> • Listed Company 2 Companies (including 1 Listed Company in Singapore) • Non-Listed Company 46 Companies
% of Shareholding as of 31 December 2018	• MINT: 10,194,616 shares or 0.22% of paid up shares

10. Mr. Emmanuel Jude Dillipraj Rajakarier

Position	• Director (Appointed 14 November 2008)
Age	• 53 years (Born in 1965)
Educational Credential	<ul style="list-style-type: none"> • Master of Business Administration, UK • Bachelor of Computer Systems Analysis & Design, Sri Lanka • Director Certificate Program (DCP) Class 103/2008, Thai Institute of Directors Association (IOD)
Other Current Position	<ul style="list-style-type: none"> • Chief Operating Officer of Minor International Pcl. • Chief Executive Officer and Director of Minor International Pcl.'s subsidiaries
No. of Director Position	<ul style="list-style-type: none"> • Listed Company 3 Companies (including 1 Listed Company in Sri Lanka and 1 Listed Company in Spain) • Non-Listed Company 69 Companies
Experience	<ul style="list-style-type: none"> • Deputy Chief Financial Officer of Orient-Express Hotels, Trains & Cruises • Group Financial Controller of Easi Solutions Pcl. • Financial Controller of Le Piaf Restaurants • Financial Controller of Desert Express Ltd. T/A Monte's, London, UK • Financial Controller/Group Accountant of London Wine Bars Ltd.
% of Shareholding as of 31 December 2018	• MINT: 9,100,305 shares or 0.20% of paid up shares

11. Mr. John Scott Heinecke

Position	<ul style="list-style-type: none">• Director (Appointed 11 November 2013)									
Age	<ul style="list-style-type: none">• 47 years (Born in 1971)									
Educational Credential	<ul style="list-style-type: none">• B.A. in International Business, Washington State University, Pullman, WA, USA• B.A. in Marketing, Washington State University, Pullman, WA, USA• Director Certificate Program (DCP) Class 47/2004, Thai Institute of Directors Association (IOD)									
Other Current Position	<ul style="list-style-type: none">• Chief Operating Officer – Hot Chain of The Minor Food Group Pcl.• Director, Member of Executive Committee and Member of Risk Management Committee of S&P Syndicate Pcl.• Director of Christiani & Neilsen (Thai) Pcl.• Director and Management of Minor International Pcl.'s subsidiaries• Trustee of International School Bangkok									
No. of Director Position	<table><tr><td>• Listed Company</td><td>3</td><td>Companies</td></tr><tr><td>• Non-Listed Company</td><td>7</td><td>Companies</td></tr><tr><td></td><td>1</td><td>Organization</td></tr></table>	• Listed Company	3	Companies	• Non-Listed Company	7	Companies		1	Organization
• Listed Company	3	Companies								
• Non-Listed Company	7	Companies								
	1	Organization								
Experience	<ul style="list-style-type: none">• Vice President of The Minor Food Group Pcl.• General Manager of SLRT Limited• Director of Global Sourcing of The Minor Food Group Pcl.• General Manager of Burger (Thailand) Ltd.• Operations Manager of Burger (Thailand) Ltd.• Business Development Manager, Fountain Division of Coca-Cola North America, USA									
% of Shareholding as of 31 December 2018	<ul style="list-style-type: none">• MINT: 3,165,848 shares or 0.07% of paid up shares									

The Board of Directors is responsible for setting policy, planning, controlling, and making decision about the Company's operations and new business investments, except those required by law to be passed by resolution from a shareholders meeting.

1. selecting, evaluating and compensating the CEO and overseeing CEO succession planning;
2. providing counsel and oversight on the selection, evaluation, development and compensation of directors;
3. reviewing, monitoring and, where appropriate, approving fundamental financial and business strategies and major corporate actions to attain the Company's objectives;
4. assessing major risks facing the Company and reviewing options for their mitigation;
5. ensuring processes are in place for maintaining the integrity of the Company - the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with customers and suppliers, and the integrity of relationships with other stakeholders;
6. ensuring processes are in place for preventing and mitigating conflicts of interest for the best interest of the Company and its shareholders;
7. ensuring processes are in place for effective good governance, risk management, internal controls, and compliance;
8. ensuring compliance with applicable laws including the Public Company Act, Securities and Exchange Act, Intellectual Property Act, and any other applicable laws, rules, and related regulations.

The key matters reserved for the Board's approval include the annual business plan and budget, dividend policy, business continuity plan, new issues of securities, business restructuring, expenditures above a certain limit, disposals of significant fixed assets and acquisitions or disposals of companies within the Group, etc.

Roles of the Chairman of the Board

The Board approved the stated responsibilities of Chairman of the Board and Chief Executive Officer in order to avoid the unlimited power of approval during business operation.

The Chairman of the Board is responsible for the management, the development and the effective performance of the Board of Directors, and provides leadership to the Board for all aspects of the Board's work including:

1. Oversee, monitor, and ensure that the board efficiently carries out its duties to achieve the Company's objectives.
2. Ensure that all directors contribute to the Company's ethical culture and good corporate governance.
3. Plans and organizes all of the activities of the Board of Directors including the preparation for, and the conduct of, Board meetings, timeliness of the information that goes to Board members, setting agenda of the meeting, ensuring that every meeting proceeds properly.
4. Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company.
5. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.
6. Chairs annual and special meetings of the shareholders.

Whenever the Chairman has vested interests on any agenda item, the Chairman has to excuse from that agenda. To ensure the balance of power and authority of the board and between the board and management, the board appointed the Chairman of Audit Committee to participate in setting the board meeting agenda.

Corporate Secretary: Ms. Saranya Soontaros

Educational Credential	<ul style="list-style-type: none"> • Master of Business Administration, Loyola University Chicago, USA • Bachelor of Business Administration, Kasetsart University • Director Certificate Program (DCP) Class 240/2017, Thai Institute of Directors Association (IOD) • Company Secretary Program (CSP) Class 49/2013, Thai Institute of Directors Association (IOD) • Fundamental Practice for Corporate Secretary (FPCS) Class 25/2012, Thai Listed Companies Association (TLCA)
Experience	<ul style="list-style-type: none"> • Assistant Vice President, Investor Relations, Corporate Planning Office of AEON Thana Sinsap (Thailand) Pcl.

