



CENTRAL PLAZA HOTEL
PUBLIC COMPANY LIMITED
ANNUAL REPORT
2013



AWARDS



VIRGIN HOLIDAYS AWARD

1. VIRGIN HOLIDAYS AWARD

- SILVER AWARD: BEST HOTEL — INDIAN OCEAN: CENTARA GRAND ISLAND RESORT & SPA MALDIVES
- BRONZE AWARD: BEST HOTEL — INDIAN OCEAN: CENTARA GRAND BEACH RESORT AND VILLAS KRABI

2. ITG TRAVEL AWARDS

- BEST MEETINGS AND CONVENTIONS HOTEL: CENTARA GRAND & BANGKOK CONVENTION CENTRE AT CENTRALWORLD

3. TRIPADVISOR CERTIFICATION: CERTIFICATE OF EXCELLENCE AWARD

- CENTARA GRAND & BANGKOK CONVENTION CENTRE AT CENTRALWORLD
- CENTARA GRAND AT CENTRAL PLAZA LATPRAO BANGKOK
- CENTARA GRAND BEACH RESORT PHUKET
- CENTARA VILLAS PHUKET
- CENTARA GRAND BEACH RESORT & VILLAS KRABI
- CENTARA GRAND BEACH RESORT SAMUI
- CENTARA VILLAS SAMUI
- CENTARA GRAND MIRAGE BEACH RESORT PATTAYA
- CENTARA GRAND BEACH RESORT & VILLAS HUA HIN
- CENTARA KATA RESORT PHUKET
- CENTARA PATTAYA
- CENTARA NOVA PATTAYA, CENTARA BOUTIQUE COLLECTION
- CENTARA KOH CHANG TROPICANA RESORT
- CENTARA CHAAN TALAY RESORT & VLLAS TRAT
- CENTARA KHUM PHAYA RESORT & SPA, CENTARA BOUTIQUE COLLECTION
- CHEN SEA RESORT & SPA PHU QUOC, CENTARA BOUTIQUE COLLECTION
- CENTARA GRAND ISLAND RESORT & SPA MALDIVES
- CENTARA COCONUT BEACH RESORT SAMUI
- CENTRA ASHLEE HOTEL PATONG
- CENTARA ANDA DHEVI RESORT & SPA KRABI
- WATERFRONT SUITES PHUKET BY CENTARA



TRIPADVISOR CERTIFICATION



SMARTTRAVELASIA.COM AWARD



ITG TRAVEL AWARDS



MATATO MALDIVIAN TOURISM AWARD

4. SMARTTRAVELASIA.COM AWARD

- BEST IN TRAVEL POLL 2013: TOP 25 - BUSINESS HOTELS: CENTARA GRAND & BANGKOK CONVENTION CENTRE AT CENTRALWORLD
- BEST IN TRAVEL POLL 2013: TOP 25 - CONFERENCE HOTELS: CENTARA GRAND & BANGKOK CONVENTION CENTRE AT CENTRALWORLD
- BEST IN TRAVEL POLL 2013: TOP 25 - LEISURE HOTELS & RESORTS: CENTARA GRAND BEACH RESORT SAMUI
- BEST IN TRAVEL POLL 2013: TOP 25 - SPA HOTELS & RESORTS: CENTARA GRAND BEACH RESORT SAMUI
- BEST IN TRAVEL POLL 2013: TOP 25 - LEISURE HOTELS & RESORTS: CENTARA GRAND BEACH RESORT & VILLAS HUA HIN
- BEST IN TRAVEL POLL 2013: TOP 25 - SPA HOTELS & RESORTS: CENTARA GRAND BEACH RESORT & VILLAS HUA HIN

5. THAILAND TOURISM AWARD

- CENTARA GRAND BEACH RESORT & VILLAS HUA HIN

6. MATATO MALDIVIAN TOURISM AWARD

- CENTARA GRAND ISLAND RESORT & SPA MALDIVES

7. THAILAND SPA & WELL-BEING AWARD

- CENTARA GRAND & BANGKOK CONVENTION CENTRE AT CENTRALWORLD
- CENTARA GRAND MIRAGE BEACH RESORT PATTAYA

8. THAILAND ENERGY AWARD

- CENTARA GRAND BEACH RESORT & VILLAS HUA HIN

9. BEST WELLNESS SPA AWARD: ASIA PACIFIC

- CENTARA GRAND BEACH RESORT PHUKET



THAILAND SPA & WELL-BEING AWARD



THAILAND ENERGY AWARD



THAILAND TOURISM AWARD

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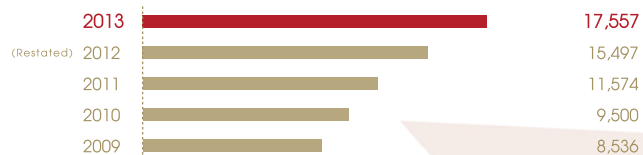
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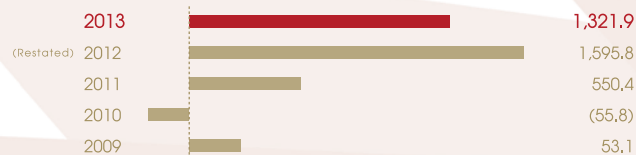
DIRECTORS' REPORT

FINANCIAL HIGHLIGHTS

TOTAL CONSOLIDATED REVENUE (Baht Millions)

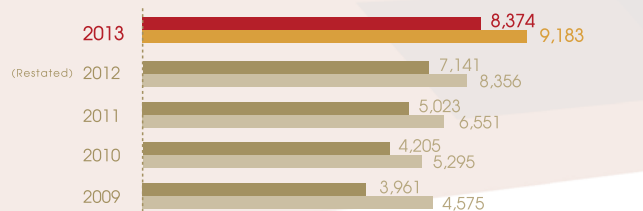


NET PROFIT (LOSS) AFTER TAX (Baht Millions)



2012 Extra - Ordinary gain totaling Baht 579.3 million*
2011, 2010 and 2009 Extra - Ordinary loss totaling Baht 55, 25.2 and 102.7 million respectively.*

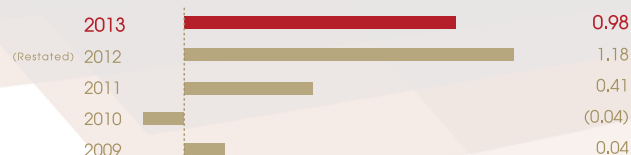
HOTEL AND FOOD REVENUE (Baht Millions)



TOTAL : 17,557

■ HOTEL ■ FOOD

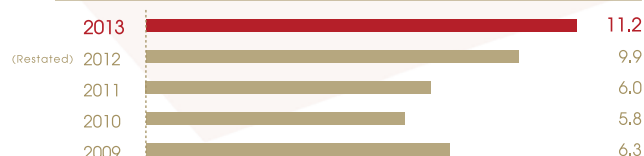
EARNINGS (LOSS) PER SHARE (Baht)



TOTAL CONSOLIDATED ASSETS (Baht Billions)



SHAREHOLDERS EQUITY (Baht Billions)



* Detail As Shown In ANALYSIS AND EXPLANATION OF THE FINANCIAL STATUS and OPERATION RESULT SECTION

Unit : Baht Million

	2013		2012 (Restated)		2011	
	Consolidated	Separated	Consolidated	Separated	Consolidated	Separated
Operating Results						
Revenues from sales	16,981.4	2,204.2	14,389.3	1,989.7	11,163.2	1,524.2
Total revenues	17,557.4	3,618.3	15,496.9	3,210.4	11,574.2	2,489.8
Gross profit	9,451.5	1,306.9	7,849.9	1,154.7	6,039.2	841.6
Earnings before interest expenses and income tax	2,335.8	1,438.2	2,436.2	1,162.2	1,259.7	472.3
Net profit (loss)	1,376.6	1,618.9	941.1	699.2	550.4	130.1
Financial Position						
Total assets	29,211.9	15,927.3	28,149.1	16,414.4	22,202.3	15,851.6
Total liabilities	18,060.1	9,322.0	18,219.6	10,338.2	15,891.6	11,237.0
Interest bearing debts ⁽¹⁾	11,455.0	7,423.5	12,053.6	8,373.3	10,002.9	8,872.3
Shareholders' equity	11,151.8	6,605.3	9,929.4	6,076.2	6,311.1	4,614.6
Retained earnings ⁽²⁾	4,907.1	3,347.2	3,990.2	2,806.9	2,536.4	2,293.9
Weighted Average Number of ordinary shares (million shares)	1,350	1,350	1,350	1,350	1,350	1,350
Key Financial Ratios						
Net profit margin (%) ^{(3), (4)}	7.9%	36.6%	2.0%	11.4%	5.2%	-5.2%
Return on assets (%) ⁽⁴⁾	4.8%	10.2%	1.1%	4.3%	2.8%	0.8%
Return on equity (%) ⁽⁴⁾	12.5%	24.5%	3.1%	11.5%	10.0%	3.1%
Interest bearing debts / Equity (times)	1.0	1.1	1.2	1.4	1.7	2.1
Total liabilities / Equity (times)	1.6	1.4	1.8	1.7	2.6	2.6
Earnings (loss) per share (Baht)	0.98	0.70	1.18	0.52	0.41	0.10
Dividend per share (Baht)	n/a	TBA	n/a	0.3	n/a	0.15
Book value per share (Baht)	8.26	4.89	7.36	4.50	4.48	3.16

(1) Interest bearing debts in Consolidated and Separated financial statements include loans from related parties.

(2) Retained earnings include appropriated retained earnings for legal reserve.

(3) Net profit margin in Separated financial statements exclude dividend income, land rental expenses payable to the property fund and loss from guarantee provision.

(4) Net profit margin, Return of assets and Return on equity in Consolidated financial statements were excluded extra-ordinary items as follows:

FY/2013 - extra-loss from investment in property fund accounted for equity method totaling Baht 12.4 million.

FY/2012 - loss from guarantee provision, extra-loss from investment in property fund accounted for equity method and gain from business measuring to fair value of investments totaling Baht 632.0 million.



Dear Shareholders,

I am pleased to report to you that 2013 was another very successful year for Central Plaza Hotel Public Company Limited(CENTEL). The company's hotel division, Centara Hotels and Resorts(CHR), achieved record revenue of over Baht 8 billion, a 27% increase over 2012; whereas the food(restaurants) business under Central Restaurants Group Co., Ltd.(CRG) continued to register close to double-digit growth; with revenue of Baht 9.3 billion.

The record revenue of the hotel division was the combined result of higher occupancy rate (at 79.6%) and average room rate of Baht 4,384. The excellent trading results of Centara Ras Fushi Resort and Spa Maldives, the company's second resort in the Maldives, which opened in March 2013; also contributed to the revenue of the hotel division; as well as fees from managing hotels owned by others --- of which 26 were operating at end of 2013; with the remaining 24 properties under signed management contracts scheduled to open in 2014 and 2015.

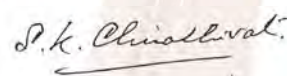
As for the food(restaurant) business, CRG has further consolidated its position as one of the top restaurant/QSR player in Thailand; with KFC, Mister Donut, Auntie Anne's and Ootoya leading its stable of 10 international food brands --- including two new Japanese brands Tenya and Katsuya licensed in 2013.

I would also like to report that TRIS, the well respected financial rating agency, has upgraded CENTEL's credit rating from "A-" to "A" in its latest review of the Company in 2013. Additionally, it is our greatest pride and honour that Central Plaza Hotel Plc was bestowed the Royal Garuda emblem by His Majesty the King, the first hotel company to be so honoured.

The Company continues its course of having two main businesses, namely hotels/resorts and food services(restaurants), with each business contributing about half of the total revenue and profit of the Company. This balanced portfolio has enabled the Company to sustain its growth both in times of economic downturn internationally with the consequent adverse impact on the Company's hotel/resort business; while domestic demand for Company's restaurants/QSR's remains high; and vice versa.

The Board of Directors have set out the strategy for the hotel division to own and manage (combined) 115 hotels with over 20,000 rooms by 2018, consisting mainly of managed properties; with 40% revenue to be generated outside Thailand. As for the food(restaurant) division, in addition to domestic expansion as well as acquisition of new restaurant brands, CRG is also actively exploring business opportunities in neighbouring countries; in view of the upcoming Asean Economic Community(AEC) at end of 2015.

In closing, I would like to extend my sincere thanks to all stakeholders, without whose support we would not have been able to achieve success year after year.



(Suthikiati Chirathivat)
Chairman of the Board

DIRECTORS' REPORT

BOARD OF DIRECTORS

1. MR. SUTHIPORN CHIRATHIVAT
HONORARY ADVISOR
OF BOARD COMMITTEE

2. KHUNYING SUCHITRA MONGKOLKITI
HONORARY ADVISOR
OF BOARD COMMITTEE

3. MR. VIROJ LOWHAPHANDU
HONORARY ADVISOR
OF BOARD COMMITTEE

4. MR. GERD KURT STEEB
HONORARY ADVISOR
OF BOARD COMMITTEE

5. MR. SUTHIKIATI CHIRATHIVAT
CHAIRMAN OF THE BOARD

6. MR. SUTHICHAI CHIRATHIVAT
VICE CHAIRMAN

7. MR. THIRAYUTH CHIRATHIVAT
MEMBER OF RISK MANAGEMENT
AND CORPORATE GOVERNANCE
COMMITTEE
CHIEF EXECUTIVE OFFICER

8. MR. SUTHICHART CHIRATHIVAT
DIRECTOR

9. MR. SUDHISAK CHIRATHIVAT
DIRECTOR

10. MR. SUDHITHAM CHIRATHIVAT
DIRECTOR
MEMBER NOMINATION AND
COMPENSATION COMMITTEE
MEMBER OF RISK MANAGEMENT
AND CORPORATE GOVERNANCE
COMMITTEE

11. MR. PRIN CHIRATHIVAT
DIRECTOR
MEMBER OF NOMINATION AND
COMPENSATION COMMITTEE
MEMBER OF RISK MANAGEMENT
AND CORPORATE GOVERNANCE
COMMITTEE

12. MR. BHISIT KUSLASAYANON
INDEPENDENT DIRECTOR
CHAIRMAN OF AUDIT COMMITTEE
MEMBER NOMINATION AND
COMPENSATION COMMITTEE

13. DR. CHANVITAYA SUVARNAPUNYA
INDEPENDENT DIRECTOR
CHAIRMAN OF NOMINATION AND
COMPENSATION COMMITTEE
MEMBER OF AUDIT COMMITTEE

14. MR. VICHIEEN TEJAPAIBUL
INDEPENDENT DIRECTOR
MEMBER OF AUDIT COMMITTEE
MEMBER OF NOMINATION AND
COMPENSATION COMMITTEE

15. MR. KANCHIT BUNAJINDA
INDEPENDENT DIRECTOR
CHAIRMAN OF RISK MANAGEMENT
AND CORPORATE GOVERNANCE
COMMITTEE
MEMBER OF AUDIT COMMITTEE



CENTARA GRAND



15

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13

12

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BUSINESS REVIEW

GROUP HISTORY

HOTEL BUSINESS

1983	Hyatt Central Plaza, Bangkok and Bangkok Convention Centre officially opened	607	rooms/suites
1986	HRH. Princess Somsawali graciously presided over the grand opening ceremony. Opened and fully-renovated Sofitel Central Hua Hin Resort	195	rooms/suites
1988	Entered into Hotel Management Agreement for Central Wong Amat Beach Resort	178	rooms/suites
1990	Listed on Stock Exchange of Thailand Acquired Central Mae Sot Hotel	120	rooms/suites
1993	Purchased a newly built hotel in Los Angeles Became Public Company Limited	180	rooms/suites
1993/94	Acquired Central Floating Hotel (a converted vessel)	133	rooms/suites
1995	Opened Central Sukhontha Hotel, Hat Yai	238	rooms/suites
1996	HRH. Princess Somsawali graciously presided over the grand opening ceremony of Central Samui Beach Resort Sold Central Plaza hotel Los Angeles	208	rooms/suites
1997	Sofitel Central Hua Hin Resort added new Garden Wing of 60 rooms Central Waterfront Suites at Karon, Phuket commenced of operation	255 39	rooms/suites suites
1998	Created "Village" brand concept. Purchased Central Butterfly Village, Koh Samui and commenced extension of 60 villas, total now	40 100	villas villas
1999	Rebranded the group as Central Hotels & Resorts. Opened Central Karon Village, Phuket Renamed Central Butterfly Village as Central Samui Village	64 100	villas villas
2000	Moved Central Floating Hotel to East Timor and re-opened as Central Maritime Hotel, Dili, East Timor.	133	rooms/suites
2001	Added 8 more villas to Central Karon Village, Phuket Signed Franchise agreements for : Bangkok as Sofitel Central Plaza Hotel and Hat Yai as Novotel Central Sukhontha	72 607 238	villas rooms/suites rooms/suites
2002	Started construction of SKY HALL, exhibition facility at Sofitel Central Plaza Bangkok Major renovations at Central Samui Beach Resort and Sofitel Central Hua Hin Resort Added new facilities to Sofitel Central Plaza, with a Centara Spa at Mezzanine level as well as Cencio Karaoke Lounge.		
2003	Broke ground for Central Krabi Bay Resort a 5 star luxury property. Opening of ZICO's Brazilian Grill and Bar in Samui. Signed Agreement signed to develop the Central World Hotel at CentralWorld Plaza, including a 20,000 sqm. Convention and Exhibition Centre.	192 505	rooms/suites rooms/suites
2004	Obtained construction permits for : Central Mirage Beach Resort, Pattaya Central Phuket Beach Resort, Phuket Additional 10 suites — Novotel Central Sukhontha Hat Yai	555 262 248	rooms/suites rooms/suites rooms/suites
2005	Hotel Management Agreement for Central Duangtawan Hotel in Chiangmai on January 1. Received first guests at Central Krabi Bay Resort on December 25.	500 192	rooms/suite rooms/suites
2006	Sold Central Floating Hotel, Dili, East Timor. Acquisition through a JV with Lehman Brothers (50:50) for two hotels in Phuket,		

	namely the Islandia 335 rooms, now Central Karon Beach Resort	335	rooms
	and the Jiva, 128 rooms, now Central Kata Resort.	128	rooms
	HRH. Princess Ubonrattana graciously presided over the grand opening ceremony of Central Krabi Bay Resort on November 12, 2006.		
	Major renovation of Central Hua Hin Village with upgrading to Pool Villas now The Villas at Sofitel Central Hua Hin Resort.		
	Upgrading of Central Samui Beach Resort and Central Samui Village through the addition of Pool Suites and Pool Villas, respectively.		
2007	In March, the board approved name change for the Company's hotel division to CENTARA HOTELS AND RESORTS.		
	Opened Bangkok Convention Centre at Centara Grand at CentralWorld.		
	Centara Kata Resort added 30 more rooms	158	rooms
2008	The Centara Chuan Talay in Trat, managed by CHR, opened in March	44	suites
	Centara Grand at Central World and Bangkok Convention Centre (BCC), the new Flagship of the company celebrated its official Grand Opening on December 2 in the presence of HRH Princess Ubonrattana.		
	In December, Central Group renewed its lease with State Railway of Thailand with respect to the Central Plaza complex at Ladprao, Bangkok; which includes the Sofitel Centara Grand Bangkok for 20 years (to 2028) Entered into Joint Venture and Hotel Management Agreements for the Centara Grand Island Resort Maldives, scheduled to open in the second part of 2009.		
2009	Centara Grand Mirage Beach Resort Pattaya a first themed hotel in Thailand, 5-star property on Wong Amat Beach had its Grand Opening on November 3.	555	rooms
	The Centara Grand Island Resort Maldives opened its mainly over water villas being the first overseas property of Centara Hotels & Resorts.	112	villas
	Earlier in the year 2 management contract were signed for Bhundari Resort and Spa Samui property was taken over in April together with Centara Pariya Resort Koh Pha-Ngan	124	villas/rooms
	Siripanna Villas Resort Chiang Mai	44	villas
	a 5-star property, the first Centara Boutique Collection, opened on November 15.	74	suites/villas
	The second overseas property, Moksha Himalaya Spa Resort, Centara Boutique Collection opened its Spa and hotel suites late in the year.	62	suites
	A second ZICO, Brazilian Grill and Steak Restaurant, opened at the Central Festival Shopping Centre, Pattaya.		
2010	Centara Grand Beach Resort Phuket, 5-star beach resort located at the most secluded area of Karon Beach in Phuket has its soft opening on November 3	262	rooms
	Centra, new mid-range brand is launched in Phuket, Centra Ashlee Hotel Patong	110	rooms
	Expansion of Centara Boutique Collection from 1 hotel to 12 hotels	494	rooms
2011	Opened first managed resort in Vietnam, Chen Sea Resort & Spa, Phu Quoc, Centara Boutique Collection	36	rooms
	Opened first managed hotel in the Philippines, Centara Hotel Manila	96	rooms
	Acquired 11 managed hotels & resorts in Thailand	2,682	rooms
	Acquired 12 managed hotels & resorts overseas including new locations in Bali, Sri Lanka, China and Mauritius	1,830	rooms
2012	Opened first managed hotel in Mauritius, Centara Poste Lafayette Resort & Spa Mauritius	100	keys
	Opened Centara Hotel & Convention Centre Khonkaen	196	keys
	Opened Centra Government Complex Hotel & Convention Centre Chaeng Wattana	204	keys
	Acquired 3 management contracts in Thailand	307	keys
	Acquired 2 management contracts in Vietnam and Maldives	308	keys

BUSINESS REVIEW
GROUP HISTORY

HOTEL BUSINESS (continued)

DIRECTORS' REPORT

BUSINESS REVIEW

FINANCIAL STATEMENTS

CORPORATE GOVERNANCE



2013	Opened the second owned hotel in Maldives, Centara Ras Furhi Resort & Spa Maldives	140	keys
	Opened managed hotel in Phang Nga, Centara Seaview Resort Khoa Lak	218	keys
	Opened 2 managed hotels in Bangkok; Centara Watergate Pavillion Hotel Bangkok and Centra Central Station Bangkok	431	keys
	Opened 2 managed hotels in Pattaya; Centara Grand Modus Resort & Spa Pattaya and Centara Grand Phratamnak Pattaya	380	keys
	Opened the second managed hotel in Mauritius; Centara Grand Azuri Resort & Spa Mauritius	100	keys
	Opened managed hotel in Sri Lanka; Centara Passikudah Resort & Spa Sri Lanka	125	keys
	Acquired 8 management contracts in Thailand	1,398	keys
	Acquired 2 management contracts in Ethiopia and Qatar	660	keys
	Owned and joint venture total 15 hotels and resorts in Thailand and Maldives	3,825	keys
	Managed total 51 hotels and resorts in Thailand, Vietnam, Indonesia, Sri Lanka, Maldives, China, Mauritius, Ethiopia and Qatar	9,396	keys
	Total portfolio 66 hotels and resorts	13,221	keys





FOOD BUSINESS

- 1978 Firstly introduced "MISTER DONUT" to Thai consumer as pioneer of QSR business in Thailand.
- 1984 Being authorized franchisee of KFC , the strong and widely accepted international brand.
- 1998 Entering snack segment in Thailand with the premium Soft Pretzel brand "AUNTIE ANNE'S " from the USA .
- 2007 Bringing in New Japanese Fast Casual Restaurant, "PEPPER LUNCH".
- 2009 Being Authorized Franchisee of BEARD PAPA'S, Fresh 'n natural cream puffs.
- 2010 Brought "CHABUTON" Ramen into Thai market, which is "TV Champion chef's Japanese Ramen restaurant".
Being Authorized Franchisee of COLD STONE CREAMERY from the USA.
Opened Japanese Food restaurant in Thailand , "RYU SHABU SHABU"
Operated THE TERRACE Restaurant
- 2011 Being Authorized Franchisee of YOSHINOYA, the Authentic Japanese Rice Bowl
Being Authorized Franchise of the well-known Japanese Home Cooking Style Restaurant OOTOYA
- 2013 Being Authorized Franchisee of TENYA, the No.1 Tempura & Tendon Japanese restaurant from Tokyo
Being Authorized Franchisee of KATSUYA, the renowned Tonkatsu & Katsudon



CHABUTON



PEPPER LUNCH



COLDSTONE CREAMERY



THE TERRACE

THAILAND'S TOURISM INDUSTRY OVERVIEW

Business conditions continued to expand in 2013 in both private consumption and private investment, but at a decelerated pace. The tourism sector continued to grow throughout the year, especially during the first eleven months in which the number of tourist arrivals increased by 21 percent. According to the Bank of Thailand's Business Report, the tourism industry started to expand in the first quarter of 2013, with an increase in hotel occupancy and the number of international tourists compared to the previous quarter. This was partly due to the increase of flights, the development of the domestic transportation system and more peaceful political factors compared to the previous three to four years. The meetings and conferences by private sector decreased a little in the first quarter because most organisations were still in the planning stages of the financial year. However, the total profit from the tourism industry was lower due to higher costs of wages, raw materials and energy, while the hotels could not increase their room rates because of high competition.

The tourism industry remained buoyant in all regions of Thailand during the second and third quarter of the year, especially in Chiang Mai, Chonburi and Hat Yai, which were popular with tourists from China, Russia and Malaysia. The growing numbers of tourists from China resulted from more convenient travelling, due to more direct flights from China to those tourist destinations. During this period, domestic tourists started to be more careful in terms of spending while meetings and conferences by the public sector slowed down somewhat.

The tourism sector continued to expand in the beginning of the fourth quarter but began to be affected by the enforcement of China's new tourism law, which was issued

in October, and by domestic political protests during the end of the third quarter. This caused a decrease in the number of tourists, but only a slight one because the risk level of most travel warnings was still low. Also, many tourists changed their destinations to other provinces where there were no political demonstrations. However, the ongoing political unrest during the end of the quarter resulted in decreasing numbers of tourists in overall areas and a significant decrease in the areas with protest sites.¹

Although the tourism industry has been affected by negative factors, the total number of tourists was higher than expected. According to the Department of Tourism, Ministry of Tourism and Sports, the number of international arrivals in 2013 was 26.7 million, representing an increase of about 19.6 percent over the previous year. Total revenue from foreign tourists was 1,171,651.42 million baht, representing a 19.08 percent increase in comparison to the previous year. It should be noted that the revenue per tourist decreased a little, after having shown an increase during 2011-2012. Revenue from domestic tourists increased from 500,000 million baht in 2012 to 634,000 million baht, representing an increase of about 26.8 percent.

As for the tourism industry in 2014, the TCT has expressed confidence that business will continue to grow and can attract 29.92 million international tourists, a 12.1 percent increase, and generate gross tourism revenue of about 1,350,000 million baht. The target arrivals figure from the Office of the National Economic and Social Development Board is a little lower at 27.5 million.

Table summarizing the number and income of foreign tourists year 2007-2013 (January to December).

Year	Tourists		Revenue from the Tourism Industry	
	Total (persons)	% Δ	Total (Million)	% Δ
2007	14,464,228	+4.65	547,781.81	+13.57
2008	14,584,220	+0.83	574,520.52	+4.88
2009	14,149,841	-2.98	510,255.05	-11.19
2010	15,936,400	+12.63	592,794.09	+16.18
2011	19,230,470	+20.67	776,217.20	+30.94
2012	22,353,903	+16.24	983,928.36	+26.76
2013* (Jan - Dec)	26,735,583	+19.60	1,171,651.42	+19.08

Source: Department of Tourism Ministry of Tourism and Sports

¹ A compilation and analysis of information obtained from the private sector throughout the country

Today, we have six different brands under the Centara family:



Centara Grand Hotels & Resorts

Set in prime city and beachfront locations, all hotels and resorts in the Centara Grand category are five-star, offering outstanding facilities and service whilst assuring absolute value for our guests. Each Grand hotel has a number of restaurants, a luxurious Spa Cenvaree and a fitness centre, along with sports and game facilities.



Centara Hotels & Resorts

Enjoying premium settings in city centre locations and beach and island destinations, our core range of hotels and resorts are all four-star category and provide a memorable experience in both facilities and service.



Centara Boutique Collection

Many people planning a luxury holiday in an exotic setting are looking for a hotel or resort other than the larger properties, somewhere that will reflect their own independence of mind, their own preferences for style and ambience, and their own needs for privacy. Our Boutique Collection is a series of distinctive properties designed to an intimate scale, imparting a residential quality.



Centara Residence & Suites

Conveniently located to attract the corporate and the leisure long-stay guest, these spacious serviced apartments offer value and provide a moderate level of facilities and services. There are two categories available, namely Centara Grand, which is five-star category; and Centara, which provides a four-star experience.



Centra Hotels & Resorts

The Centra brand, as the contraction of the Centara name indicates, offers affordable hotels and resorts that provide a quality experience designed to exceed expectations but not over-deliver to a point superfluous to the needs of our guests.



COSI Hotels

The latest brand from Centara, COSI Hotels is designed for cost-conscious travellers who mostly do all their own bookings online and who are searching for pocket-friendly accommodation prices. Guests will feel comfortable and relaxed as an overall experience while staying at COSI.

PERFORMANCE HIGHLIGHTS

In 2013, revenue from our hotel business increased from 6,473 million baht in 2012 to 8,286 million baht, an increase of 28 percent, with an increase in profits of 65 percent. Our 15 company-owned hotels and resorts generated revenues that were up by 29 percent from the previous year to 7,923 million baht, while revenues from hotel management fees increased by 15 percent to 187.7 million baht.

In 2013, the number of our company-owned and managed hotels and resorts combined increased from 58 to 66 properties, including three new openings in Bangkok: namely Centara Watergate Pavillion Hotel Bangkok, Centra Central Station Bangkok and Centra Government Complex Hotel & Convention Centre Chaeng Watthana. The overall hotel business in Bangkok was satisfying, especially for Centara Grand at CentralWorld, which continued to be very successful; while Centara Grand at Central Plaza Ladprao Bangkok ended the year 2013 with a net profit of about 12 percent higher than the previous year, the best performance in 10 years.

Nevertheless, from November 2013 onwards our Bangkok hotels began to experience negative effects from the anti-government protests. Many countries have issued special travel advice urging citizens visiting Thailand to be cautious, which caused a number of booking cancellations or postponements, including for meetings and conferences, during the New Year.

The political unrest during the end of the year also affected the hotels and resorts in various tourist destinations. However, most have shown a strong performance on average. Amongst our Pattaya hotels, Grand Mirage Beach Resort Pattaya recorded occupancy as high as 84 percent, and revenue and profits increased by 11 percent on average over the previous year. The newly opened hotels, Nova Hotel & Spa Pattaya, Centara Boutique Collection and Centara Pattaya Hotel, were very well recognised by the market. Moreover, TripAdvisor ranked Centara Grand Phratamnak Pattaya, which opened in October, number 5 out of 350 as the best hotel in Pattaya.

Centara Grand Beach Resort & Villas Hua Hin was recognised as the top five-star hotel listed on TripAdvisor for Hua Hin. In terms of overall performance, the resort has proven

very successful, with occupancy of 84.8 percent making 2013 the best revenue year in the history of the hotel.

The year 2013 was the year of rooms and exterior renovations for many of our hotels in Phuket, for example Centara Grand Beach Resort Phuket, Centara Villas Phuket and Waterfront Suites Phuket by Centara. The average business performance of all eight hotels in Phuket was satisfactory, with higher revenue and net profits, partly because of the marketing campaign by Tourism of Thailand, which attracted more charter flights from Europe, Russia and China. Our beach hotels in Krabi and Samui have also shown another year of success. Every hotel generated higher revenue than expected over the past year.

All of our hotels in popular destinations such as Chiang Mai, Khon Kaen, Udon Thani, Mae Sot and Hat Yai have shown higher revenue and occupancy over the past year. The beach resorts in Trat province and Koh Chang have also had strong support from both domestic and international tourists, especially from the Russian-speaking countries

Outside of Thailand, during this year we opened another company-owned hotel in Maldives, Centara Ras Fushi Resort & Spa Maldives. Our first hotel there, Centara Grand Island Resort & Spa Maldives, was named for the second consecutive year as "Leading Family Resort" in the Maldives Travel Awards. Furthermore, the hotel has maintained good business revenue with an increase of 14 percent compared to the previous year.

The business targets of our two Vietnam resorts were achieved and both are performing well, although some parts of the resorts have been under renovation. This was also the case with Centra Taum Seminyak Bali, where business started to pick up after being closed for four months due to the property being flooded and having to undergo heavy renovation. Lastly, year 2013 was the first full year of operation for Centara Poste La Fayette Resort & Spa Mauritius, and the results achieved throughout the year were progressively good for this newly established hotel in Mauritius. With the opening of the new Centara Grand Azuri Resort & Spa Mauritius, 2014 looks positive for the resort in line with the centralisation plan and the costs consolidation of the two resorts combined.

GROUP BUSINESS DEVELOPMENT BY CENTARA INTERNATIONAL MANAGEMENT (CIM)

The year 2013 was another remarkable year of expansion for our hospitality management business. Centara Hotels & Resorts has successfully expanded its business to new destinations by signing the first Centara Grand brand properties in Doha, Qatar (Middle East) and Addis Ababa, Ethiopia (Africa). In this year, Centara Hotels & Resorts has grown to 66 properties with more than 13,000 keys across 9 countries: Thailand, Vietnam, Indonesia, Sri Lanka, Maldives, China, Mauritius, Ethiopia and Qatar. Out of the current 66 properties, 51 are managed, 15 are owned and 42 have opened and are operating.