Moreover, in 2018, she attended Thailand's 9th National Conference on Collective Action Against Corruption "Disrupting Corruption" conducted by Thailand's Private Sector Collective Action Coalition against Corruption (CAC) and Thai Institute of Directors Association (IOD) on 11 October 2018.

Audit Committee

As at 31 December 2018, the Audit Committee comprises 3 directors as follows:

- | | |
|-----------------------------------|-----------------------------------|
| 1. Khunying Jada Watthanasiritham | Chairman and Independent Director |
| 2. Mr. Charamporn Jotikasthira | Member and Independent Director |
| 3. Ms. Suvabha Charoenying | Member and Independent Director |

All Audit Committee members have knowledge and expertise in accounting with experience in reviewing financial statements.

Audit Committee members term of service is 3 years and can be re-appointed after the term of service ends.

Audit Committee Scope of Responsibilities

1. To meet, review and discuss with management and the independent auditors the annual audited financial statements and quarterly financial statements, including the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and any other matters required to be reviewed under applicable legal and regulatory provisions.
2. To discuss with management and the independent auditor, as appropriate, earnings press releases and financial information and earnings guidance provided to analysts and to rating agencies.
3. To select and make a recommendation on the appointment, re-appointment and removal of the independent auditor to examine the Company's accounts, controls and financial statements. The Committee shall have the authority and responsibility to select, evaluate, compensate and oversee the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audits, review or attest services for the Company (including resolution of disagreements between management and the auditor regarding financial reporting). The independent auditor and each such registered public accounting firm will report directly to the Committee. The Committee shall have the authority to pre-approve all audit engagement fees and terms and the Committee must pre-approve any audit and non-audit service provided to the Company by the Company's independent auditor. The Committee shall recommend the Board to propose to shareholders to appoint the Company's independent auditor and approve their audit fees at the Annual General Meeting.
4. To discuss with management and the independent auditor, as appropriate, any audit problems or difficulties and management's response, and the Company's risk assessment and risk management policies, including the Company's major financial risk exposure and steps taken by management to monitor and mitigate such exposure.
5. To review the Company's financial reporting and accounting standards and principles, significant changes in such standards or principles or in their application and the key accounting decisions affecting the Company's financial statements, including alternatives to, and the rationale for, the decisions made.

6. To review and approve the internal corporate audit staff functions, including:
 - purpose, authority and organizational reporting lines
 - annual audit plan, budget and staffing
 - concurrence in the appointment, compensation and rotation of the department head corporate audit staff
7. To review with the Chief Financial Officer, the Department Head-Corporate Audit, or others as the Committee deems appropriate, the Company's internal system of audit and financial controls and the results of internal audits.
8. To obtain and review at least annually a formal written report from the independent auditor delineating: the auditing firm's internal quality-control procedures; the auditing firm's independence; and any material issues raised within the preceding five years by the auditing firm's internal quality-control reviews, by peer reviews of the firm, or by any governmental or other inquiry or investigation relating to any audit conducted by the firm. The Committee will also review steps taken by the auditing firm to address any findings in any of the foregoing reviews. Also, in order to assess auditor independence, the Committee will review at least annually for all relationships between the independent auditor and the Company.
9. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
10. To set policies for the hiring of employees or former employees of the Company's independent auditor.
11. To review and investigate any matters pertaining to the integrity of management, including conflicts of interest, adherence to standards of business conduct as required in the policies of the Company. This should include regular reviews of the compliance processes. In connection with these reviews, the Committee will meet, as deemed appropriate, with the general counsel and other Company officers or employees.
12. To establish and oversee procedures for the receipt, retention and treatment of complaints on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Company employees of concerns regarding questionable accounting or auditing matters.
13. To resolve any conflicts of interest involving a Director, the CEO or Senior Management.
14. To review and approve or ratify any transaction between the Company and a related person, which is required to be disclosed under the rules of the Securities and Exchange Commission.
15. To prepare and publish an Annual Committee Report in the Company's Annual Report. Such Audit Committee's report shall consist of at least the following information:
 - an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - an opinion on the adequacy of the Company's internal control system,
 - an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - an opinion on the suitability of an auditor,
 - an opinion on the transactions that may lead to conflicts of interests,
 - the number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
16. To report the following matters which may materially affect the Company's financial conditions to the Board of Directors:
 - a transaction which causes a conflict of interest;
 - any fraud, irregularity, or material defect in an internal control system; or
 - an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.
17. To perform any other duties as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

For more information, please see the Audit Committee Charter, presented on the Company's website (www.minor.com).

Definition of Independent Directors

The Board of Directors has sought to prescribe the definition of the "Independent Director" which is more stringent than the definition imposed by The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET) as follows:

1. Holding shares of not more than 0.5% of paid up capital of the company, parent company, subsidiaries, associates, major shareholders or the company controlling person. The number of held shares shall be inclusive of shares held by any related persons of independent director.
2. Not being or formerly an executive director, employee, staff member, advisor who receives a regular salary or being a controlling person of the company, parent company, subsidiaries, associates, subsidiaries which have the same parent company, major shareholder or the company controlling person except where such relationship was in excess of a period of two years before appointment as an independent director.
3. Not being a person who is related by blood or registration under laws, including mother, father, spouses, sibling and children and spouse of children of other directors, management, major shareholder, controlling person or a person to be nominated as director, management or controlling person of the company or subsidiaries.
4. Not having or formerly had a business relationship with the company, parent company, subsidiaries, associates, major shareholders or the company controlling person which may compromise independence. In addition, independent directors may not be or formerly was a significant shareholder, or controlling person who had a business relationship with the company, parent company, subsidiaries, associates, or major shareholder or the company controlling person, except where such relationship was in excess of a period of two years before appointment as an independent director. The relationships mentioned in the first paragraph include normal business transactions, transactions regarding rental or lease of immovable assets, transactions related to assets and services, transactions regarding financial assistance including lending, borrowing, guarantees, or providing assets to pledge or mortgage loans or any other similar action, which have transaction values higher than 3% of net tangible assets or Baht 20 million, whichever is lower. The calculation will include the transaction value taking place with the same person who has business relationship during 12 months period prior to the day of the decision to enter into the transaction and will be subject to the Capital Market Advisory Board Re: Rules on Connected Transactions.
5. Not being or formerly an independent auditor of the company, parent company, subsidiaries, associates, major shareholders, or the company controlling person, and not being a significant shareholder, controlling person or partner of the audit firm which has provided independent auditor services to the company, parent company, subsidiaries, associates, major shareholder or the company controlling person except where such relationship was prior to a two years period before appointment as an independent director.
6. Not being or formerly providing professional services including legal advice, financial advice which received a service fee higher than Baht two million per year from the company, parent company, subsidiaries, associates, major shareholder or the company controlling person and not being a significant shareholder, controlling person or partner of the independent service provider except such relationship was in excess of a period of two years before the appointment as an independent director.
7. Not being a director who was appointed as a representative of a director of the company, major shareholder or shareholder who is related to the major shareholder of the company.
8. Not provide the same services as the company and not being competitors of the company and subsidiaries or not being a significant partner in partnership or being an executive director, staff, employee, consultant who receives regular payroll, or holding over 1% of voting rights of other company which operates the same business and compete with the company and subsidiaries.
9. Not having any other conflicts that prevent independent directors from giving independent opinions to the company.

Compensation Committee

As at 31 December 2018, the Compensation Committee comprises 5 directors as follows:

- | | |
|----------------------------------|----------|
| 1. Khunying Jada Wattanasiritham | Chairman |
| 2. Mr. Anil Thadani | Member |
| 3. Mr. Charamporn Jotikasthira | Member |
| 4. Ms. Suvabha Charoenying | Member |
| 5. Mr. Thiraphong Chansiri | Member |

Compensation Committee Scope of Responsibilities

1. To assist the Board in developing and evaluating potential candidates for senior executive positions, including the Chief Executive Officer, and to oversee the development of executive succession plans.
2. To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Chief Executive Officer. The Committee shall evaluate at least once a year the Chief Executive Officer's performance in light of these established goals and objectives and based upon these evaluations shall set the Chief Executive Officer's annual compensation, including salary, bonus and equity and non-equity incentive compensation.
3. To review and approve on an annual basis the evaluation process and compensation structure for the Company's senior executive officers. The Committee shall evaluate the performance of the Company's senior executive officers and shall approve the annual compensation, including salary, bonus and equity and non-equity incentive compensation, for such senior executive officers, based on initial recommendations from the CEO. The Committee shall also provide oversight of management's decisions concerning the performance and compensation of the Company officers.
4. To review the Company's equity incentive compensation and other stock-based plans and recommend changes in such plans to the Board as needed. The Committee shall have and shall exercise all the authority of the Board of Directors with respect to the administration of such plans.
5. To maintain regular contact with the leadership of the Company. This should include interaction with the Company's leadership development activities, review of data from employee surveys and regular review of the results of the annual leadership evaluation process.
6. To review and discuss with management the Company's Compensation Discussion and Analysis (CD&A) and to recommend to the Board that CD&A be included in the Company's annual report and proxy statement.

For more information, please see the Compensation Committee Charter, presented on the Company's website (www.minor.com).

Nominating and Corporate Governance Committee

As at 31 December 2018, the Nominating and Corporate Governance Committee comprises 4 directors as follows:

- | | |
|----------------------------------|----------|
| 1. Ms. Suvabha Charoenying | Chairman |
| 2. Khunying Jada Wattanasiritham | Member |
| 3. Mr. Anil Thadani | Member |
| 4. Mr. Charamporn Jotikasthira | Member |

Nominating and Corporate Governance Committee Scope of Responsibilities

1. To lead the search for individuals qualified to become members of the Board of Directors and to select director nominees to be presented for shareholder approval at the annual meeting. The Committee shall select individuals as director nominees who shall have the highest personal and professional integrity, who shall have demonstrated exceptional ability and judgment and who shall be most effective, in conjunction with the other director nominees and serving directors, in collectively serving the long-term interests of the shareholders.
2. To develop, and to recommend to the Board of Directors for its approval, qualifications for director candidates, and to periodically review these qualifications.

3. To review the Board of Directors' Committee structure and to recommend to the Board for its approval of directors to serve as members of each Committee, and as Committee Chairs. The Committee shall review and recommend Committee slates annually and shall recommend additional Committee members to fill vacancies as needed.
4. To develop and recommend to the Board of Directors for its approval of a set of corporate governance principles. The Committee shall review the principles on an annual basis, or more frequently if appropriate, and recommend changes as necessary.
5. To develop and recommend to the Board of Directors for its approval of an annual self-evaluation process of the Board and its Committees. The Committee shall oversee the annual self-evaluations.
6. To review on an annual basis director compensation and benefits and recommend changes to the Board as necessary.

For more information, please see the Nominating and Corporate Governance Committee Charter, presented on the Company's website (www.minor.com).

Risk Management Steering Committee

Risk Management Steering Committee comprised of the CEO, Head of each Business Unit, Chief People Officer, Corporate Chief Financial Officer, Chief Operating Officer, Head of Internal Audit and Risk Management. The Committee reports directly to the Audit Committee.

Risk Management Steering Committee Scope of Responsibilities

The Steering Committee has the responsibility of reviewing overall implementation of risk management across the group to assure that key risks are identified and are effectively managed.

For more information, please see Risk Management Policy, prescribed in the Company's website (www.minor.com).

Executive Management

As at 31 December 2018, 7 Managements are as follows:

- | | |
|---------------------------------|---|
| 1. Mr. William Ellwood Heinecke | Chairman and Group Chief Executive Officer |
| 2. Mr. Brian James Delaney | Corporate Chief Financial Officer |
| 3. Mr. Chaiyapat Paitoon | Deputy Corporate Chief Financial Officer & Strategic Planning |
| 4. Mr. Kosin Chantikul | Senior Vice President of Investment & Acquisitions |
| 5. Ms. Somsri Rachdaponkul | Vice President of Corporate Finance & Corporate Secretary |
| 6. Mr. Supasith Xanasongkram | Vice President of Legal |
| 7. Mrs. Jutatip Adulbhan | Vice President of Investor Relations |

Scope of CEO's Responsibilities

CEO has the authority to operate normal business of the Company except for the following businesses which needed the approval from the Board of Directors or shareholders (if any):

1. The authorities as prescribed in internal power of attorney
2. The amendment of the Company Article of Association
3. Acquisition, segregation or change the form of the Company's business
4. Dissolution of the Company
5. Increase, decrease or transfer share capital of the Company
6. The commencement of new business or dissolution the existing business
7. Remove director and appoint a director in replacement
8. The approval of annual budget

In the normal business of the Company, CEO has no authority to approve the transaction which CEO or the connected persons are conflict, having interest or conflict of interest.