Further details regarding the growth of Centara Hotels & Resorts in 2013 in terms of hotel openings and new deals are set out below:

A. The opening of 7 managed properties:

a. Thailand

- I. Centara Seaview Resort Khao Lak (218 keys)
- II. Centara Watergate Pavillion Hotel Bangkok (281 keys)
- III. Centra Central Station Bangkok (150 keys)
- IV. Centara Grand Modus Resort & Spa Pattaya (215 keys)
- V. Centara Grand Phratamnak Resort Pattaya (165 keys)

b. Overseas

- I. Centara Passikudah Resort and Spa Sri Lanka (125 keys)
- II. Centara Grand Azuri resort & Spa Mauritius (100 keys)

B. The opening of 1 owned property:

- Centara Ras Fushi Resort & Spa Maldives (140 keys)

C. New hotel management contracts signed in respect of 10 properties:

- a. Centara Seaview Resort Khao Lak (218 keys, opened)
- b. Centara Blue Marine Resort Phuket (210 keys, opened)
- c. COSI Hotel Lampang (120 keys, opening in 2016)
- d. Centra Bangtao Resort Phuket (170 keys, opening in 2016)
- e. Centara Grand Addis Ababa Hotel Ethiopia (300 keys, opening in 2017)

- f. Centra Maris Resort Jomtien (281 keys, opening in 2016)
- g. Centara Pelican Bay Residence & Suites Krabi (92 keys, opening in 2014)
- h. Centara Pelican Bay Resort & Spa Krabi (210 keys, opening in 2017)
- i. Centara Pelican Bay Villas Krabi (41 keys, opening in 2017)
- j. Centara Grand West Bay Hotel Doha (360 keys, opening in 2017)

In connection with its business development strategy for 2014, Centara Hotels & Resorts announced that its new business expansion strategy will be about going "Asset Right" as part of its long term business plan. This represents a strategic move to speed up future investments and acquisitions, especially in international gateway cities. For destinations within ASEAN, China, the Indian Ocean, Middle East, Africa, Australia and New Zealand, however, the focus will remain on penetrating these destinations through hotel management contacts. As these destination are markets where Centara Hotels & Resorts has a strong existing client base and well established brand names, it will not be necessary for Centara Hotels & Resorts to make any property acquisitions in such markets in order to expand there.

In 2014, Centara Hotels & Resorts expects to open a total of 8 properties with approximately 840 keys. These properties are located in Thailand, Vietnam, Indonesia (Bali), Sri Lanka and Mauritius.

GROUP MARKETING

Overall in 2013

In 2013 Thailand's total visitor arrivals grew 19.6 % to 26,735,583 million. The strongest growth was recorded from the markets of China (68.83%), Russia (31.93%) and Eastern Europe (23.23%) with overall East Asian dominating growth with a combined 28.47% increase.

An extremely positive market trend dominated our direction and activities through to Q4/2013, when external issues related to Political differences started to impact our business in-flow and required a short term changes to our marketing and sales direction.

Centara's strongest growth markets in 2013 included South Africa (+459% YOY), China (+190% YOY), Italy (+96% YOY), France (+93% YOY), Japan (+69% YOY), Malaysia (57.9% YOY), Russia (42.8% YOY) and Germany (33%YOY),

2013 was a year of further infrastructure development to ensure our growing property portfolio received all the possible market support needed now and in the future, from both mature and emerging markets.

The international Sales Office structure continues to grow, now up to 15 countries with 27 offices. Our most exciting development within the year, being the entry to the hugely potential U.S. and Canadian markets, with a network of sales support associates, spanning coast to coast. The structure was further expanded by office openings in Vietnam and Indonesia supporting both local hotels and a fast growing outbound traveler demand.

To support this growing sales structure, we launched a new web-based sales reporting system, providing real-time reporting and management information from any of our more than 250 global sales associates.

Social media activities continue at the fore front of our initiatives as we activity search for more ways to interact with our guests - past, present and future.

An expanded team has allowed us to generate more quality engagement and the largest number of followers of any Thai based hotel group.

Our Revenue Management and commercial planning team also expanded in 2013, providing an enhanced level of support and management information to our properties and key business customers including a brand new inventory management control department, this new division delivers strategies and control systems to maximize our inventory from both an occupancy and yield point of view.

Centara The1Card continues to be a valuable and growing marketing tool in our portfolio. During its first year we have enjoyed tremendous growth in membership and will fully integrate with the Central Group, The 1 Card program in the coming months, making this card truly the only "1 card" needed for a more rewarding life.

As we head towards 2014, a revamp of our advertising campaigns has been conducted to further define and endorse our brand differentials.

"The Best Thing in Life", "Your Way" and "Like it like you dream it" will all feature in 2014 campaigns highlighting our unique aspects and product offerings across the brands.

Finally we continue to focus on our e-commerce and on-line strategies to further drive our online business volumes, launching and revamping no less than 6 websites and adding multi-lingual capabilities to them in 2014.

RESTAURANT BUSINESS OVERVIEW

INDUSTRIAL ENVIRONMENT AND COMPETITION

Food Chain Industry (FCI) is categorized into two main parts: Quick Service Restaurants (QSRs) and Casual Dining Restaurants (CDRs). Presently, the Food Chain Industry is expanding continuously due to the fact that the majority of consumers have to work in the office far away from home. The current 'hurry up' society and heavy traffic left us with less time to cook at home. As such people eat out more. Correspondingly, the quick service food has been made convenient to get, quick to cook and hygienic at reasonable price, matching the demand and lifestyle of city people. Consumers' behavior has helped increase the growth of the FCI. It covers not only the youngsters but also families, children and working people. As a result, food chain restaurants have become increasingly popular and mushroomed all over Thailand. As FCI has been continuously growing, the competition is higher and higher. There are more players in

the market, invested by entrepreneurs in the food industry and non-food industries such as real estate, logistics and consumer products based locally and internationally. Both local brand and international brand are entering into this market.

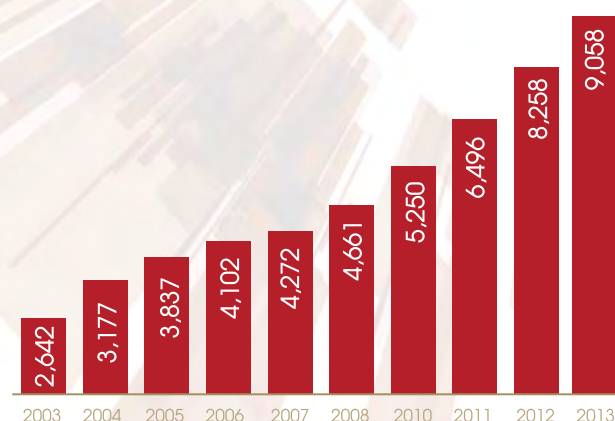
In 2014, the economic situation is expected to improve. The competition in the food industry is also forecast to be higher. Central Restaurants Group (CRG) has set up a strategic business plan covering administration, operating cost, servicing, human resources and marketing promotion in order to be well prepared, able to cope with the changing and unpredictable situation.

PAST PERFORMANCE

Central Restaurants Group Co., Ltd. (CRG) has been growing continuously and its operating results are satisfactorily above previous year, in spite of the volatile world economy and internal political situation. CRG growth rate is significantly increasing due to the well-planned strategy, flexible and adaptable to various problems and crisis situations.

In 2013, CRG gained total revenue of THB 9.06 billion with the increase of 9.7 percent over the past year. The total number of stores is 743, managing altogether 12 brands. The success was driven by professional and capable staffs. Besides its successful operation, CRG has received 4 international awards. The awards were granted to KFC and Cold Stone Creamery brands.

TOTAL REVENUE IN RESTAURANT BUSINESS (Baht Billions)



KFC received "Trusted Brand Award 2013 — Gold Award from Reader's Digest Magazine. The award is a result from conducting surveys to reflect consumers' choice of their most trusted and favorite brands available in the market under the family restaurant category.



Cold Stone Creamery: "Golden Spade" IPS Award Nominations from Cold Stone Creamery, United States.

The brand earns this award because its new branch, Central Plaza Pinklao, gains highest sale volume for new branch.

PAST PERFORMANCE (continued)



"Best Seasonality Created Product" IPS Award Nominations from Cold Stone Creamery, United States. The brand wins this award for its excellent product development.



Cold Stone Creamery: "Best Social Media Program" IPS Award Nominations from Cold stone creamery, United States. The brand wins this award for its splendid Social media activities.

MISTER DONUT



The leading brand of donuts market in Thailand, has maintained the market share of over 55 percent. This resulted from the in- depth research and consumer behavior analysis, hitting into the heart of consumers' demand. In addition, other key success factors are the ability in continuously developing new products to the market, the effectiveness of tactical advertising and public relations plan, as well as the focus on store expansion throughout the country to reach customers as much as possible.

In 2013, Mister Donut successfully achieved the Total System Sales increase of 12.6 percent and Same Store Sales increase of 4.5 percent over the previous year, with new 20 stores opened nationwide. There are currently 309 stores of Mister Donut, covering over 70 provinces in Thailand.

Mister Donut developed many new products into the market in 2013 and advertised in various media such as television, BTS sky train, websites, online social media, to expand consumer base. In addition, it also organized joint-promotional campaigns with business partners to further strengthen brand awareness.



KFC



The brand leader in QSR in Thailand, operates the total number of 500 stores countrywide in 2013. About 40 percent of the stores (194 stores) are under CRG management while the rest are operated by YUM Thailand (the parent franchisor of KFC).

In 2013, KFC developed new menus to serve each meal of customers' dining pleasure and fulfill the market gap to fit consumers' life and lifestyle for urban living. On top of this, the variety of new menu sets were well-received by each target groups group, at affordable prices.

Moreover, KFC focused on building brand loyalty and commitment to various groups of customers via TV commercials, 7-Shoot Football League activity and School Tour program, successfully reaching out to community life.

AUNTIE ANNE'S



The leader brand of soft pretzels in Thailand, continues its brand power, enjoying the growth revenue of 14 percent compared to the previous year's figures. The opening of new 16 branches made the total of 117 branches in Thailand making it number 2 in worldwide ranking, following the United States of America. The success came from the introduction of new types of menu selection and its great unique tastes under the concept of "Happiness x 2", plus the expansion of sales channels through hospitals, coupled with effective advertising and public relations via various mixed media consistently. In addition, the joint-promotion with related business partners to expand customer base and the creation of corporate social responsibility activities among club members have helped promote brand loyalty.

BUSINESS REVIEW

RESTAURANT BUSINESS OVERVIEW

OTOYOYA



In 2013, Ootoya developed many new menus by starting with the main menu called Grand Menu and other menus. It has gradually modernized the look of the restaurant, focusing on the concept of Authentic Japanese Home Cooking Restaurant, communicating directly to potential consumers via advertising channels such as TV commercial, BTS sky train, digital billboard and other social media network.

The restaurant has increased more branches in Bangkok and other big cities like Chiangmai, Nakorn Rachasima, Sri Racha and Hat Yai. Currently, there are 40 branches of Ootoya. The new service available is Home Delivery, aiming to cover more zones in Bangkok.



OTHER BRANDS



CRG also developed other brands with marketing activities and store expansion such as *Chabuton* (TV Champion Ramen), *Yoshinoya* (Japanese Beef Bowl), *The Terrace* (contemporary Thai restaurant), *Cold Stone Creamery* (premium ice cream brand from the US), *Pepper Lunch* (Hot plate Japanese steak). In addition, CRG has recently launched '*Tenya*' brand (in October 2013), a popular Japanese Tempura restaurant chain from Tokyo, with 2 new branches at this preliminary stage.



The top menu is Tendon (tempura on rice). These mentioned brands opened the total of 27 new stores altogether in 2013. Moreover, in October 2013, CRG has signed the Master Franchise Agreement with "Katsuya" - another popular Tonkatsu Japanese restaurant from Japan which will be opened its first restaurants within first half of 2014.

CRG has planned to open more new branches for every brand in the coming years. These brands will be well maintained, enhanced and strengthened for sustainability.



BUSINESS DEVELOPMENT

The Retail market in 2013 and the following years will see changes in entrepreneurs, which will benefit the consumers and investors. Retail stores with specific and unique products and services will create more awareness and perception among interested groups of consumers. The ASEAN Economic Community (AEC) will enable significant changes in the Thai retail market, especially the entry of overseas retail entrepreneurs in the market.

In order to prepare for the new economic scenario and to increase the competitive capabilities to cope with the entry of overseas retailers, CRG has developed its proactive strategic business plan by expanding all CRG food chains in every market segment and all areas, especially to the consumer groups who have not yet experienced CRG food, to reach out to the unmet demand. Most importantly, the feedback from consumers must be highly positive and well-received.

CRG has set up an expansion plan in selecting prime locations, suitable for each type of food chains, making sure the businesses are profitable. Therefore, the competitively outstanding locations and branch expansion into new market segments are the key factors in revenue increase and are definitely included in the yearly business plan.

HOTEL BUSINESS

CENTARA'S SUSTAINABLE DEVELOPMENT POLICY

The Board of Directors set a policy to operate the business of the company and its subsidiaries with responsibility towards society, the environment and the stakeholders, and this sustainable development policy is an integral part of the vision and mission of the company.

Centara Hotels & Resorts has designed the policy to ensure that the direction and objectives are standard across the entire company.

The objectives are as follows:

- Conduct business according to the principles of sound ethics, moral integrity, transparency and accountability to achieve good corporate governance.
- Ensure environmental and social responsibility by committing to the four basic principles of sustainable development, namely Cultural Diversity, Social Equity, Environmental Quality and Economic Prosperity.
- Integrate sustainable development knowledge into corporate governance policy.
- Enact comprehensive communications throughout the company to ensure that every employee is fully aware of the sustainability policy and contributes through positive engagement.
- Sustainable development knowledge and accurate understanding is enhanced to ensure cooperation from customers, business partners and stakeholders.
- Implementation of the corporate sustainable development plan with the requirement of a clear and practical way to follow through.
- Ensure management and staff at all levels operate by adhering to a strict moral and ethical code.
- Encourage the development of human resources so personnel have the knowledge and skills needed to advance in their careers, become self-reliant, and provide strength and inspiration for their own families.
- Strengthen employees' awareness on social responsibility by taking part in energy saving, environmental and national resources conservation programmes, and also by offering help in community development in the areas in which the company operates.
- Establish firm environmental management, energy saving and resource conservation programmes using the same standardised indicators throughout

the organisation.

- Maintain a report on key environmental performance indicators in order to raise environmental awareness and reduce environmental impacts among our customers, communities and stakeholders.



Environmental Management

Environmental management plays an important role in preventing negative impacts on communities and the environment, and Centara Hotels & Resorts has a total commitment to the policy of environmental care and sustainable development.

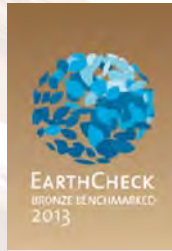
The company's objectives are to have a commitment with all the business stakeholders in terms of environmental preservation and protection, and to generate income and opportunities for nearby communities. As part of the policy to ensure standard direction throughout the company, Centara has selected a company with relevant expertise as its consultant.

Centara properties manage their environmental quality using standard and internationally recognised benchmarking indicators and checklists for the following:

- Greenhouse gas emissions
- Cultural heritage conservation
- Energy efficiency, conservation and management
- Water savings
- Ecosystem conservation and management
- Management of social and cultural impacts
- Land use planning and development
- Air quality protection and noise control
- Waste water management
- Storage and use of environmentally harmful substances

The evaluation system is computerised and an independent organisation checks every year to ensure transparency and accuracy.

The following of our hotels and resorts have certificates in environmental management for the hotel and tourism industry.



EarthCheck 2013 BRONZE BENCHMARKED 2013 Certificate

- Centara Grand Mirage Beach Resort Pattaya
- Centara Grand at Central Plaza Ladprao Bangkok
- Centara Grand Island Resort & Spa Maldives
- Centara Grand Beach Resort Phuket



EarthCheck 2013 SILVER CERTIFICATED 2013 Certificate

- Centara Grand Beach Resort & Villas Krabi
- Centara Grand Beach Resort & Villas Hua Hin
- Centara Grand Beach Resort Samui
- Centara Grand & Bangkok Convention Centre at CentralWorld

Centara Hotels & Resorts has been actively promoting environment and energy conservation by initiating many environment related activities, including the following:

- Installation of solar water heaters and a heat recovery system to use the warm air emissions from air conditioners to heat water within the properties. This helps reduce energy usage and results in significant reduction of electricity costs. In the past year, Centara Grand Beach Resort & Villas Hua Hin won in the Thailand Energy Awards 2013 under the category of excellent energy conservation of controlled buildings.
- Ozone laundry system to replace the traditional laundry method. The wastewater requires no special treatment with chemical agents and can be reused for the hotels' herbal plots.
- Campaigning against usage of foam plastic food containers and changing to ecologically friendly food containers.
- Reduction of paper use by recycling and introducing e-document systems.
- Cancellation of plastic bags for laundry and newspaper distribution across all properties.
- Boiling the leftover soaps from guest rooms for washing the floor-cleaning mops.
- Growing herbal plants and vegetables at the hotels and attaching nametags of each plant in both Thai and English. This is not only an opportunity to showcase healthy local herbs and a source of healthy ingredients for cooking, but also serves as a decoration in place of costly flowers.