In general transaction, the resolution of Board of Directors Meeting No. 16/1998 on 13 August 1998 which the independent directors attended the meeting had prescribed the authorities and did the power of attorney to CEO or other persons to act on behalf of by business unit and value of the transaction.

The Board of Directors Meeting No. 10/2005 on 24 August 2005 had approved the policy on delegation of the Board of Directors authorities and conflict of interest which are:

The Board of Directors shall not approve to authorize CEO of any person who has any conflict of interest with the Company or any of its subsidiaries of the Company to

1. Enter, approve or make decisions to enter in transactions including, but not limited to appointing the sub-authorized person who has a conflict of interest in such transaction, or
2. Has a personal conflict of interest in that transaction, or
3. Enter into any transaction which not in the ordinary course of business with the person other than on terms and conditions as favorable to the Company at the time as in a comparable arm's length transaction.

Biography of Mr. William Ellwood Heinecke is presented under "Board of Directors" section. The biographies of the remaining 6 executive managements are presented as follows:

1. Mr. Brian James Delaney

Position	• Corporate Chief Financial Officer
Age	• 42 years (Born in 1976)
Educational Credential	<ul style="list-style-type: none"> • C.A., Accounting, Institute of Chartered Accountants, Ireland • Master of Accounting, Accounting, UCD Michael Smurfit Graduate Business School, Dublin, Ireland • Bachelor of Business Studies, Accounting, Institute of Technology Tallaght, Ireland • Director Certification Program (DCP) Class 235/2017, Thai Institute of Directors Association (IOD)
Other Current Position	• Director of Minor International Pcl.'s subsidiaries
No. of Director Position	<ul style="list-style-type: none"> • Listed Company - Company • Non-Listed Company 1 Company
Experience	<ul style="list-style-type: none"> • Chief Financial Officer of Minor Hotel Group • Chief Financial Officer of Oaks Hotels & Resorts, QLD, Australia • Head of Fund Accounting of AMP Capital, Sydney, Australia
% of Shareholding as of 31 December 2018	• MINT: 191,427 shares or 0.00% of paid up shares

2. Mr. Chaipapat Paitoon

Position	• Deputy Corporate Chief Financial Officer & Strategic Planning
Age	• 47 years (Born in 1971)
Educational Credential	<ul style="list-style-type: none"> • M.B.A., Finance and International Business, University of Notre Dame, Indiana, USA • Bachelor of Accountancy, Chulalongkorn University • Chief Financial Officer Certification Program Class 20/2016, Federation of Accounting Professions (FAP) • TLCA Executive Development Program (EDP) Class 12/2013, The Stock Exchange of Thailand, Thai Listed Companies Association, and Capital Market Academy • Director Certification Program (DCP) Class 176/2013, Thai Institute of Directors Association (IOD)
Other Current Position	• Director of Minor International Pcl.'s subsidiaries
No. of Director Position	<ul style="list-style-type: none"> • Listed Company - Company • Non-Listed Company 12 Companies
Experience	<ul style="list-style-type: none"> • Senior Vice President-Division Head-Investor Relations; and Division Head-Equity Investment Management of The Siam Commercial Bank Pcl. • Investment Representative of Morgan Stanley
% of Shareholding as of 31 December 2018	• MINT: 552,882 shares or 0.01% of paid up shares

3. Mr. Kosin Chantikul

Position	• Senior Vice President of Investment & Acquisitions
Age	• 36 years (Born in 1982)
Educational Credential	<ul style="list-style-type: none"> • Bachelor of Arts in Economics, Wesleyan University, USA • Director Certification Program (DCP) Class 192/2014, Thai Institute of Directors Association (IOD)
Other Current Position	• Director of Minor International Pcl.'s subsidiaries
No. of Director Position	<ul style="list-style-type: none"> • Listed Company - Company • Non-Listed Company 7 Companies
Experience	<ul style="list-style-type: none"> • Investment Director of Boutique Asset Management • Associate of Nomura Asia Asset Finance • Associate of Lehman Brothers Principal Transactions Group • Analyst of Lehman Brothers Real Estate Private Equity
% of Shareholding as of 31 December 2018	• MINT: 103,552 shares or 0.00% of paid up shares

4. Ms. Somsri Ruchdaponkul

Position	• Vice President of Corporate Finance & Corporate Secretary
Age	• 54 years (Born in 1964)
Educational Credential	<ul style="list-style-type: none"> • M.B.A. in Accounting, University of The Thai Chamber of Commerce • Bachelor of Accountancy, Bangkok University • Top Executive Program in Commerce and Trade (TEPCoT) Class 11/2018, Commerce Academy • Capital Market Academy's Senior Executive Program (CMA) Class 23/2016, Capital Market Academy • Director Certification Program (DCP) Class 179/2013, Thai Institute of Director Association (IOD) • TLCA Executive Development Program (EDP) Class 7/2011, The Stock Exchange of Thailand, Thai Listed Companies Association (TLCA) • Chief Financial Officer Certification Program Class 10/2009, Federation of Accounting Professions
Other Current Position	<ul style="list-style-type: none"> • Director of Minor International Pcl.'s subsidiaries • Committee of Thai Company Secretary Club, Thai Listed Companies Association • Committee and the Treasurer of The Thai Asian Elephant Anantara Foundation • Committee and the Treasurer of The Minor Foundation
No. of Director Position	<ul style="list-style-type: none"> • Listed Company - Company • Non-Listed Company 1 Company 3 Organizations
Experience	<ul style="list-style-type: none"> • Senior Finance Manager of Central Pattana Pcl. • Accounting Manager of Ericsson Thai Network Limited • Accounting Manager of Siam Steel Group Pcl.
% of Shareholding as of 31 December 2018	• MINT: 523,132 shares or 0.01% of paid up shares

5. Mr. Supasith Xanasongkram

Position	• Vice President of Legal
Age	• 52 years (Born in 1966)
Educational Credential	<ul style="list-style-type: none"> • Diploma in International Law, University College London, University of London, UK • Diploma in Intellectual, Property Queen Mary and Westfield College, University of London, UK • Bachelor of Laws, Thammasat University
Other Current Position	• Director of Minor International Pcl.'s subsidiaries
No. of Director Position	<ul style="list-style-type: none"> • Listed Company - Company • Non-Listed Company 7 Companies
Experience	<ul style="list-style-type: none"> • Senior Vice President of Hutchison CAT Wireless Multimedia Ltd. • Legal Associate of Freshfields Bruckhaus Deringer
% of Shareholding as of 31 December 2018	• MINT: 204,729 shares or 0.00% of paid up shares

6. Mrs. Jutatip Adulbhan

Position	<ul style="list-style-type: none"> Vice President of Investor Relations
Age	<ul style="list-style-type: none"> 46 years (Born in 1972)
Educational Credential	<ul style="list-style-type: none"> M.B.A. Finance, Management and Strategy, Kellogg School of Management, Northwestern University, USA Bachelor of Business Administration, Banking and Finance, Chulalongkorn University TLCA Executive Development Program (EDP) Class of Year 2018, The Stock Exchange of Thailand, Thai Listed Companies Association, and Capital Market Academy Role of the Compensation Committee Program Class 7/2008, Thai Institute of Directors Association (IOD) Company Secretary Program Class 20/2006, Thai Institute of Director Association (IOD)
No. of Director Position	<ul style="list-style-type: none"> Listed Company - Company Non-Listed Company 2 Companies
Experience	<ul style="list-style-type: none"> Department Manager, Company Secretary and Investor Relations of Bumrungrad Hospital Pcl. Director, Office of the Chairman of GMM Grammy Pcl. Associate, Investment Banking of ING Securities (Thailand) Limited
% of Shareholding as of 31 December 2018	<ul style="list-style-type: none"> MINT: 119,656 shares or 0.00% of paid up shares

Number of Corporate Securities Held by Directors and Executive Management as of 31 December 2018

No.	Name	Title	No. of Securities Held			
			at 31 December 2017	Increase/ [Decrease]	at 31 December 2018	Percentage of Shares Held [%]
1.	Mr. William Ellwood Heinecke	Chairman and Group CEO	149,585,748	211,703	149,797,451	3.24%
	Spouse and minor children		5,200	0	5,200	0.00%
2.	Khunying Jada Wattanasiritham	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	-
3.	Mr. Charnporn Jotikasthira	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	-
4.	Ms. Suvabha Charoenying	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	-
5.	Mr. Edward Keith Hubennette*	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	-
6.	Mr. Anil Thadani	Director	59,411,662	0	59,411,662	1.29%
	Spouse and minor children		-	-	-	-
7.	Mr. Thiraphong Chansiri	Director	-	-	-	-
	Spouse and minor children		14,300	0	14,300	0.00%
8.	Mr. Niti Osathanugrah**	Director	365,954,851	0	365,954,851	7.92%
	Spouse and minor children		-	-	-	-
9.	Mr. Paul Charles Kenny	Director	9,976,979	217,637	10,194,616	0.22%
	Spouse and minor children		-	-	-	-
10.	Mr. Emmanuel Jude Dillipraj Rajakarier	Director	6,142,061	2,958,244	9,100,305	0.20%
	Spouse and minor children		-	-	-	-

No.	Name	Title	No. of Securities Held			
			at 31 December 2017	Increase/ [Decrease]	at 31 December 2018	Percentage of Shares Held [%]
11.	Mr. John Scott Heinecke	Director	3,050,308	115,540	3,165,848	0.07%
	Spouse and minor children		-	-	-	-
12.	Mr. Brian James Delaney	Corporate Chief Financial Officer	135,261	56,166	191,427	0.00%
	Spouse and minor children		-	-	-	-
13.	Mr. Chaiyapat Paitoon	Deputy Corporate Chief Financial Officer & Strategic Planning	444,919	107,963	552,882	0.01%
	Spouse and minor children		-	-	-	-
14.	Mr. Kosin Chantikul	SVP of Investment & Acquisitions	70,972	32,580	103,552	0.00%
	Spouse and minor children		-	-	-	-
15.	Ms. Somsri Ruchdaponkul	VP of Corporate Finance & Corporate Secretary	445,918	77,214	523,132	0.01%
	Spouse and minor children		-	-	-	-
16.	Mr. Supasith Xanasongkram	VP of Legal	160,972	43,757	204,729	0.00%
	Spouse and minor children		-	-	-	-
17.	Mrs. Jutatip Adulbhan	VP of Investor Relations	90,760	28,896	119,656	0.00%
	Spouse and minor children		-	-	-	-

* Appointed on 3 April 2018.

** Appointed on 23 May 2018.

Top 10 Major Shareholders as of 31 January 2019

Name of Shareholders	Number of Shares	Proportion of Shareholding
1. Group of Mr. William Ellwood Heinecke ¹	1,539,734,745	33%
1.1 Mr. William Ellwood Heinecke	149,818,351	3%
1.2 Minor Holding (Thai) Limited	727,767,680	16%
1.3 Mrs. Kathleen Ann Heinecke	5,200	0%
1.4 Heinecke Foundation	630,031	0%
1.5 Zall Holdings Limited	617,396,500	13%
1.6 Minor BKH Limited	44,116,983	1%
2. Thai NVDR Co., Ltd.	444,930,785	10%
3. Mr. Niti Osathanugrah	365,954,851	8%
4. South East Asia UK (Type C) Nominees Limited	153,788,048	3%
5. Bank J. Safra Sarasin Ltd. Singapore Branch	137,315,166	3%
6. Social Security Office	118,137,319	3%
7. UBS AG Singapore Branch	112,650,183	2%
8. State Street Europe Limited	87,810,727	2%
9. Administrative Account	84,628,115	2%
10. Bank of Singapore Limited	44,537,460	1%

Source: The Thailand Securities Depository Co., Ltd.