DEVELOPMENT OF HUMAN RESOURCES

Based on a realisation that human resources are the key factor leading to the sustainable development of the organisation and the country, Centara Hotels & Resorts has been committed to developing human resources through several training programmes and activities as outlined below:

1. 4 Cs: Centara Career Creation for Children: This programme was originally derived from the Youth Career Development Programme (YCDP) which was initiated in 2003. However, this programme has been changed into 4 Cs programme and done in collaboration with the Commission of the Basic Education Committee, Ministry of Education and the Department of Skill Development, Ministry of Labour. The objective of the programme is to develop and promote sustainable careers among the underprivileged students from the Welfare Schools under the Royal Patronage and the Schools for the students with special needs. The students undergo 5-month training in

the areas of Rooms Division, Food & Beverage Service and Kitchen. During the 5-month training, they are provided with accommodation, meals, health insurance, daily allowance, uniform, and equipment. Upon the completion, they will be given a certificate and an opportunity to be hired as a full-time staff member. In 2013, 121 students completed this programme and have become the full-time staff, and 26 students out of 121 are those with special needs. From the first year when 4 Cs programme was launched in 2011 to present, there have been a total of 281 students who completed the programme and have worked as full-time staff at Centara Hotels & Resorts. Moreover, in 2013, Centara Hotels & Resorts was announced as the Winner of PATA Grand Award in Education & Training for the 4 Cs Programme, presented by Pacific Asia Travel Association (PATA).

DEVELOPMENT OF HUMAN RESOURCES (Continued)

2. Management Development Programme (MDP): This career development programme is intended to develop the internal staff and groom them to be in managerial or executive role in the future. It has been done in collaboration with Dhurakij Pundit University (DPU) in Thailand and Swiss College of Hospitality Management Lenk (SHML) in Switzerland. The selected candidates undergo a 1-year training programme in which they attend an initial theoretical training on management principles for 2.5 months at DPU, followed by another 2.5-month real-time management training at a selected hotel or resort of Centara and finally a 7-month training at SHML in Switzerland. Up to present, 39 participants of the programme including the first-year participants in 2002 have worked at selected Centara Hotels & Resorts properties. Some staff members who may not be able to go abroad for training but have high potential can join the Fast Track Career Development Programme for a period ranging from 6 months to 1 year. Upon the completion, a consideration for promotion will be given to the participants who complete the programme.



Winner of PATA Grand Award in Education & Training for the 4 Cs Programme.



Management Development Programme (MDP)

3. Human Resources & Training Audit: This audit programme is to ensure that Human Resources Department of Centara Hotels & Resorts properties are adhered to the standards of human resources and training policies as determined by Corporate Human Resources. Each property will undergo comprehensive assessment in accordance with the criteria established by Corporate Human Resources. According to the audit result of 2013, Centara Hotels & Resorts properties achieved the average score of 82.45% which reflected an improvement from the score of 78.98% achieved in the previous year.
4. Centara Hub Training: This Hub Training Programme is intended to create a network of departmental trainers at Centara Hotels & Resorts properties. Corporate Training made a visit to the properties by region on the purpose of conducting training courses on "Centara Spirit", "Guest Experience Management", "Professional Upselling", "Effective Communication" and "Emotional Connections" to the target group of supervisors, managers and department heads. The aim is to equip them with essential skills to become departmental trainers. In 2013,

there were a total of 214 participants in the Hub Training Programme.

5. KPI of Training Hours: In 2013, Corporate Human Resources determined a Key Performance Indicator (KPI) of Training Hours to be achieved by staff at the average of at least 30 hours per person. The training hours are recorded in a booklet called "3 Ms Record: My Learning, My Career, My Future". The training hours can be acquired through the participation into in-house training arranged by Human Resources Department, external training, training on safety, security and sustainability, and departmental training. In 2013, Centara Hotels & Resorts properties were able to achieve the target training hours at the average of 64 hours per person.
6. Memorandum of Understanding with Universities and Colleges: The aim is to enhance the channel of obtaining new workforce through the establishment of a network with 47 universities and colleges, such as Dhurakij Pundit

University, Sripatum University, Ubon Ratchathani University, Nakorn Phanom University, Kasetsart University, Chiang Mai Vocational College, etc.

7. Acceptance of Overseas Trainees: Centara Hotels & Resorts properties have accepted overseas management trainees from a group of students in the Bachelor's Programme of Hospitality Management from several prestigious institutes, such as Les Roches School of Hospitality Management in Switzerland and in Jin Jiang, China, University of Stenden in The Netherlands, Glion Institute of Hospitality Management in Switzerland, Erasmushogeschool in Belgium, etc.
8. Succession Planning Programme: The aim of the programme is to identify a group of talents at Centara Hotels & Resorts properties and place them into a training plan of up to 1 year in 3 components which are functional skill training, leadership skill training and project management skill training. The participants will undergo an assessment by the immediate Supervisors, Department Heads and Human Resources Department. In 2013, there were 6.3% of the staff enrolled in this programme. The 6.3% of enrollment was derived from 8.9% of the staff in management track and 5.9% of the staff enrolled in operational track.
9. Synergised Training Programmes with Central Group of Companies: Centara Hotels & Resorts has collaborated with other Business Units of Central Group in the arrangement of various training courses which cover several skills essential for effective work. The aim is to generate a sense of unity among the staff members from different Business Units through the participation into knowledge-sharing and classroom activities in those training courses. The topics include Prioritisation Skill, Problem-solving Skill, Delegation & Monitoring Skills, Professional Presentation Skill, Building Effective Teamwork, etc.

RESTAURANT BUSINESS

CRG corporate policy is to focus on the importance of instilling CSR consciousness in the minds of the staffs; as a result the company will gain goodwill. CRG has initiated a program called 'Hygienic Kitchen' under the approval of Central Group's Board of Directors among other CSR programs of Central Group. The objective of this special program is to promote the youth in the needy schools to be healthy and grow up as quality kids. CRG supported cooking equipment and cooking techniques for the schools that are in need of funding and educational guidance. The students, teachers and staff were given advice on food safety, food preparation, hygienic cooking and nutritious values of various kinds of foods.

In 2013, CRG run the Hygienic Kitchen program in 3 schools namely Thongchai Vidhaya School in Lampang province, Klong Sa School in Surat Thani, and Ban Tak Dad School in Ubol Rachathani. In 2014, there will be 2 more schools in Tak and Surin provinces running this program.

In addition, several CSR programs has also been initiated from brands from CRG such as Mister Donut has continuously the "Our children playground" (สนามเด็กเล่นของหนู) in remote schools in rural areas, and Auntie Anne's has continued supporting educational and recreational equipment to needy schools.

Furthermore, CRG introduced the campaign to encourage CRG employees to donate blood to the Thai Red Cross Society every month in addition to other CSR activities. These activities are well received and supported by the employees and CRG business partners.



To : The Shareholders of the CENTRAL PLAZA HOTEL plc.

The Audit Committee of the Central Plaza Hotel plc. comprises of 4 Independent Directors, namely: Mr.Bhisit Kuslasayanon as the Chairman of the Audit Committee, and Dr.Charnvithaya Suvarnapunya, Mr.Vichien Tejapaibul, and Mr. Kanchit Bunajinda as members of the Audit Committee, all of whom have the full qualifications specified by the regulatory requirements of the Stock Exchange of Thailand (SET) and are fully independent in performing their duties in accordance with the Charter for the Audit Committee.

During 2013, there were 8 Audit Committee meetings with all Members of the Committee attending every meeting, with the exception of Mr.Vichien Tejapaibul who requested to be excused 2 times due to other pressing commitments. Members of Senior Management of the Company and Subsidiary Companies and other members of Management who were involved with the agenda being discussed, together with the Director of Internal Audit (in the capacity as the Secretary of the Audit Committee) all participated in these meetings; while the external Auditor also participated in some meetings for specific relevant agenda items being discussed in order to present additional information as well as off specific comments on specific points relating to accounting issues that were of benefit to the management activities.

Regular briefings were made to the Board of Directors on the key discussions points during the year, and summary of which is as follows :

1. Quarterly and Annual Financial Statements for 2013

The Audit Committee reviewed, together with the Auditors and those responsible for the preparation of the financial statements, the quarterly financial statements at the end of each quarter during the year as well as the full year 2013 financial statements. This is in order to assess these final reports, the information disclosures, any associated important estimates, and restatements or revisions of the financial accounts that has any significant impact on the financial statements, prior to submitting them for consideration and acceptance by the Board of Directors.

Additionally, the Audit Committee met with the external Auditors without any members of Senior Management being present to discuss and assess the degree of independence of their audit activities as well as review other possible specific issues that may cause possible damages for the Company or that may lead to possible irregular activities or fraudulent actions in the operational activities; whereby the Auditors confirmed that they have not found any such issues relating to any fraudulent or unlawful activities.

The Audit Committee is of the opinion that the Financial Statements are accurate, contain all required and correct information of any significance, as well as have been prepared and presented in accordance with the generally accepted standards of financial reporting.

2. Internal Controls System

The Audit Committee assigned the Internal Auditor to review and evaluate the internal controls system every quarterly period, and, from their annual evaluation reports for 2013 and updates relating to the improvements being made in accordance to their recommendations in these reports, it appears that several weak points and significant deficiencies have been identified and appropriate recommendations were to the Management group to improve and rectify these issues.

The Audit Committee evaluated and approved the annual internal audit plans and associated schedules that are in line with the established objectives and identified key risks factors for the Company, whereby the scope and coverage of audit activities includes both business units of Subsidiary Companies as well as local outsourced contractors of the Company. However, there total number of available internal audit staff is still insufficient compared to the total number of hotels being operated and managed by the Group.

3. Compliance with applicable securities laws and other relevant laws and regulations of the SET

The Audit Committee reviewed and assessed the degree of compliance to the securities laws and other relevant laws and regulations of the SET that are applicable and relevant to the business activities of the Company together with the Legal Department and the office of the Company Secretary, and the Committee found that the Company has overseen that all activities undertaken are adequately in full compliance with all the legal and regulatory requirements and have not found any negative issues or effects of any significance

4. Transactions with Potential Conflict of Interests

The Audit Committee reviewed and assessed those proposed connected transactions to be undertaken with related parties or business every Quarter, and determined that the Company has used pricing for products and services for such transactions involving parties or businesses, that may have a conflict of interests in regards to prices, that are comparable to those used for other normal transactions with outside parties, and thus these proposed transactions are in line with general business transactions and legal or regulatory best practices. Further, it was found that the Company has disclosed information relating to such transactions in a comprehensive and sufficient manner as required.

5. Review of and Proposal for the appointment of the external Auditor for 2014

The Audit Committee evaluated the performance and activities of the external Auditors, taking into consideration the knowhow, abilities, relevant work experiences relating audit activities relating to the hotel operations business, as well as

the adequacy of their resources together with the degree of the independence of the Auditors in accordance with the criteria established by the SET, as well as made use of the relevant comments by the Management group.

Therefore, based on the evaluation outputs, extent of the work undertaken, and their extent of their relevant knowledge and compared to the proposed Audit fees, the Audit Committee the proposed to the Board of Directors for consideration and proposing to the Annual Shareholders Meeting for their approval that Ms.Nattaporn Phan-Udom (CPA no. 3430), Mr.Paiboon Tankoon (CPA no. 4298) and Ms. Sakuna Yamsakul (CPA no. 4906), from PricewaterhouseCoopers ABAS Ltd., be appointed as the authorized external Auditors for the Company in 2014 for another term with the same Audit fee as for the previous year.

In summary, the Audit Committee is of the opinion that the Board of Directors and the Management group are fully committed to carry out their respective duties and responsibilities, in a professional manner, with the aim of the Company achieving the stated objectives and goals according to the established business plans, as well as that the external Auditors have also performed their duties fully appropriate to being an independent professional services provider.

On behalf of Audit Committee



Mr. Bhisit Kuslasayanon
Chairman of Audit Committee
Bangkok
28 February, 2014



(Dr. Chanvitaya Suvarnapunya)
The Nomination and Compensation
Committee Chairman

In 2013, the Nomination and Compensation Committee has performed its duties and responsibilities under its Charter by held two meetings, with a summary of the meetings as follows:

1. Considering and recruiting qualified candidates for directorship and submitting them to the Board of Directors and Shareholders' meetings for their consideration and nomination to replace the directors retired by rotation in 2013. The Company offered minor shareholders a chance to nominate directors. Since no such nomination emerged, the Committee recommended that the retired directors who finished their terms in 2012 should be reappointed to another term. The 2013 AGM approved every nominated director.
2. Considering the 2013 compensation for the Board and its subcommittees, consisting of Audit Committee, Nomination and Compensation Committee and submitting it to the Board and Shareholders' meeting for consideration and approval, taking into account their responsibilities performance and other relevant factors. The compensation amounts are also compared with industry peers and met with approval from the Shareholders.
3. Considering the succession plan for the Company's senior executives to ensure continuity and consistency with Centel's strategic plans.
4. Considering and giving opinion on human resource policies and work processes.
5. Considering, determining goal setting and providing performance assessment for CEO's performance in the preceding year and worked with CEO in setting goals and evaluation methods for his performance in the current year.
6. Considering duties and responsibilities, as well as performance under the Nomination and Compensation Committee charter and reviewing the charter for more alignment with the situation and best practice of regulators.

The Nomination and Compensation Committee has performed its assigned duties independently and properly for the highest benefit of the Company, shareholders and other stakeholders. The Committee has reported its summarized performance and findings to the Board of Directors for its acknowledgment every times.

FINANCIAL STATEMENTS
REPORT OF THE ENTERPRISE
RISK MANAGEMENT COMMITTEE

CENTEL's Board of Directors emphasized that the Enterprise Risk Management Development of the Company carry out in accordance with good Corporate Governance principle in order to help effectively identify and manage risks.

The Board of Directors held responsibility in setting the policy, simultaneously the Enterprise Risk Management and CG Committee and Business Unit Risks Management Committee held responsibility in implementing and monitoring its ongoing application. Notable risk management performances for the Year 2013 are as follows:

1. Comprehensively covering in all dimensions including the 4 critical types of risk, namely:

- 1.1 Strategic Risk

The Company focused on business strategic establishment which has been uniformed and met with the mission statement as well as business plan. At the same time ensured that such strategic and business plan was in line with the risk acceptable level.

- 1.2 Operational Risk

The Company focused on comprehensive stage of all operational matters, covering all processes at all levels, such as investment, IT, human resources as well as safety risk to lives and the Company's assets.

- 1.3 Financial Risk

The company focused on organizational management which in accordance with prudent financial policy and the given operating budget to provide reasonable return and ensured that Enterprise Risk Management as well as internal control were efficient and adequate under the under uncertainty situation.

- 1.4 Compliance Risk

The Company focused on strict compliance with internal and external rule in addition to all applicable laws.

2. Promoted and developed risk management among top executive as well as cascaded at all level across the properties, to review their understanding, raise risk management culture as well as risk awareness.
3. Ensured systematic and regular monitoring for all business units in practice, including constant operations update in order to ensure conformity to the formulated plans through reports from relevant department. through reports from relevant department.



(Mr. Kanchit Bunajinda)
Chairman of the Enterprise Risk Management Committee



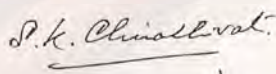
Mr. Thirayuth Chirathivat
Chief Executive Officer

Mr. Suthikiati Chirathivat
Chairman of the Board

The Board of Directors of Central Plaza Hotel Public Company Limited ("the Company") is responsible for the consolidated financial statements of the company and its subsidiaries as well as financial information in the annual report. The financial statements have been prepared in accordance with Thai Financial Reporting Standards. The policies pursued are deemed appropriate and applied consistently and conservation judgment and best estimate are adopted in this preparation with adequate disclosure of important information in the notes to the financial statements.

The Board of Directors has appointed an audit committee comprising independent directors to provide effective oversight of finances and the internal control system to ensure that accounting records are accurate, complete and timely, to prevent fraud and materially irregular operations. The views of the Audit Committee are reported in the Committee's report in this annual report.

In this regard, the Board of Directors is of an opinion that internal control systems of the Company are in satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statement of the Company and its subsidiaries as at December 31, 2013.