Remark: ¹ This list of shareholder is grouped under the Notification of SEC Kor Chor 17/2551 dated 15 December 2008, not Section 258 of the Public Limited Companies Act, B.E. 2535 (1992) (including any amendment thereof).



Dividend Policy

With regards to dividend payment, the Company and subsidiaries have the policy to take into consideration potential growth of the companies' performance, investment plans, business expansion, and terms and conditions of loans and debentures of the Company and its subsidiaries, as well as the necessity and appropriateness to enhance shareholders' value in the long term. The Company and subsidiaries do not have a fixed dividend payout ratio, and therefore the dividend payment is considered based on their financial performance in each year.

In 2018, the Company paid dividend for the 2017 performance in view of cash dividend in the amount of Baht 0.40 per share which is equivalent to dividend payout ratio of 32.81% of the consolidated net profit.



Subsidiaries, Associates, and Joint Ventures

Minor Hotels

Country of Incorporation and Nature of Business are advised in Note No. 14 of the Company's Financial Statement.

Company	Number of Issued Shares [Shares]	Held by	% Held
1. Chao Phaya Resort Limited	12,000,000	MINT	81.2%
2. Hua Hin Resort Limited ("HHR")	2,000,000	MINT	100.0%
3. MHG Npark Development Company Limited	10,000,000	HHR	50.0%*
4. Layan Bang Tao Development Co., Ltd.	500,000	HHR	50.0%
Included shares held by PBCO			
5. Maerim Terrace Resort Limited	3,000,000	MINT	45.3%
6. Samui Resort and Spa Limited	100,000	MINT	100.0%
7. Rajadamri Hotel Public Company Limited	45,000,000	MINT	99.2%
8. MI Squared Limited ("MI")	100,000	MINT	100.0%
9. Hua Hin Village Limited	3,500,000	MINT	100.0%
10. Baan Boran Chiangrai Limited ("BBC")	1,650,000	MINT	100.0%
11. H&A Park Co., Ltd.	4,000,000	BBC	50.0%
12. Samui Village Limited ("SVL")	375,000	MINT	100.0%
13. Coco Palm Hotel & Resort Limited	1,730,000	MINT	100.0%
14. Coco Recreation Limited	10,000	MINT	100.0%
15. Samui Beach Club Owner Limited	10,000	MINT	100.0%
16. Royal Garden Plaza Limited ("RGP")	750,000	MINT	100.0%
17. NYE and RGP Development Co., Ltd.	100,000	RGP	40.0%*
18. MSpa International Limited ("MST")	410,000	MINT	100.0%
19. Samui Beach Residence Limited ("SBR")	10,000	MINT	100.0%
20. Layan Hill Residence Co., Ltd.	500,000	SBR	50.0%
Included shares held by PBCO			

* shown as interest portion

Company	Number of Issued Shares [Shares]	Held by	% Held
21. Coco Residence Limited	10,000	MINT	100.0%
22. Minor Hotel Group Limited ("MHG")	1,079,307	MINT	100.0%
Included shares held by MGS			
23. Minor Supply Chain Solutions Limited	262,515	MINT	100.0%
24. Minor Global Solutions Limited ("MGS")	500,000	MINT	100.0%
25. Chao Phaya Resort and Residence Limited	10,000	MINT	100.0%
26. RGR International Limited ("RGRI")	100,000	MINT	100.0%
27. Eutopia Private Holding Limited	1,000,000	RGRI	50.0%*
28. Harbour View Corporation Limited	8,383,476	RGRI	30.4%*
29. R.G.E. (HKG) Limited	100,000	MINT	100.0%
30. M & H Management Limited	1,000	MINT	100.0%
31. Lodging Investment (Labuan) Limited ("LIL")	1,000	MINT	100.0%
32. Serendib Hotels Pcl.	75,514,738	LIL	25.0%*
33. Minor International (Labuan) Limited	1,000	MINT	100.0%
34. AVC Club Developer Limited	1,000	MINT	100.0%
35. AVC Vacation Club Limited ("AVC V")	1,000	MINT	100.0%
36. Anantara Vacation Club (HK) Limited ("AVC V (HK)")	10,000	AVC V	100.0%
37. Sanya Anantara Consulting Limited	USD 500,000	AVC V (HK)	100.0%
38. Phuket Beach Club Owner Limited ("PBCO")	10,000	MINT	100.0%
39. MHG Phuket Limited	2,443,000	MINT	100.0%
Included shares held by SVL			
40. Minor Sky Rider Limited	70,000	MINT	100.0%
41. S&P Syndicate Public Company Limited	490,408,365	MINT	35.8%*
42. Minor Continental Holding (Mauritius) ("MCHM")	EUR 13,500	MINT	100.0%
43. Minor Continental Holding (Luxembourg) S.A.R.L ("MCHL")	EUR 12,500	MCHM	100.0%
44. Minor Continental (Portugal) SGPS, S.A. ("MCP")	EUR 36,000,000	MCHL	100.0%
45. Pojuca S.A. ("Pojuca")	ordinary shares 91,138,377 preferred shares 68,505,744	MCHL	100.0%
46. Marinoteis S.A. ("Marinoteis")	6,300,000	MCP	100.0%
47. Coimbra Jardim Hotel S.A.	3,650,000	MCP	100.0%
48. Tivoli Gave do Oriente S.A.	500,000	MCP	100.0%
49. Rajadamri Residence Limited ("RRL")	5,000,000	MI	100.0%

* shown as interest portion

Company	Number of Issued Shares [Shares]	Held by	% Held
50. Rajadamri Lodging Limited	300,000	MI	100.0%
51. Star Traveller Limited	10,000	MI	49.0%
52. Zuma Bangkok Limited	160,000	MI	51.0%*
53. Corbin & King Limited**	23,335,391	MI	74.0%
54. Avadina Hills Co., Ltd.	50,000	RRL	50.0%
Included shares held by SBR			
55. Arabian Spas (Dubai) (LLC)	300	MST	49.0%*
56. Hospitality Investment International Limited ("HIIL")	10,000,000	MHG	100.0%
57. MHG International Holding (Singapore) Pte. Ltd. ("MHGIH")	58,569,572	MHG	100.0%
58. MHG International Holding (Mauritius) ("MHGIHM")	1,000	MHG	100.0%
59. MHG Holding Limited	1,000	MHG	100.0%
60. MHG Deep Blue Financing	200,000	MHG	50.0%*
61. Cardamom Tented Camp Co., Ltd.	100,000	MHG	35.0%
62. Lodging Management (Labuan) Limited	1,000	HIIL	100.0%
63. Lodging Management (Mauritius) Limited ("LMM")	1,000	HIIL	100.0%
64. PT Lodging Management (Indonesia) Limited	1,500	HIIL	93.3%
65. Jada Resort and Spa (Private) Limited ("Jada")	412,877,494	HIIL	87.0%
66. Paradise Island Resorts (Private) Limited	6,000,000	Jada	100.0%
67. Kalutara Luxury Hotel and Resort (Private) Limited	193,709,415	Jada	87.0%
68. PH Resort (Private) Ltd.	271,767	HIIL	49.9%*
69. Zanzibar Tourism and Hospitality Investment Limited	2	HIIL	50.0%*
70. Tanzania Tourism and Hospitality Investment Limited	2	HIIL	50.0%*
71. Sothea Pte. Ltd.	1,450	LMM	80.0%
72. Minor Hotel Group South Africa (PTY) Limited	1,000	LMM	100.0%
73. O Plus E Holdings Private Limited	1,050,000	LMM	50.0%*
74. MHG IP Holding (Singapore) Pte. Ltd.	1	MHGIH	100.0%
75. Vietnam Hotel Projekt B.V. ("VHP")	EUR 22,863	MHGIH	100.0%
76. Bai Dai Tourism Company Limited	VND 282,761,507,975	VHP	100.0%
77. Hoi An Riverpark Hotel Company Limited	USD 1,080,000	VHP	91.0%
78. MHG Management (India) Private Limited	10,000	MHGIH	100.0%
79. Rani Minor Holding Limited ("Rani")	50,000,000	MHGIH	25.0%*

* shown as interest portion

** Please see additional companies under MFGS, Oaks, DKL, Nomad, Over Success in Note 14 of the Company's Financial Statement

Company	Number of Issued Shares [Shares]	Held by	% Held
80. MHG Australia Holding Pte. Ltd. ("MHGAH")	1	MHGIH	100.0%
81. MHG Australia Investments Pty, Ltd.	100	MHGAH	100.0%
82. PT Wika Realty Minor Development	260,000	MHGIH	50.0%*
83. MHG GP Pte. Ltd.	5,150,002	MHGIH	50.0%*
84. Plexus Maldives Private Limited	471,600	MHGIH	50.0%
85. MHG Continental Holding (Singapore) Pte. Ltd. ("MHGCHS")	162,000	MHGIH	100.0%
86. NH Hotel Group S.A.**	392,180,243	MHGCHS	94.1%
87. Sands Hotels (Proprietary) Limited	NAD 100	MHGIHM	100.0%
88. Minor Hotel Group Gaborone (Proprietary) Limited ("Gaborone")	500,000	MHGIHM	80.0%
89. Letsatsi Casino (Pty) Ltd.	3,000	Gaborone	80.0%
90. Minor Hotel Group MEA DMCC	50	MHGIHM	100.0%
91. MHG Desaru Hotel Sdn. Bhd.	ordinary shares 7,000,000 redeemable convertible preferred shares 74,000,012	MHGIHM	60.0%
92. MHG Desaru Villas Sdn. Bhd.	ordinary shares 3,000,000 redeemable convertible preferred shares 37,000,008	MHGIHM	60.0%
93. MHG Lesotho (Proprietary) Limited	12,628	MHGIHM	46.9%*
94. MHG Signity Assets Holding (Mauritius) Limited	100,000	MHGIHM	50.0%*
95. Minor Hotels Zambia Limited	50,000	MHGIHM	100.0%

* shown as interest portion

** Please see additional companies under MFGS, Oaks, DKL, Nomad, Over Success in Note 14 of the Company's Financial Statement

Minor Food

Country of Incorporation and Nature of Business are advised in Note No. 14 of the Company's Financial Statement.

Company	Number of Issued Shares [Shares]	Held by	% Held
1. The Minor Food Group Public Company Limited ("MFG")	32,730,684	MINT	99.7%
2. Swensen's (Thai) Limited	1,000,000	MFG	100.0%
3. Minor Cheese Limited	600,000	MFG	100.0%
4. Minor Dairy Limited	600,000	MFG	100.0%
5. Minor DQ Limited	160,000	MFG	100.0%
6. Burger (Thailand) Limited	3,700,000	MFG	97.0%
7. SLRT Limited	4,000,000	MFG	100.0%
8. The Coffee Club (Thailand) Limited	1,220,000	MFG	100.0%
9. Catering Associates Limited	50,000	MFG	51.0%
10. Pecan Deluxe (Thailand) Limited	1,050,000	MFG	49.9%*
11. BTM (Thailand) Ltd.	2,532,614	MFG	50.0%*
12. Select Service Partner Limited ("SSP")	450,000	MFG	51.0%*
13. MSC Thai Cuisine Co., Ltd.	800,000	MFG	43.8%*
14. International Franchise Holding (Labuan) Limited ("IFH")	1,800,000	MFG	100.0%
15. Primacy Investment Limited ("Primacy")	79,972,745	MFG	100.0%
16. The Pizza Company Ltd.	1	MFG	100.0%
17. Art of Baking Co., Ltd.	1,581,002	MFG	99.9%
18. Franchise Investment Corporation of Asia Ltd. ("FICA")	6,494,250	IFH	100.0%
19. Sizzler China Pte. Ltd.	2	IFH	50.0%*
20. The Minor (Beijing) Restaurant Management Co., Ltd.	RMB 135,000,000	FICA	100.0%
21. Delicious Food Holding (Singapore) Pte. Ltd. ("DFHS")	9,201,000	Primacy	100.0%
22. MFG International Holding (Singapore) Pte. Ltd. ("MFGIHS")	72,483,745	Primacy	100.0%
23. Minor Food Group (Singapore) Pte. Ltd. ("MFGS")**	326,086	Primacy	92.0%
24. Liwa Minor Food & Beverage LLC	3,000	Primacy	49.0%*
25. BreadTalk Group Limited	281,890,148	Primacy	14.2%*
26. The Food Theory Group Pte. Ltd. ("Food Theory")	338,000	MFGS	100.0%
27. Ya Hua International Pte. Ltd.	700,000	Food Theory	50.0%*
28. Delicious Food Australia Finance Pty. Ltd.	59,000,100	DFHS	100.0%
29. MHG Hotel Holding Australia Pty. Ltd. ("MHH")	15,300,100	DFHS	100.0%
30. Delicious Food Holding (Australia) Pty. Ltd. ("DFHA")	10	DFHS	100.0%
31. Oaks Hotels & Resorts Limited ("Oaks")**	189,131,898	MHH	100.0%