(Mr. Suthikiati Chirathivat)
Chairman of the Board



(Mr. Thirayuth Chirathivat)
Chief Executive Officer

FINANCIAL STATEMENTS

AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Central Plaza Hotel Public Company Limited

I have audited the accompanying consolidated and company financial statements of Central Plaza Hotel Public Company Limited and its subsidiaries and of Central Plaza Hotel Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Central Plaza Hotel Public Company Limited and its subsidiaries and of Central Plaza Hotel Public Company Limited as at 31 December 2013, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Nattapom Phan-Udom

Certified Public Accountant (Thailand) No. 3430
PricewaterhouseCoopers ABAS Ltd.
Bangkok
28 February 2014

FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2013

	Notes	Consolidated			Company		
		31 December 2013	Restated		31 December 2013	Restated	
			31 December 2012	1 January 2012		31 December 2012	1 January 2012
		Baht	Baht	Baht	Baht	Baht	Baht
Assets							
Current assets							
Cash and cash equivalents	8	741,517,856	356,281,149	315,941,985	32,124,666	20,053,882	6,000,448
Temporary investments		-	3,960,256	-	-	-	-
Trade and other receivables, net	9	936,363,869	857,129,608	646,966,908	542,218,730	314,507,017	210,387,275
Short-term loans to others		41,492,204	150,094,840	-	-	-	-
Short-term loans to related parties	35	-	-	167,495,000	470,700,000	464,850,000	430,650,000
Inventories	10	614,956,787	473,384,494	399,890,413	23,768,590	23,264,904	20,644,752
Other current assets	11	129,124,063	173,592,285	232,441,979	27,534,302	13,231,992	13,025,973
Total current assets		2,463,454,779	2,014,442,632	1,762,736,285	1,096,346,288	835,907,795	680,708,448
Non-current assets							
Investments in subsidiaries	12	-	-	-	4,737,582,405	4,622,962,561	4,274,695,445
Investments in associates	12	802,751,203	842,131,542	884,000,020	796,933,251	805,204,788	805,204,788
Investments in joint ventures	12	95,528,677	80,757,097	355,218,919	60,000,000	60,000,000	240,000,000
Other long-term investments		590,271	552,407	311,280	-	-	-
Long-term loans to related parties	35	41,000,000	157,000,000	96,213,375	3,111,950,000	3,740,700,000	4,061,600,000
Investment properties	13	473,164,072	491,387,587	507,628,676	302,662,714	315,582,530	328,502,347
Property, plant and equipment	14	22,945,234,149	22,277,733,229	16,275,959,976	5,685,112,475	5,860,037,630	4,789,811,145
Goodwill	15	314,602,238	314,602,238	314,602,238	-	-	-
Leasehold rights	16	920,561,031	760,691,820	416,540,368	90,048,451	84,991,440	156,610,721
Other intangible assets	17	459,078,256	473,443,750	489,617,968	28,625,787	36,666,088	43,218,378
Deferred tax assets	18	175,639,531	219,014,563	515,252,776	-	33,810,784	351,459,159
Other non-current assets	19	520,318,745	517,293,823	584,709,012	18,005,119	18,550,285	119,791,773
Total non-current assets		26,748,468,173	26,134,608,056	20,440,054,608	14,830,920,202	15,578,506,106	15,170,893,756
Total assets		29,211,922,952	28,149,050,688	22,202,790,893	15,927,266,490	16,414,413,901	15,851,602,204

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

STATEMENTS OF FINANCIAL POSITION (continued)

As at 31 December 2013

	Notes	Consolidated			Company		
		31 December 2013	Restated		31 December 2013	Restated	
			31 December 2012	1 January 2012		31 December 2012	1 January 2012
	Baht	Baht	Baht	Baht	Baht	Baht	
Liabilities and shareholders' equity							
Current liabilities							
Bank overdrafts and short-term							
borrowings from financial institutions	20	2,168,831,477	2,599,441,615	1,917,865,027	1,853,984,199	2,407,315,474	1,698,331,463
Trade and other payables	21	2,331,829,386	1,997,094,756	1,723,557,375	342,568,549	342,280,133	485,488,498
Current portion of long-term							
borrowings from financial institutions	20	1,250,505,280	958,000,000	408,000,000	788,000,000	588,000,000	288,000,000
Current portion of debentures	20	-	1,399,862,968	1,598,966,615	-	1,399,862,968	1,598,966,615
Current portion of equity of							
unit holder in property fund	20	-	62,000,000	62,000,000	-	-	-
Current portion of deferred income		182,357,465	174,813,987	175,506,485	94,896,842	96,654,027	89,835,580
Current portion of liability under							
consignment agreement	35	-	-	-	-	116,726,443	75,839,496
Short-term loans from others	20	32,813,600	30,631,600	-	-	-	-
Short-term loans from related parties	20, 35	60,260,523	61,065,935	6,000,000	841,400,000	749,000,000	70,000,000
Provision of guarantee payment	22	-	56,188,542	88,917,402	-	28,189,791	44,609,861
Current portion of leasehold rights payable		-	-	70,173,600	-	-	70,173,600
Income tax payable		68,762,432	104,808,703	152,996,740	-	-	-
Other current liabilities	23	322,942,426	314,326,134	318,758,528	60,550,159	49,239,234	70,950,140
Total current liabilities		6,418,302,589	7,758,234,240	6,522,741,772	3,981,399,749	5,777,268,070	4,492,195,253
Non-current liabilities							
Long-term borrowings from							
financial institutions	20	5,144,487,160	5,112,519,330	2,718,000,000	1,142,000,000	1,430,000,000	2,018,000,000
Debentures	20	2,798,111,109	1,799,117,717	3,199,049,302	2,798,111,109	1,799,117,717	3,199,049,302
Equity of unit holder in property fund	20	-	31,000,000	93,000,000	-	-	-
Deferred income		2,532,520,720	2,650,052,622	2,771,122,291	1,194,623,745	1,244,957,079	1,295,290,412
Deferred tax liabilities	18	727,685,147	521,279,509	256,690,587	127,713,586	-	-
Liability under consignment agreement	35	-	-	-	-	-	116,726,443
Provision of guarantee payment		-	-	15,796,620	-	-	7,924,505
Employee benefit obligations	24	129,754,168	117,254,837	167,949,165	48,791,785	45,204,280	57,858,283
Provision for decommissioning		80,724,042	72,393,373	63,638,298	-	-	-
Other non-current liabilities		228,560,071	157,787,575	83,650,370	29,366,321	41,636,177	49,983,060
Total non-current liabilities		11,641,842,417	10,461,404,963	9,368,896,633	5,340,606,546	4,560,915,253	6,744,832,005
Total liabilities		18,060,145,006	18,219,639,203	15,891,638,405	9,322,006,295	10,338,183,323	11,237,027,258

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

	Notes	Consolidated			Company		
		31 December 2013	Restated		31 December 2013	Restated	
			31 December 2012	1 January 2012		31 December 2012	1 January 2012
Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Liabilities and shareholders' equity (Cont'd)							
Shareholders' equity							
Share capital							
Authorised share capital							
1,350,000,000 ordinary shares							
(1 January 2012: 1,580,800,000 shares)							
of Baht 1 each							
25	1,350,000,000	1,350,000,000	1,580,800,000	1,350,000,000	1,350,000,000	1,580,800,000	
Issued and paid-up share capital							
1,350,000,000 ordinary shares							
of Baht 1 each							
	1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000	
Premium on paid-up capital							
	970,000,000	970,000,000	970,000,000	970,000,000	970,000,000	970,000,000	
Retained earnings							
Appropriated-Legal reserve							
26	158,080,000	158,080,000	158,080,000	158,080,000	158,080,000	158,080,000	
Unappropriated							
	4,749,039,787	3,832,119,472	2,378,368,876	3,189,065,695	2,648,829,564	2,135,865,458	
Other components of equity							
27	3,117,254,630	2,654,475,291	1,238,825,932	938,114,500	949,321,014	629,488	
Equity attributable to owners of the parent							
	10,344,374,417	8,964,674,763	6,095,274,808	6,605,260,195	6,076,230,578	4,614,574,946	
Non-controlling interests							
	807,403,529	964,736,722	215,877,680	-	-	-	
Total shareholders' equity							
	11,151,777,946	9,929,411,485	6,311,152,488	6,605,260,195	6,076,230,578	4,614,574,946	
Total liabilities and shareholders' equity							
	29,211,922,952	28,149,050,688	22,202,790,893	15,927,266,490	16,414,413,901	15,851,602,204	

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013

	Notes	Consolidated		Company	
		2013	Restated	2013	Restated
		Baht	Baht	Baht	Baht
Revenues					
Revenues from hotel operations and related services		8,037,382,005	6,245,278,177	2,254,504,500	2,040,041,699
Revenues from food and beverage		9,058,588,107	8,258,555,903	-	-
Dividends received		-	-	636,118,827	524,581,217
Other income	28	461,380,903	993,026,964	727,650,134	645,767,189
Total revenues		17,557,351,015	15,496,861,044	3,618,273,461	3,210,390,105
Expenses	30				
Cost of sales - hotel operations and related services		5,240,311,039	4,193,956,180	1,521,594,292	1,442,154,022
Cost of sales - food and beverage		4,978,262,097	4,485,237,346	-	-
Selling expenses		734,204,006	614,912,767	205,296,748	177,750,993
Administrative expenses		4,290,284,346	3,832,044,886	453,189,660	428,264,230
Finance costs	29	506,575,636	486,342,148	328,630,341	386,732,768
Total expenses		15,749,637,124	13,612,493,327	2,508,711,041	2,434,902,013
Operating profit		1,807,713,891	1,884,367,717	1,109,562,420	775,488,092
Share of net profit of investments					
Joint ventures		14,771,574	29,600,814	-	-
Associates		6,761,862	35,933,960	-	-
Total		21,533,436	65,534,774	-	-
Profit before income tax expense		1,829,247,327	1,949,902,491	1,109,562,420	775,488,092
Income tax expense	31	(452,644,527)	(330,960,300)	(168,496,255)	(76,306,670)
Net profit for the year		1,376,602,800	1,618,942,191	941,066,165	699,181,422
Profit attributable to:					
Owners of the parent		1,321,920,315	1,595,764,135	941,066,165	699,181,422
Non-controlling interests		54,682,485	23,178,056	-	-
		1,376,602,800	1,618,942,191	941,066,165	699,181,422
Earnings per share					
Basic earnings per share (Baht)	32	0.98	1.18	0.70	0.52

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

	Consolidated		Company	
		Restated		Restated
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Net profit for the year	1,376,602,800	1,618,942,191	941,066,165	699,181,422
Other comprehensive income				
Gain on remeasuring of available-for-sale investments	30,291	191,087	-	-
Gains on asset revaluation	393,904,266	1,681,737,236	-	948,725,510
Gains on asset revaluation from investment	-	338,265,152	-	-
Reclassification of revaluation of previously held interest in investments	-	(267,558,478)	-	-
Actuarial gains	-	63,243,929	-	16,282,684
Exchange differences on translating financial statements	38,969,522	(29,585,806)	-	-
Other comprehensive income for the year, net of income tax	432,904,079	1,786,293,120	-	965,008,194
Total comprehensive income for the year	<u>1,809,506,879</u>	<u>3,405,235,311</u>	<u>941,066,165</u>	<u>1,664,189,616</u>
Total comprehensive income attributable to:				
Owners of the parent	1,743,612,271	3,387,264,962	941,066,165	1,664,189,616
Non-controlling interests	65,894,608	17,970,349	-	-
	<u>1,809,506,879</u>	<u>3,405,235,311</u>	<u>941,066,165</u>	<u>1,664,189,616</u>

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2013

Notes	Consolidated												
	Retained earnings				Other components of equity				Total				
	Issued and paid-up share capital	Premium on paid-up capital	Legal reserve	Unappropriated reserve	Remeasuring of available-for-sale investment	Gain on asset revaluation	Surplus on business combination under common control	Translation adjustment	Total other component to equity	Total owners of the parent	Non-controlling interests	Total shareholders' equity	
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Opening balance 1 January 2012	1,350,000,000	970,000,000	158,080,000	1,769,362,067	224,182	1,548,307,984	-	-	1,548,532,166	5,795,974,233	252,665,274	6,048,639,507	
Retrospective adjustments from changes in accounting policy	-	-	-	609,006,809	(44,637)	(309,661,597)	-	-	(309,706,234)	299,300,575	(36,787,594)	262,512,981	
Balance after adjustment	1,350,000,000	970,000,000	158,080,000	2,378,368,876	179,545	1,238,646,387	-	-	1,238,825,932	6,095,274,808	215,877,680	6,311,152,488	
Dividend paid	-	-	-	(202,500,000)	-	-	-	-	-	(202,500,000)	-	(202,500,000)	
Dividend paid from a subsidiary	-	-	-	-	-	-	-	-	-	-	(50,594,458)	(50,594,458)	
Total comprehensive income for the year	-	-	-	1,656,250,596	191,087	1,752,443,913	-	(21,620,634)	1,731,014,366	3,387,264,962	17,970,349	3,405,235,311	
Increase in Non-controlling interests from acquiring of investment in subsidiary	-	-	-	-	-	-	-	-	(119,456,519)	(119,456,519)	(41,027,851)	(160,484,370)	
Transfer depreciation of land and building	-	-	-	-	-	(119,456,519)	-	-	(119,456,519)	(119,456,519)	(41,027,851)	(160,484,370)	
Closing balance 31 December 2012	1,350,000,000	970,000,000	158,080,000	3,832,119,472	370,632	2,871,633,781	-	(21,620,634)	2,850,383,779	9,160,583,251	768,828,234	9,929,411,485	
Opening balance 1 January 2013	1,350,000,000	970,000,000	158,080,000	3,224,023,587	463,494	3,696,140,393	-	(21,620,634)	3,674,983,253	9,377,086,840	681,735,714	10,058,822,554	
Retrospective adjustments from changes in accounting policy	-	-	-	608,095,885	(92,862)	(824,506,612)	-	-	(824,599,474)	(216,503,589)	87,092,520	(129,411,069)	
Restatement	1,350,000,000	970,000,000	158,080,000	3,832,119,472	370,632	2,871,633,781	-	(21,620,634)	2,850,383,779	9,160,583,251	768,828,234	9,929,411,485	
	-	-	-	(195,908,488)	-	(195,908,488)	-	-	(195,908,488)	(195,908,488)	195,908,488	-	
Effect from business acquisition	1,350,000,000	970,000,000	158,080,000	3,832,119,472	370,632	2,675,725,293	-	(21,620,634)	2,654,475,291	8,964,674,763	964,736,722	9,929,411,485	
Balance after adjustment	1,350,000,000	970,000,000	158,080,000	3,832,119,472	370,632	2,675,725,293	-	(21,620,634)	2,654,475,291	8,964,674,763	1,084,736,722	10,049,411,485	
Dividend paid	-	-	-	(405,000,000)	-	-	-	-	-	(405,000,000)	-	(405,000,000)	
Dividend paid from a subsidiary	-	-	-	-	-	-	-	-	-	-	(53,351,680)	(53,351,680)	
Total comprehensive income for the year	-	-	-	1,321,920,315	30,291	392,530,142	-	29,131,523	421,691,956	1,743,612,271	65,894,608	1,809,506,879	
Acquisition of subsidiary	-	-	-	-	-	-	-	-	143,422,000	143,422,000	-	143,422,000	
Increase in Non-controlling interests from acquiring of investment in subsidiary	-	-	-	-	-	-	-	-	-	-	(263,422,000)	(263,422,000)	
Transfer depreciation of land and building	-	-	-	-	-	(102,334,617)	-	-	(102,334,617)	(102,334,617)	(26,454,121)	(128,788,738)	
Closing balance 31 December 2013	1,350,000,000	970,000,000	158,080,000	4,749,039,787	400,923	2,965,920,818	143,422,000	7,510,889	3,117,254,630	10,344,374,417	807,403,529	11,151,777,946	

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

FINANCIAL STATEMENTS STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Cont'd)

For the year ended 31 December 2013

Notes	Company										Total shareholders' equity Baht
	Issued and paid-up share capital		Premium on paid-up capital		Retained earnings				Other components of equity		
	Baht		Baht		Legal reserve	Unappropriated	Gain on asset revaluation	Baht	Baht	Baht	
	1,350,000,000	970,000,000	158,080,000	1,784,247,495	788,292	4,263,115,787					
Retrospective adjustments from changes in accounting policy	-	-	-	351,617,963	(158,804)	351,459,159					
Balance after adjustment	1,350,000,000	970,000,000	158,080,000	2,135,865,458	629,488	4,614,574,946					
Dividend paid	-	-	-	(202,500,000)	-	(202,500,000)					
Total comprehensive income for the year after retrospective adjustments from changes in accounting policy	-	-	-	715,464,106	948,725,510	1,664,189,616					
Transfer depreciation of land and building	-	-	-	-	(33,984)	(33,984)					
Closing balance 31 December 2012	1,350,000,000	970,000,000	158,080,000	2,648,829,564	949,321,014	6,076,230,578					
Opening balance 1 January 2013	1,350,000,000	970,000,000	158,080,000	2,377,688,236	1,186,651,558	6,042,419,794					
Retrospective adjustments from changes in accounting policy - recognised in Statement of Comprehensive Income	-	-	-	271,141,328	(237,330,544)	33,810,784					
Retrospective adjustments from changes in accounting policy - recognised directly to equity	-	-	-	4,169,966	-	4,169,966					
Balance after adjustment	1,350,000,000	970,000,000	158,080,000	2,652,999,530	949,321,014	6,080,400,544					
Dividend paid	-	-	-	(405,000,000)	-	(405,000,000)					
Total comprehensive income for the year	-	-	-	941,066,165	-	941,066,165					
Transfer depreciation of land and building	-	-	-	-	(11,206,514)	(11,206,514)					
Closing balance 31 December 2013	1,350,000,000	970,000,000	158,080,000	3,189,065,695	938,114,500	6,605,260,195					