* shown as interest portion

** Please see additional companies under MFGS, Oaks, DKL, Nomad, Over Success in Note 14 of the Company's Financial Statement

Company	Number of Issued Shares [Shares]	Held by	% Held
32. Minor DKL Food Group Pty. Ltd. ("DKL")**	46,000,000	DFHA	70.0%
33. Nomad Coffee Group Pty. Ltd. ("Nomad")**	13,200,000	DKL	70.0%
34. The Minor Food Group (India) Private Limited	24,077,144	MFGIHS	70.0%
35. Over Success Enterprise Pte. Ltd. ("Over Success")**	10,000	MFGIHS	100.0%
36. Patara Fine Thai Cuisine Limited	13,700,000	MFGIHS	50.0%*
37. The Minor Food Group (Myanmar) Limited	2,000,000	MFGIHS	100.0%
38. Grab Food Ltd.	1,572,500	MFGIHS	70.0%
39. Minor Food (Seychelles) Limited	1,500,000	Primacy	100.0%
40. Benihana Holding Pte. Ltd.	16,560,380	MFGIHS	75.0%

* shown as interest portion

** Please see additional companies under MFGS, Oaks, DKL, Nomad, Over Success in Note 14 of the Company's Financial Statement

Minor Lifestyle

Country of Incorporation and Nature of Business are advised in Note No. 14 of the Company's Financial Statement.

Company	Number of Issued Shares [Shares]	Held by	% Held
1. Minor Corporation Public Company Limited ("MCL")	489,770,722	MINT	99.9%
Included shares held by MFG			
2. Armin Systems Limited	1,100,000	MCL	100.0%
3. NMT Limited	100,000	MCL	100.0%
4. Minor Development Limited	40,000	MCL	100.0%
5. Minor Consultants & Services Limited	700,000	MCL	100.0%
Included shares held by MLL			
6. Minor Lifestyle Limited ("MLL")	350,000	MCL	100.0%
7. Esmido Fashions Limited	13,000,000	MCL	90.8%
8. Minor Fashion Limited	300,000	MCL	100.0%

Corporate Information

Principal Activities

Food and Beverages, Hotel and Mixed-use including Residential Development, Point-Based Vacation Club and Plaza and Entertainment Business, together with Retail Trading.

Registered Office

Company Register Number: 0107536000919
(Previous number: Bor Mor Jor 165)
99 Berli Jucker Building, 16th Floor,
Soi Rubia, Sukhumvit 42 Road, Prakanong Sub District,
Klongtoey District, Bangkok 10110
Tel.: +66 (0) 2365 7500
Fax: +66 (0) 2365 7798-9
Website: <http://www.minor.com>

Share Capital as of 31 December 2018

Registered:

Baht 4,618,914,291 divided to 4,618,914,291
ordinary shares of Baht 1 each

Issued and fully paid:

Baht 4,618,914,291 divided to 4,618,914,291
ordinary shares of Baht 1 each

Company Registrar

Common Share

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand
93 Rachadapisek Road, Dindaeng, Bangkok 10400
Tel.: +66 (0) 2009 9000
Fax: +66 (0) 2009 9991
E-mail: SETContactCenter@set.or.th
Website: <http://www.set.or.th>

Debentures

MINT No. 1/2012 tranche 2

Kasikorn Bank PCL,

Securities Services Department

Head Office Phaholyothin, 11th Floor,
400/22 Phaholyothin Road, Samsaennai,
Phayathai, Bangkok 10400

MINT No. 2/2011 tranche 2,

No. 1/2017, No. 1/2018

Bank of Ayudhya PCL

1222 Rama III Road, Bang Phongphang, Yannawa, Bangkok 10120

MINT No. 1/2014,

No. 1/2015 tranche 1 and 2,

No. 1/2016 tranche 1 and 2,

No. 1/2017 tranche 1 and 2,

No. 1/2018, No. 2/2018

The Siam Commercial Bank PCL

9 Ratchadapisek Road, Chatuchak, Bangkok 10900

MINT No. 1/2018

The Bank of New York Mellon SA/NV, Luxembourg Branch

Vertigo Building – Polaris

2-4 rue Eugène Ruppert

L-2453 Luxembourg

Auditor

PricewaterhouseCoopers ABAS Limited

By Mrs. Anothai Leekitwattana

and/or Mr. Kajornkiet Aroonpirodikul

and/or Mr. Chanchai Chaiprasit

Certified Public Accountant (Thailand)

No. 3442, 3445 and 3760 respectively

15th Floor, Bangkok City Tower

179/74-80 South Sathorn Road, Bangkok 10120

Tel.: +66 (0) 2286 9999

Fax: +66 (0) 2286 5050

Legal Adviser

Siam City Law Offices Limited

20th Floor, Rajanakarn Building

183 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

Tel.: +66 (0) 2676 6667-8

Fax: +66 (0) 2676 6188

Kennedys (Thailand) Ltd.

29th Floor, Sathorn Square Building, Unit 2901-2904

98 North Sathorn Road, Silom, Bangrak, Bangkok 10500

Tel.: +66 (0) 2491 4805

Fax: +66 (0) 2055 0100