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOW

For the year ended 31 December 2013

	Notes	Consolidated		Company	
		2013 Baht	2012 Baht	2013 Baht	2012 Baht
Cash flows from operating activities					
Profit before income tax for the year		1,829,247,327	1,949,902,491	1,109,562,420	775,488,092
Adjustments:					
Depreciation and amortisation		1,577,965,014	1,360,895,680	240,427,988	234,789,449
Allowance for doubtful accounts		19,981,313	1,071,730	(172,525)	(418,750)
Finance costs	29	506,575,636	486,342,148	328,630,341	386,732,768
Share of profit from investments in associates and interests in joint ventures (net from income tax)	12	(21,533,436)	(65,534,774)	-	-
Dividends received		-	-	(636,118,827)	(524,581,217)
(Reversal of) allowance for inventory obsolescence		(122,524)	(529,361)	-	(444,716)
Realisation of deferred income		(232,247,847)	(173,625,049)	(141,202,885)	(98,973,085)
Loss on disposals and write-off of plant and equipment		33,506,298	14,198,656	8,384,829	9,010,566
(Reversal) provision for impairment of property, plant		(5,882,960)	-	-	-
(Reversal) provision for impairment of intangible assets		(1,228,172)	-	-	-
Gain on business acquisition		-	(262,488,572)	-	-
Gain on re-measuring to fair value of investments		-	(312,138,587)	-	-
Loss from guarantee provision	22	-	40,391,922	-	20,265,286
Loss from discontinue branch		13,535,569	11,259,680	-	-
Unrealised gain on exchange rate		(7,083,899)	4,068,269	-	-
Provision for employee benefits		15,788,574	30,140,371	5,437,105	9,010,244
Provision for decommissioning		11,629,083	8,755,075	-	-
		3,740,129,976	3,092,709,679	914,948,446	810,878,637
Changes in working capital (excluding the effects of acquisition of subsidiaries)					
Trade and other receivables		(100,085,150)	(110,577,440)	(228,598,447)	(103,700,992)
Inventories		(141,449,769)	(52,814,718)	(503,686)	(2,175,436)
Other current assets		44,468,222	148,116,554	(14,302,310)	(206,019)
Other non-current assets		(7,420,644)	5,947,630	90,451,547	85,995,429
Trade and other payables		471,349,291	186,909,573	(27,451,679)	(107,256,389)
Other current liabilities		8,616,292	(246,984,601)	11,310,925	2,121,422
Deferred income		122,259,423	50,362,884	89,112,366	53,242,848
Provision for decommissioning cost		(3,298,413)	-	-	-
Employee benefit		(3,289,243)	(2,250,042)	(1,849,600)	(1,211,597)
Provision of guarantee payment		(56,188,542)	(88,917,402)	(28,189,791)	(44,609,861)
Other non-current liabilities		70,772,495	(15,683,138)	(12,269,857)	18,532,654
		4,145,863,938	2,966,818,979	792,657,914	711,610,696
Cash generated from operating activities		4,145,863,938	2,966,818,979	792,657,914	711,610,696
Income tax paid		(232,378,683)	(257,370,189)	-	-
Net cash flows from operating activities		3,913,485,255	2,709,448,790	792,657,914	711,610,696

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

	Consolidated		Company	
	2013	2012	2013	2012
Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities				
Net cash payment for acquisition of investment in subsidiaries	(120,000,000)	(756,174,960)	-	-
Payment for additional investments in subsidiaries	-	-	(143,749,844)	(187,687,120)
Loans made to related parties	-	-	(1,301,100,000)	(1,970,300,000)
Loan payments received from related parties	35	116,000,000	1,924,000,000	2,257,000,000
Proceeds from loans from others		182,450,538	61,065,935	-
Loans made to others		(70,000,000)	-	-
Cash received from short-term investment		3,960,256	-	-
Cash received from decrease in share capital of a subsidiary		-	12,156,987	-
Purchase of property, plant and equipment software licenses and asset under financial lease agreement		(2,003,183,712)	(1,358,903,917)	(138,780,586)
Prepaid for land		-	(411,850)	-
Proceed from disposals of plant and equipment		3,298,074	8,818,262	1,537,853
Net changes in land deposit		-	(4,574,528)	(2,451,119)
Proceeds from redemption of investment in property funds		8,271,537	-	37,401,537
Dividends received from subsidiaries		-	-	598,248,169
Dividends received from associates and property funds		37,870,658	71,492,030	37,870,658
Cash received from account receivable from reciprocation agreement under construction of hotel and hotel improvement		-	15,324,309	-
				15,324,309
Net cash (used in) from investing activities		(1,841,332,649)	(1,950,795,882)	1,012,564,818
Cash flows from financing activities				
Net changes in short-term loans from financial institutions		(390,000,000)	710,000,000	(550,000,000)
Interest paid		(607,345,122)	(517,248,017)	(316,970,673)
Dividends paid to owners of the Company		(405,000,000)	(202,500,000)	(405,000,000)
Proceeds from loans from related parties	35	-	-	2,208,500,000
Repayments of loans from related parties	35	(17,444,809)	(6,000,000)	(2,116,100,000)
Proceeds from debentures		1,000,000,000	-	1,000,000,000
Repayments of debentures		(1,400,000,000)	(1,600,000,000)	(1,400,000,000)
Proceeds from borrowings		-	61,065,935	-
Proceeds from long-term borrowings		1,082,848,800	1,469,368,400	500,000,000
Repayments of long-term borrowings		(758,375,690)	(453,000,000)	(588,000,000)
Repayments of borrowings		-	(30,434,335)	-
Equity of unit holders in property funds	20	(93,000,000)	(62,000,000)	-
Dividends paid to non-controlling interests		(53,351,680)	(50,594,458)	-
Dividends paid to unit holders in property funds		(4,637,260)	(8,547,857)	-
Cash paid for liabilities under consignment agreement		-	-	(122,250,000)
				(81,500,000)
Net cash (used in) from financing activities		(1,646,305,761)	(689,890,332)	(1,789,820,673)
Net (decrease) increase in cash and cash equivalents		425,846,845	68,762,576	15,402,059
Cash and cash equivalents at the beginning of the year		296,839,534	228,076,958	12,738,408
Cash and cash equivalents at the end of the year		722,686,379	296,839,534	28,140,467

The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

STATEMENT OF CASH FLOW (Cont'd)

For the year ended 31 December 2013

Cash and cash equivalents as at 31 December

	Note	Consolidated		Company	
		2013	2012	2013	2012
		Baht	Baht	Baht	Baht
Cash and cash equivalents		741,517,856	356,281,149	32,124,666	20,053,882
Bank overdrafts	20	(18,831,477)	(59,441,615)	(3,984,199)	(7,315,474)
		<u>722,686,379</u>	<u>296,839,534</u>	<u>28,140,467</u>	<u>12,738,408</u>

Non-cash transactions

Acquisition of property, plant and equipment, and software licenses by payable	279,179,951	310,387,867	9,759,518	19,453,516
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The accompanying notes on page 47 to 128 are an integral part of these consolidated and company financial statements.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

1. General information

Central Plaza Hotel Public Company Limited, (the "Company") is a public limited company which is incorporated and domiciled in Thailand and is listed on the Stock Exchange of Thailand on 10 January 1990. The address of the Company's registered office is as follows:

1695 Phaholyothin Road, Chatuchak, Bangkok, Thailand.

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

The principal businesses of the Company are in the hotel business. Details of the Company's subsidiaries, associates and interests in joint ventures as at 31 December 2013 and 2012 are as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 December 2013	31 December 2012
Direct subsidiaries				
Investment in subsidiaries				
Central Samui Beach Resort Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Karon Village Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Krabi Bay Resort Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Hua Hin Beach Resort Co., Ltd.	Hotel	Thailand	63.9	63.9
Central World Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Koh Kood Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Hotel Management Co., Ltd.	Holding company	Thailand	100.0	100.0
Central Restaurants Group Co., Ltd.	Food and beverage	Thailand	100.0	100.0
Triplenine Decor Co., Ltd.	Dormant company	Thailand	100.0	100.0
Central Samui Hotel Management Co., Ltd.	Hotel	Thailand	100.0	100.0
Centara International Management Co., Ltd.	Holding company and hotel management	Thailand	100.0	100.0
S.P. Realty Had Farang Resort Co., Ltd.	Not operate yet	Thailand	100.0	100.0
S.P. Realty Pattaya Beach Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Cenvaree Healthy Spa Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Central Bangkok Convention & Exhibition Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Centara International Management (Thailand) Co., Ltd.	Hotel management	Thailand	100.0	100.0
Karon Phuket Hotel Co., Ltd.	Hotel	Thailand	99.3	83.9*
Cosi Hotels Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Centara Import-Export Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Cosi Hotel Management Co., Ltd.	Not operate yet	Thailand	100.0	-
Centara Loyalty Marketing Co., Ltd.	Offer privileges for customers	Thailand	100.0	-
Centara Learning Centre Co., Ltd.	Learning centre	Thailand	100.0	-
Investment in property fund				
Thai Pattana Fund 2	Property fund	Thailand	23.9*	23.9*

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

1. General information (Cont'd)

The principal businesses of the Company are in the hotel business. Details of the Company's subsidiaries, associates and interests in joint ventures as at 31 December 2013 and 2012 are as follows: (Cont'd)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 December 2013	31 December 2012
Indirect subsidiaries				
Investment in subsidiaries				
Central Sukhontha Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Samui Village Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Mae Sot Hill Hotel Co., Ltd.	Hotel	Thailand	98.4	98.4
CRG Manufacturing Co., Ltd.	Food and beverage	Thailand	100.0	100.0
Central Laundry Services Co., Ltd.	Dormant company	Thailand	100.0	100.0
CRG International Food Co., Ltd.	Food and beverage	Thailand	100.0	100.0
S.P. Realty Lanta Beach Co., Ltd.	Not operate yet	Thailand	100.0	100.0
Centara Maldives Pvt. Ltd.	Hotel	Maldives	75.0	75.0
R.M.L. Leisure Pvt. Ltd.	Hotel	Maldives	74.0	74.0
Investment in associates and interests in joint ventures				
Centara Hotels & Resorts				
Leasehold Property Fund	Property fund	Thailand	25.3	25.3
Kata Phuket Hotel Co., Ltd.	Hotel	Thailand	50.0	50.0

* By direct and indirect shareholding

These Group consolidated financial statements were authorised for issue by the Board of Directors on 28 February 2014.

2. Accounting policies

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

2.1 Basis of preparation

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

The consolidated and company financial statements have been prepared under the cost convention except revaluation of property, plant and equipment and available for sale investment 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 financial statements are disclosed in note 5.

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

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

(1) New/revised accounting standards which are effective on 1 January 2013 and are relevant and have an impact to the Company are:

TAS 12	Income taxes
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments

TAS 12 requires tax expenses to be recognised for current and deferred tax. New accounting policy and the significant impact to the Group are described in Note 4.

TAS 21 (revised 2009) requires the Company to determine the functional currency which is the currency of the primary economic environment in which the entity operates. The Company assessed and concluded that Thai Baht is the Company's functional currency. As a consequence, applying TAS 21 (Revised 2009) has no impact to assets, liabilities and retained earnings. New accounting policy is described in Note 2.4

TFRS 8 requires the operating segment to be described in the same manner as internal reporting used by the chief operating decision-maker. New accounting policy is described in Note 4. The impact to the Company is only on a disclosure.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

2. Accounting policies (Cont'd)

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

(2) Revised accounting standards, revised financial reporting standards, and related interpretations that are not yet effective and have not been early adopted by the Group:

a) Revised accounting standards effective for the periods beginning on or after 1 January 2014

TAS 1 (Revised 2012)	Presentation of financial statements
TAS 7 (Revised 2012)	Statement of cash flows
TAS 12 (Revised 2012)	Income taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee benefits
TAS 21 (Revised 2012)	The effects of changes in foreign exchange rates
TAS 24 (Revised 2012)	Related party disclosures
TAS 28 (Revised 2012)	Investments in associates
TAS 31 (Revised 2012)	Interest in joint ventures
TAS 34 (Revised 2012)	Interim financial reporting
TAS 36 (Revised 2012)	Impairment of assets
TAS 38 (Revised 2012)	Intangible assets
TFRS 2 (Revised 2012)	Share-based payment
TFRS 3 (Revised 2012)	Business combinations
TFRS 5 (Revised 2012)	Non-current assets held for sale and discontinued operations
TFRS 8 (Revised 2012)	Operating segments

TAS 1 (revised 2012) clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. This standard has no impact to the Group.

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognized asset in the statement of financial position are eligible for classification as investing activities. This standard has no impact to the Group.

TAS 12 (revised 2012) amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated in to TAS 12 (revised 2012). The management is currently assessing the impact of applying this standard.

TAS 17 (revised 2012) deletes the guidance for a lease of land with an indefinite useful life to be classified as an operating lease. The standard has been amended to clarify that when a lease includes both land and buildings,

classification as a finance or operating lease is performed separately in accordance with TAS 17's general principles. The management is currently assessing the impact of applying this standard.

TAS 18 (revised 2012) removes the appendix to TAS 18. This standard has no impact to the Group.

TAS 19 (revised 2012) deletes the transition provisions of the current TAS 19. This standard has no impact to the Group.

TAS 21 (revised 2012) clarifies the method of recording cumulative amount of the exchange different relating to disposal or partial disposal of a foreign operation. This matter should be adjusted prospectively effective for the period begins on or after 1 January 2011. This standard has no impact to the Group.

TAS 24 (revised 2012) removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of related parties. This standard has no impact to the Group.

TAS 28 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses significant influence, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 Jan 2011. This standard has no impact to the Group.

TAS 31 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity loses joint control in its interest in joint control, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 Jan 2011. This standard has no impact to the Group.

TAS 34 (revised 2012) emphasises the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report. The management is currently assessing the impact of applying this standard.

TAS 36 (revised 2012) clarifies that goodwill being allocated to cash-generating units shall not be larger than an operating segment before aggregation as defined under TFRS 8 - Operating Segments. The management is currently assessing the impact of applying this standard.

TAS 38 (revised 2012) clarifies that an intangible asset acquired in a business combination might be separable, but only together with a related contract, identifiable asset or liability. In such cases, intangible asset is recognised separately from goodwill, but together with related item. Intangible assets are recognised as a single asset provided the individual assets have similar useful lives. The management is currently assessing the impact of applying this standard.

TFRS 2 (revised 2012) expands the scope to cover classification and accounting of both cash-settled and equity-settled share-based payment transactions in group situation. This standard has no impact to the Group.

TFRS 3 (revised 2012) amends the measurement required for non-controlling interests. The choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of net assets in the event

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

of liquidation. All other component of non-controlling interests is measured at fair value unless another measurement basis is required by TFRS. The application guidance in TFRS 3 (revised 2012) also applies to all share-based payment transactions that are part of a business combination, including unreplaced and voluntarily replaced share-based payment awards. The management is currently assessing the impact of applying this standard.

TFRS 5 (revised 2012) specifies the disclosures required for assets held for sale and discontinued operations. Disclosures in other standards do not apply, unless those TFRS requires. This standard has no impact to the Group.

TFRS 8 (revised 2012) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker. This standard has no impact to the Group.

b) Interpretations of Thai Financial Reporting Interpretations Committee (TFRIC) and Thai Standard Interpretations Committee (TSIC) effective for the periods beginning on or after 1 January 2014

TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7	Applying the restatement approach under TAS 29 financial reporting in hyperinflationary economies
TFRIC 10	Interim financial reporting and impairment
TFRIC 12	Service concession arrangements
TFRIC 13	Customer loyalty programmes
TFRIC 17	Distributions of non-cash assets to owners
TFRIC 18	Transfers of assets from customers
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease
TSIC 29	Service concession arrangements: Disclosure
TSIC 32	Intangible assets - Web site costs

TFRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that results from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate. This interpretation has no impact to the Group.

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (1) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (2) the arrangement conveys a right to use the asset. The management is currently assessing the impact of applying this interpretation.

TFRIC 5 provide guidance on accounting in the financial statements of a contributor for interests arising from decommissioning funds that the assets are administered separately and a contributor's right to access the assets is restricted. The management is currently assessing the impact of applying this interpretation.

TFRIC 7 provides guidance on how to apply the requirements of TAS 29, Financial Reporting in Hyperinflationary Economics, in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. TFRIC 7 is not relevant to the Group's operations.

TFRIC 10 prohibits reversal of an impairment losses recognised in a previous interim period in respect of goodwill. This interpretation has no impact to the Group.

TFRIC 12 applies to public-to-private service concession arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. TFRIC12 is not relevant to the Group's operations.

TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. The management is currently assessing the impact of applying this interpretation.

TFRIC 17 provides guidance on accounting for the distributions of non-cash assets to owners acting in their capacity as owners. The interpretation addresses the issues on the dividend payable recognition and measurement and the accounting for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when an entity settles the dividend payable. This interpretation has no impact to the Group.

TFRIC 18 sets out the accounting for transfers of items of property, plant and equity by entities that receive such transfers from their customers. Agreements within the scope of this interpretation are agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect to a network or to provide the customer with ongoing access to supply of goods or services. The interpretation addresses the issues on the initial recognition and the accounting treatment of the transferred assets. This interpretation has no impact to the Group.

TSIC 15 sets out the accounting for the recognition of incentive that a lessor provides to a lessee in an operating lease. This interpretation has no impact to the Group.

TSIC 27 provides guidance on evaluating the substance of transactions in the legal form of a lease between the entity and the investor whether a series of transactions is linked and should be accounted for as one transaction and whether the arrangement meets the definition of a lease under TAS 17 "Leases". The accounting shall reflect the substance of the arrangement. The management is currently assessing the impact of applying this interpretation.

TSIC 29 contains disclosure requirements in respect of public-to-private service arrangements. This TSIC 29 is not relevant to the Group operation.

TSIC 32 provides guidance on the internal expenditure on the development and operation of the entity web site for internal or external access. The entity shall comply with the requirements described in TAS38 "Intangible Assets". This interpretation has no impact to the Group.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

2. Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

(2) Revised accounting standards, revised financial reporting standards, and related interpretations that are not yet effective and have not been early adopted by the Group: (Cont'd)

c) New accounting standard which is effective for the periods beginning on or after 1 January 2016

TFRS 4	Insurance Contracts
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TFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. TFRS 4 is not relevant to the Group's operations.

2.3 Group Accounting - Investments in subsidiaries and associates and interests in joint ventures

(1) Subsidiaries

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

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

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

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

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(2) Transactions and non-controlling interests

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

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

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

(3) Associates and interests in joint ventures

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

The Group's share of its associates' and joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate and joint venture equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate and joint venture.

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

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

A list of the Group's principal associates and joint ventures is set out in Note 12. The effects acquisitions and disposals of associates are shown in Note 34.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

2. Accounting policies (Cont'd)

2.4 Foreign currency translation

(a) Functional and presentation currency

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 consolidated financial statements are presented in Thai Baht, which is the company's functional and the group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

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 Cash and cash equivalents

In the consolidated and company statement of cash flows, cash and cash equivalents includes cash in 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 consolidated and Company statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.6 Trade accounts receivable

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

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method for food and beverage, finished goods, raw materials for manufacturing and spa products and by the moving average method for a subsidiary engaged in the manufacturing and sale of ice-cream 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 charges, 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.

2.8 Investments

Investments other than investments in subsidiaries, associates and interests in joint ventures are classified into the following four categories: (1) trading investments; (2) held-to-maturity investments; (3) available-for-sale investments; and (4) general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- (1) Investments that are 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) Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
- (3) Investments 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; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- (4) Investments in non-marketable equity securities are classified as general investments.

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

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

2. Accounting policies

2.8 Investments (Cont'd)

Trading investments and available for sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand. The unrealised gains and losses of trading investments are recognised in income statement. The unrealised gains and losses of available for sale investments are recognised in equity.

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

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, 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 Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weight average carrying amount of the total holding of the investment.

2.9 Investment Property

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 using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings and building improvement	15 and 30 years
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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.

2.10 Property, plant and equipment

Property, plant and equipment comprise mainly land and buildings except assets under financial lease agreement are shown at fair value, based on valuations by external independent valuers every 5 years, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other 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.

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 profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and building are credited to statement of comprehensive income and shown as gain on asset revaluation in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against gain on asset revaluation directly in equity; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost is transferred from 'gain on asset revaluation' to retained earnings. According to FAP announcement, see in Note 14.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost (or the revalued amount) to their residual values over their estimated useful lives, as follows:

Land improvements	10 - 25 Years or leased period
Buildings and improvements	10 - 50 years
Machinery and equipment	5 - 30 years
Furniture, fixtures and office equipment	3 - 19 years
Vehicles	5 - 10 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 (note 2.14).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other losses/gains - net" in profit or loss.

When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

2. Accounting policies (Cont'd)

2.11 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 undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated 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 groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

2.12 Leasehold right

Leasehold right is prepaid rental expense that is capitalised and amortised using the straight-line method over the lease period. Leasehold right is not re-valued. The carrying amount of leasehold right is reviewed annually for impairment where it is considered necessary.

2.13 Intangible assets

License agreements

Expenditure on acquired patents, trademarks and licences relating to restaurant franchises is capitalised and amortised using the straight-line method over their estimated useful lives, generally over 10 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.

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 not over 10 years.

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

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

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

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

2.14 Impairment of assets

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

2.15 Leases

Leases - Where a Group company is the lessee

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

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

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

Leases - Where a Group company is the lessor

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

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

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

2. Accounting policies (Cont'd)

2.16 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

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

2.17 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 company's subsidiaries and associates 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 and associates, 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.

2.18 Employee Benefits

The Group has both defined benefit and defined contribution plans. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension 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 defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, 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 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.

Past-service costs are recognised immediately in profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

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.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.19 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 a reliable estimate of the amount can be made. 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.

2.20 Share Capital

Ordinary shares are classified as equity.

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

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

2.21 Revenue recognition

Hotel revenues from rooms, food and beverage and other services are recognised when the rooms are occupied, food and beverage are sold and the services are rendered.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

2. Accounting policies (Cont'd)

2.21 Revenue recognition (Cont'd)

Revenues from quick service restaurant business are recognised when food and beverage are sold to the customers.

Revenue from investments comprises rental income from investment properties and dividend and interest income from investments and bank deposits.

Rental income from investment property is recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income is recognised in the statement of income on the date the Group's/Company's right to receive payments is established.

Interest income is recognised in the statement of income as it accrues.

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

3. Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: 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 interest rate swap to hedge certain exposures.

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by the Finance Director before execution. The Group has no significant interest-bearing assets. The Group's policy is enter into interest rate swap. Under the interest rate swaps, The Group agrees with the other parties to exchange, at specified intervals (generally quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement. Gains and losses on early termination of interest rate swaps or on repayment of the borrowing are taken to profit or loss.

Foreign exchange risk

The Group has two investments in foreign subsidiaries, whose net assets are exposed to currency translation risk. However, the Group does not enters into forward exchange contract to hedge the foreign currency exposure of its subsidiaries.

3.2 Accounting for derivative financial instruments and hedging activities

Interest rate swap agreements 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 revenue or expense over the period of the agreement. Gains and losses on early termination of interest rate swaps or on repayment of the borrowing are taken to profit or loss.

4. Change in presentation, change in accounting policies and restatement

4.1 Change in presentation

Comparative figures have been adjusted to conform with changes in presentation in the current year as follows:

	Consolidated					
	As at 1 January 2012			As at 31 December 2012		
	Originally stated Baht	Adjustment Baht	Restated Baht	Originally stated Baht	Adjustment Baht	Restated Baht
Other current assets						
Trade and other receivables	646,966,908	-	646,966,908	836,138,013	20,991,595	857,129,608
Other current assets	232,441,979	-	232,441,979	169,171,058	4,421,227	173,592,285
Non-current assets						
Property, plant and equipment	13,320,034,444	2,955,925,532	16,275,959,976	19,191,653,595	2,796,267,301	21,987,920,896
Assets under financial lease						
Agreement	2,955,925,532	(2,955,925,532)	-	2,796,267,301	(2,796,267,301)	-
Other intangible assets	341,447,753	148,170,215	489,617,968	318,962,710	154,481,040	473,443,750
Other non-current assets	732,879,227	(148,170,215)	584,709,012	697,187,685	(179,893,862)	517,293,823
Current liabilities						
Trade and other payables	1,592,495,717	131,061,658	1,723,557,375	1,851,401,392	145,693,364	1,997,094,756
Current portion of deferred income	175,506,485	-	175,506,485	281,917,223	(107,103,236)	174,813,987
Short-term loans from others	-	-	-	61,065,935	(30,434,335)	30,631,600
Short-term loans from related parties	6,000,000	-	6,000,000	-	61,065,935	61,065,935
Other current liabilities	449,820,186	(131,061,658)	318,758,528	468,549,215	(154,223,081)	314,326,134
Non-current liabilities						
Long-term borrowings from financial institutions	2,718,000,000	-	2,718,000,000	5,143,150,930	(30,631,600)	5,112,519,330
Deferred income	2,771,122,291	-	2,771,122,291	2,542,949,386	107,103,236	2,650,052,622
Other non-current liabilities	83,650,370	-	83,650,370	149,257,858	8,529,717	157,787,575
Shareholders' equity						
Other components of equity	1,238,825,932	-	1,238,825,932	2,850,383,779	(195,908,488)	2,654,475,291
Non-controlling interests	215,877,680	-	215,877,680	768,828,234	195,908,488	964,736,722

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

4. Change in presentation, change in accounting policies and restatement (Cont'd)

4.1 Change in presentation (Cont'd)

	Company					
	As at 1 January 2012			As at 31 December 2012		
	Originally stated	Adjustment	Restated	Originally stated	Adjustment	Restated
	Baht	Baht	Baht	Baht	Baht	Baht
Other current liabilities						
Trade and other payables	367,287,174	118,201,324	485,488,498	221,441,753	120,838,380	342,280,133
Other current liabilities	189,151,464	(118,201,324)	70,950,140	181,242,623	(132,003,389)	49,239,234
Non-current liabilities						
Other non-current liabilities	49,983,060	-	49,983,060	30,471,168	11,165,009	41,636,177

With the effective of TAS 1 (revised 2009) "Presentation of Financial Statements", the Group presented statements of financial position as at 31 December 2013, 31 December 2012 and 1 January 2012 for the reclassification of comparative figures.

4.2 Change in accounting policies

As described in Note 2, the Group has adopted the Accounting Standard No.12 Income taxes, effective on 1 January 2013, and has accounted for the adoption retrospectively in accordance with the accounting standard. The comparative financial statements have been restated accordingly.

The effects of the adoption on the statements of financial position of the Group as at 1 January 2012 and 31 December 2012 are as follows:

	Consolidated						Unit: Baht
	At 1 January 2012			At 31 December 2012			
	Originally stated	Adjustments	Restated	Originally stated	Adjustments	Restated	
Increase in deferred tax							
Assets	-	515,252,776	515,252,776	-	219,014,563	219,014,563	
Increase in deferred tax							
Liabilities	-	256,690,587	256,690,587	-	521,279,509	521,279,509	
Increase (decrease) in							
interest in joint							
Ventures	351,268,126	3,950,793	355,218,919	82,319,796	(1,562,699)	80,757,097	
Increase in retained							
Earnings	1,769,362,067	609,006,809	2,378,368,876	3,147,628,281	469,384,369	3,617,012,650	
Decrease in other							
components of							
shareholders' equity	1,548,532,166	(309,706,234)	1,238,825,932	3,751,378,559	(739,320,940)	3,012,057,619	
Decrease in non-							
controlling interests	252,665,274	(36,787,594)	215,877,680	681,735,714	(33,891,075)	647,844,639	

Unit: Baht

	Company					
	At 1 January 2012			At 31 December 2012		
	Originally stated	Adjustments	Restated	Originally stated	Adjustments	Restated
Increase in deferred tax Assets	-	351,459,159	351,459,159	-	33,810,784	33,810,784
Increase in retained Earnings	1,784,247,495	351,617,963	2,135,865,458	2,357,235,586	271,141,318	2,648,829,564
Decrease in other components of shareholders' equity	788,292	(158,804)	629,488	1,207,104,208	(237,330,544)	949,321,014

The effect on the income statements and the statement of comprehensive income for the year ended 31 December 2012 are as follows;

Unit: Baht

	Consolidated			Company		
	Originally Stated	Adjustments	Restated	Originally stated	Adjustments	Restated
Decrease in other income	876,567,869	(4,604,952)	871,962,917	-	-	-
Decrease in share of result of investments - equity method	30,509,355	(908,541)	29,600,814	-	-	-
Increase in income tax expenses	212,760,197	118,200,103	330,960,300	-	76,306,670	76,306,670
Decrease in profit for the period	1,580,766,214	(123,713,569)	1,457,052,618	775,488,091	(76,306,670)	699,181,421
Decrease in other comprehensive income for the period	3,826,335,088	(439,070,126)	3,387,264,962	1,981,837,991	(317,648,375)	1,664,189,616
Decrease in basic earnings per share	1.17	(0.09)	1.08	0.57	(0.07)	0.50

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4. Change in presentation, change in accounting policies and restatement (Cont' d)

4.3 Restatement

- (1) Retrospectively adjust other income from the measurement of the fair value of identifiable assets acquired and liabilities assumed of Karon Phuket Hotel Co., Ltd (Excluded deferred income tax)

During the fourth quarter of 2012, the Group measured the fair value of identifiable assets acquired and liabilities assumed of Karon Phuket Hotel Co., Ltd to comply with the measurement period for a business combination referred in TFRS 3 (Revised 2009) that the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date (27 February 2012) and, if known, would have affected the measurement of the amounts recognised as of that date and the measurement period shall not exceed one year from the acquisition date.

The effects of retrospective adjustment to the change on Statements of financial position as at 31 December 2012 are as follows:

	Consolidated		
	At 31 December 2012		
	Originally stated Baht	Adjustments Baht	Restated Baht
Decrease in property, plant and Equipment	19,191,653,595	(107,454,150)	19,084,199,445
Decrease in retained earnings	3,147,628,281	(90,154,032)	3,057,474,249
Decrease in non-controlling interests	681,735,714	(17,300,118)	664,435,596

The effect to the Statements of Comprehensive Income (Exclude deferred income tax) for year ended 31 December 2012 was presented as follows:

	Restated Consolidated Baht
Decrease in other income	107,454,150
Decrease in net profit for owners of the parent for the period	90,154,032
Decrease in net profit for non-controlling interests for the period	17,300,118
Decrease in basic earnings per share	0.08

- (2) Retrospectively adjust other income from the measurement of the fair value of identifiable assets acquired and liabilities assumed of R.M.L. Leisure Pvt. Ltd.

During the fourth quarter of 2013, the Group measured the fair value of identifiable assets acquired and liabilities assumed of R.M.L. Leisure Pvt. Ltd. to comply with the measurement period for a business combination referred in TFRS 3 (Revised 2009) that the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date (3 December 2012) and, if known, would have affected the measurement of the amounts recognised as of that date and the measurement period shall not exceed one year from the acquisition date.

The effects of retrospective adjustment to the change on Statements of financial position as at 31 December 2012 are as follows:

	Consolidated		
	At 31 December 2012		
	Originally stated Baht	Adjustments Baht	Restated Baht
Increase in property, plant and Equipment	19,191,653,595	406,581,253	19,598,234,848
Increase in retained earnings	3,147,628,281	235,872,803	3,383,501,084
Increase in non-controlling interests	681,735,714	170,708,450	852,444,164

The effect to the Statements of Comprehensive Income (Exclude deferred income tax) for year ended 31 December 2012 was presented as follows:

	Restated Consolidated Baht
Increase in other income	228,518,197
Increase in share of net profit of investments in associates	7,354,606
Increase in net profit for owners of the parent for the period	235,872,803
Increase in basic earnings per share	0.17

3) Retrospectively adjust from changing of Accounting Policy for Depreciation of one subsidiary company of the Group.

During the year of 2013, the Group's management revises the depreciation charge in order to in line with their estimate useful life and in accordance with tax law in the country where the Company's subsidiary operates and generates taxable income. Furthermore, the management decided to extend lease period. As a result, the Group shall restate balance of accumulative depreciation due to a renew lease agreement.

The effects of retrospective adjustment to the change on Statements of financial position as at 31 December 2012 are as follows

	Consolidated		
	At 31 December 2012		
	Originally stated Baht	Adjustments Baht	Restated Baht
Decrease in property, plant and Equipment	19,191,653,595	(9,314,770)	19,182,338,825
Decrease in leasehold rights	876,087,576	(115,395,756)	760,691,820
Increase in retained earnings	3,147,628,281	69,388,051	3,217,016,332
Decrease in other components of shareholders' equity	3,751,378,559	(161,673,840)	3,589,704,719
Decrease in non-controlling interests	681,735,714	(32,424,737)	649,310,977

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The effect to the Statements of Comprehensive Income (Exclude deferred income tax) for year ended 31 December 2012 was presented as follows:

	Restated Consolidated Baht
Increase in cost of sales - hotel operations and related services	9,469,263
Decrease in net profit for the period	9,469,263
Decrease in other comprehensive income for the period	9,469,263
Decrease in basic earnings per share	0.01

5. Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting 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.

(a) Estimated impairment of goodwill and investments in subsidiaries

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.14. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of financial estimates for next 5 years future that was approved by management.

(b) Pension benefits

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

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the 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 the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 24.

6. 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. In addition, the Group has to maintain debt to equity ratio under condition of loan agreement (Note 20).

7. Segment information

Segment information Segment reporting is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's and its subsidiaries' management and internal reporting provided to the chief operation decision-maker. The Chief Operation Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's Management committee that makes strategic decisions.

Inter-segment pricing is determined on mutually agreed terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest or dividend-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

7.1 Financial information by business segments

The Company and its subsidiaries comprise the following main business segments:

Segment 1	Hotel
Segment 2	Food and ice-cream

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For the year ended 31 December 2013

7. Segment information

7.1 Financial information by business segments (Cont'd)

Business segment results and financial position for the years ended 31 December 2013 and 2012 were as follows:

	Hotel operation		Food and ice-cream operation		Total continuing operations		Eliminations		Consolidated	
	Restated		Restated		Restated		Restated		Restated	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenues	8,154	6,376	9,150	8,342	17,304	14,718	(209)	(214)	17,095	14,504
Interest income	370	372	8	5	378	377	(353)	(344)	25	33
Other income	1,094	1,015	126	98	1,220	1,113	(783)	(153)	437	960
Total revenue	9,618	7,763	9,284	8,445	18,902	16,208	(1,345)	(711)	17,557	15,497
Cost of sale	5,311	4,295	5,046	4,544	10,357	8,839	(139)	(159)	10,218	8,680
Administrative expenses	1,876	1,525	3,168	2,867	5,044	4,392	(754)	(560)	4,290	3,832
Selling expenses	358	289	392	331	750	620	(15)	(6)	735	614
Financial costs	855	821	5	9	860	830	(353)	(344)	507	486
Total expenses	8,400	6,930	8,611	7,751	17,011	14,681	(1,261)	(1,069)	15,750	13,612
Share profit from investments	22	65	-	-	22	65	-	-	22	65
Profit before finance costs and income tax expense	1,240	898	673	694	1,913	1,592	(84)	358	1,829	1,950
Income tax expense	(330)	(192)	(123)	(139)	(453)	(331)	-	-	(453)	(331)
Profit for the years	910	706	550	555	1,460	1,261	(84)	358	1,376	1,619

Unit : Million Baht

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For the year ended 31 December 2013

7. Segment information (Cont'd)

7.2 Financial information by geographical segments

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

Thailand is the home country of the parent company which is also the main operating. The areas of operation are principally hotel operations, food and beverage operations, remanufacturing and management operations.

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

	Million Baht					
	Revenues		Segment results		Total assets	
	Restated 2013	Restated 2012	Restated 2013	Restated 2012	Restated 2013	Restated 2012
Thailand	17,669	15,428	2,809	1,661	46,426	26,050
Maldives	1,233	70	(16)	(41)	3,643	2,972
Eliminated	(1,345)	(1)	(1,417)	(1)	(20,857)	(873)
	<u>17,557</u>	<u>15,497</u>	<u>1,376</u>	<u>1,619</u>	<u>29,212</u>	<u>28,149</u>

8. Cash and cash equivalents

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Cash on hand	63,127,524	56,895,096	1,699,003	1,826,400
Cash at bank	671,393,768	296,390,740	30,425,663	18,227,482
Short-term investment less than 3 months	6,996,564	2,995,313	-	-
	<u>741,517,856</u>	<u>356,281,149</u>	<u>32,124,666</u>	<u>20,053,882</u>

The average effective interest rate of deposits with banks was 0.6% to 2.8% per annum (2012: 0.8% to 2.1% per annum).

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9. Trade and other receivables - net

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Trade receivables - gross	575,169,495	549,038,186	103,917,707	104,993,004
<u>Less</u> Provision for impairment of trade receivables	(23,390,133)	(3,408,820)	(479,175)	(651,700)
Trade receivables - net	551,779,362	545,629,366	103,438,532	104,341,304
Prepaid expenses	106,626,511	124,642,644	22,573,990	32,335,781
Advance to suppliers	39,806,460	32,309,628	-	-
Other receivables	129,805,415	82,922,882	43,176,922	6,242,662
Receivables from related parties (Note 35.2)	108,346,121	71,625,088	373,029,286	171,587,270
	<u>936,363,869</u>	<u>857,129,608</u>	<u>542,218,730</u>	<u>314,507,017</u>

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

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Within credit terms	410,538,284	409,886,929	90,479,734	73,144,326
Overdue:				
Less than 3 months	112,913,374	86,791,582	9,540,921	24,135,557
3 - 6 months	12,921,839	37,152,318	1,437,603	5,233,826
6 - 12 months	10,084,178	3,075,568	896,289	771,875
Over 12 months	28,711,820	12,547,300	1,563,160	1,707,420
	<u>575,169,495</u>	<u>549,453,697</u>	<u>103,917,707</u>	<u>104,993,004</u>
<u>Less</u> Provision for impairment of trade receivables	(23,390,133)	(3,824,331)	(479,175)	(651,700)
	<u>551,779,362</u>	<u>545,629,366</u>	<u>103,438,532</u>	<u>104,341,304</u>

10. Inventories

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Food and beverage	67,927,942	56,986,826	15,902,559	14,125,358
Raw materials	447,658,979	328,625,537	-	-
Work in process	1,832,036	1,784,510	-	-
Finished goods	6,659,145	5,451,171	-	-
Operating supplies	74,637,105	68,987,899	6,181,356	7,205,020
Others	19,417,106	14,846,601	1,684,675	1,934,526
	618,132,313	476,682,544	23,768,590	23,264,904
<u>Less</u> Allowance for obsolete stock	(3,175,526)	(3,298,050)	-	-
	614,956,787	473,384,494	23,768,590	23,264,904

The cost of inventories which is recognised as an expense and included in 'cost of sales' for the year ended 31 December 2013 amounting to Baht 4,240 million (2012: Baht 3,736 million).

The Group reversed Baht 0.12 million of a previous inventory write-down in the statement of comprehensive income (2012: Baht 0.52 million).

11. Other current assets

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Withholding income tax and input tax receivable	60,335,966	114,338,691	25,648,949	12,580,372
Undue input tax	44,212,047	26,469,621	1,885,353	651,620
Retentions	-	297,500	-	-
Office supplies	13,011,156	13,674,311	-	-
Others	11,564,894	18,812,162	-	-
	129,124,063	173,592,285	27,534,302	13,231,992

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12. Investments in subsidiaries, associates and interests in joint ventures

a) Investments in subsidiaries

	Company	
	2013	Restated 2012
	Baht	Baht
At 1 January	4,622,962,561	4,274,695,445
Additional investments	143,749,844	8,500,000
Transfer from interests in joint ventures (Note 12 b)	-	359,187,116
Proceeds from redemption of property funds	(29,130,000)	(19,420,000)
At 31 December	4,737,582,405	4,622,962,561

2013

On 13 February 2013, the Company invested in Cosi Hotel Management Co., Ltd., consisting of 49,997 ordinary shares with a par value of Baht 100 per share (call-up of Baht 25 per share), totalling Baht 1.3 million. Total invested shares represent 100% ownership. The Company paid for share capital on 13 February 2013.

On 13 February 2013, the Company invested in Centara Loyalty Marketing Co., Ltd., consisting of 499,997 ordinary shares with a par value of Baht 100 per share (call-up of Baht 25 per share), totalling Baht 12.5 million. Total invested shares represent 100% ownership. The Company paid for share capital on 13 February 2013.

On 27 February 2013, the Company additionally acquired the ordinary shares of 160,000 shares from non-controlling interests, totalling Baht 120 million of Karon Phuket Hotel Co., Ltd. This made the Company increase the investment the portion from 83.91% to 99.32%. The surplus on business combination under common control of Baht 143,421,726 has been charged to consolidated shareholders' equity.

On 25 September 2013, Cosi Hotel Management Co., Ltd additionally called-up of 300,000 ordinary shares with a par value of Baht 100 per share, call-up of Baht 25 per share, totalling Baht 7.5 million. Total invested shares represent 100% owner. The Company paid for share capital on 26 September 2013.

On 17 December 2013, the Company invested in Centara Learning Centre Co., Ltd. consisting of 1,000,000 ordinary shares with a par value of Baht 10 per share (call-up of Baht 2.5 per share), totalling Baht 2.5 million. Total invested shares represent 100% ownership. The Company paid for share capital on 17 December 2013.

2012

On 23 August 2012, the Company invested in Cosi Hotels Co., Ltd. consisting of 300,000 ordinary shares with a par value of Baht 100 per share (call-up of Baht 25 per share), totalling Baht 7.5 million. Total invested shares represent 100% ownership. The Company paid for share capital on 23 August 2012.

On 19 September 2012, the Company invested in Centara Import-Export Co., Ltd. consisting of 100,000 ordinary shares with a par value of Baht 10 per share (call-up of Baht 10 per share), totalling Baht 1.0 million. Total invested shares represent 100% ownership. The Company paid for share capital on 19 October 2012.

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

	Company				
	Country of incorporation	% Ownership interest		Voting power from (if different ownership interest)	
		2013	2012	2013	2012
Subsidiaries					
Central Samui Beach Resort Co., Ltd.	Thailand	100.0	100.0	-	-
Central Karon Village Co., Ltd.	Thailand	100.0	100.0	-	-
Central Krabi Bay Resort Co., Ltd.	Thailand	100.0	100.0	-	-
Central Hua Hin Beach Resort Co., Ltd.	Thailand	63.9	63.9	-	-
Central World Hotel Co., Ltd.	Thailand	100.0	100.0	-	-
Central Koh Kood Hotel Co., Ltd.	Thailand	100.0	100.0	-	-
Central Hotel Management Co., Ltd.	Thailand	100.0	100.0	-	-
Central Restaurants Group Co., Ltd.	Thailand	100.0	100.0	-	-
Triplene Decor Co., Ltd.	Thailand	100.0	100.0	-	-
Central Samui Hotel Management Co., Ltd.	Thailand	100.0	100.0	-	-
Centara International Management Co., Ltd.	Thailand	100.0	100.0	-	-
S.P. Realty Had Farang Resort Co., Ltd.	Thailand	100.0	100.0	-	-
S.P. Realty Pattaya Beach Co., Ltd.	Thailand	100.0	100.0	-	-
Cenvaree Healthy Spa Co., Ltd.	Thailand	100.0	100.0	-	-
Central Bangkok Convention & Exhibition Co., Ltd.	Thailand	100.0	100.0	-	-
Centara International Management (Thailand) Co., Ltd.	Thailand	100.0	100.0	-	-
Karon Phuket Hotel Co., Ltd.	Thailand	99.3	83.9*	-	-
Cosi Hotels Co., Ltd.	Thailand	100.0	100.0	-	-
Centara Import-Export Co., Ltd.	Thailand	100.0	100.0	-	-
Cosi Hotel Management Co., Ltd.	Thailand	100.0	-	-	-
Centara Loyalty Marketing Co., Ltd.	Thailand	100.0	-	-	-
Centara Learning Centre Co., Ltd.	Thailand	100.0	-	-	-
Central Sukhontha Hotel Co., Ltd.	Thailand	100.0**	100.0**	-	-
Central Samui Village Co., Ltd.	Thailand	100.0**	100.0**	-	-
Central Mae Sot Hill Hotel Co., Ltd.	Thailand	98.4**	98.4**	-	-
CRG Manufacturing Co., Ltd.	Thailand	100.0**	100.0**	-	-
Central Laundry Services Co., Ltd.	Thailand	100.0**	100.0**	-	-
CRG International Food Co., Ltd.	Thailand	100.0**	100.0**	-	-
S.P. Realty Lanta Beach Co., Ltd.	Thailand	100.0**	100.0**	-	-
Centara Maldives Pvt. Ltd.	Maldives	75.0**	75.0**	-	-
R.M.L. Leisure Pvt. Ltd.	Maldives	74.0**	74.0**	-	-
Property funds					
Thai Pattana Fund 2	Thailand	23.9	23.9	100.0	100.0

* By direct and indirect shareholding

** By indirect shareholding

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

b) Investments in associates and interests in joint ventures

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
At 1 January	922,888,639	1,239,218,939	865,204,788	1,045,204,788
Retrospective adjustment	-	(11,959,557)	-	-
Share of net profit of investments in associates				
- equity method	21,533,436	65,534,774	-	-
Shared of other comprehensive income of investment	-	70,706,677	-	-
Additional investment	-	756,174,960	-	179,187,116
Unit redeemed	(8,271,537)	-	(8,271,537)	-
Remeasuring of investments to fair value	-	312,138,587	-	-
Change/transfer to investment in subsidiaries (Note 12 a)	-	(1,437,433,711)	-	(359,187,116)
Dividend received	(37,870,658)	(71,492,030)	-	-
At 31 December	898,279,880	922,888,639	856,933,251	865,204,788

On 30 January 2012 and 28 March 2012, the Group additional paid for share capital of Centara Maldives Pvt. Ltd. consisting of 10,000,000 shares with a par value of USD 1 per share (additional call-up of USD 0.25 per share) totalling Baht 77.88 million (USD 2.5 million) and Baht 77.12 million (USD 2.5 million) respectively. Total invested shares represent 50% ownership.

On 27 February 2012, the Group additionally acquired the investment portion of 33.92%, (existing portion is 50.00%), totalling Baht 179.19 million of the share capital of Karon Phuket Hotel Co., Ltd. This made the Group increase the investment portion to 83.92%. The investment in Karon Phuket Hotel Co., Ltd. changed from "Interests in joint venture" to "Investment in subsidiary" at the date that the Group has control of this entity.

On 7 June 2012, the Group additionally acquired the investment portion of 25.00%, (existing indirect portion is 50.00%) of the share capital of Centara Maldives Pvt. Ltd., totalling Baht 157.38 million (USD 5 million). This made the Group increase the investment portion to 75.00%. The investment in Centara Maldives Pvt. Ltd. changed from "Interests in joint venture" to "Investment in subsidiary" at the date that the Group has control of this entity.

On 3 December 2012, the Group additionally acquired the investment portion of 49.00%, (existing indirect portion is 25.00%) of the share capital of R.M.L. Leisure Pvt. Ltd., totalling Baht 264.60 million (USD 8.6 million). This made the Group increase the investment portion to 74.00%. The investment in R.M.L. Leisure Pvt. Ltd. changed from "Investment in associate" to "Investment in subsidiary" at the date that the Group has control of this entity.

The investments in associates and interests in joint ventures in the consolidated financial statements as at financial position date are as follows:

	Consolidated				
	Country of incorporation	% Ownership interest		Voting power from (if different ownership interest)	
		2013	2012	2013	2012
Associates					
Centara Hotels & Resorts Leasehold Property Fund	Thailand	25.3	25.3	-	-
Joint Ventures					
Kata Phuket Hotel Co., Ltd.	Thailand	50.0	50.0	-	-
	Company				
	Country of incorporation	% Ownership interest		Voting power from (if different ownership interest)	
		2013	2012	2013	2012
Associates					
Centara Hotels & Resorts Leasehold Property Fund	Thailand	25.3	25.3	-	-
Joint Ventures					
Kata Phuket Hotel Co., Ltd.	Thailand	50.0	50.0	-	-

* By direct and indirect shareholding

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For the year ended 31 December 2013

13. Investment properties

Cost method

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
As at 1 January				
Cost	643,284,205	643,284,205	367,489,498	367,489,498
Less Accumulated depreciation	(151,896,618)	(135,655,529)	(51,906,968)	(38,987,151)
Net book amount	491,387,587	507,628,676	315,582,530	328,502,347
For the year ended 31 December				
Opening net book amount	491,387,587	507,628,676	315,582,530	328,502,347
Depreciation	(18,223,515)	(16,241,089)	(12,919,816)	(12,919,817)
Closing net book amount	473,164,072	491,387,587	302,662,714	315,582,530
As at 31 December				
Cost	643,284,205	643,284,205	367,489,498	367,489,498
Less Accumulated depreciation	(170,120,133)	(151,896,618)	(64,826,784)	(51,906,968)
Net book amount	473,164,072	491,387,587	302,662,714	315,582,530
Fair value	3,643,000,000	3,643,000,000	1,673,671,200	1,673,671,200

As at 31 December 2013, investment properties at net book value of Baht 473.2 million (Company: Baht 302.7 million) were revalued by Broke Real Estate Co., Ltd., a firm of independent professional valuers, on 8 May 2010 at open market values on an existing use basis. The appraised value was Baht 3,336 million (Company: Baht 1,673.7 million). The remainder of its investment properties at net book value of Baht 162.7 million was revalued by American Appraisal (Thailand) Co., Ltd., a firm of independent professional valuers, on 21 December 2011 at open market values on an existing use basis. The appraised value was Baht 307 million. Total market value of investment properties as at 31 December 2013 were Baht 3,643 million.

Amounts recognised in profit and loss that are related to investment property are as follows:

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Rental Income	114,612,529	114,612,529	50,333,333	50,333,333
Direct operating expense arise from investment property that generated rental income	(44,433,590)	(39,045,685)	(12,919,816)	(12,919,817)

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For the year ended 31 December 2013

14. Property, plant and equipment

	Consolidated									
	Land Baht	Land improvements Baht	Buildings and improvements Baht	Machinery and equipment Baht	Furniture, fixtures and office equipment Baht	Hotel operating equipment Baht	Leasehold improvements Baht	Vehicles Baht	Assets under construction Baht	Total Baht
At 1 January 2012										
Cost/Revaluation	3,277,595,167	1,564,886,878	6,708,534,249	4,004,433,770	2,186,015,967	289,174,825	645,342,529	246,948,983	338,285,445	19,261,237,513
Less Accumulated depreciation	-	(212,146,449)	(2,289,198,692)	(1,918,989,370)	(1,252,685,940)	(3,097,845)	(60,306,688)	(193,531,955)	-	(5,930,008,963)
Less Provision for impairment	-	(490,802)	(10,191,450)	-	(511,854)	-	-	-	-	(1,194,106)
Net book amount	3,277,595,167	1,352,197,527	4,409,144,107	2,085,444,400	932,818,149	286,076,680	585,035,841	53,437,028	338,285,445	13,320,034,444
Year ended 31 December 2012										
Opening net book amount	3,277,595,167	1,352,197,527	4,409,144,107	2,085,444,400	932,818,149	286,076,680	585,035,841	53,437,028	338,285,445	13,320,034,444
Additions	93,464,948	9,220,441	387,595,206	238,319,310	119,209,800	68,215,109	3,566,344	27,682,076	835,278,091	1,782,931,325
Acquisition from investment in subsidiaries	402,002,406	6,121,377	2,247,034,670	141,498,567	86,688,752	22,722,793	-	12,826,328	232,973,046	3,151,867,939
Disposals and write-offs, net	(18,020,340)	-	(5,209,262)	(2,814,727)	(2,492,803)	(22,806,034)	(276,297)	(1,717,041)	-	(53,060,207)
Reclassification and adjustment, net	406,926	15,471,958	(3,476,916)	(28,386,920)	(6,456,605)	(26,929,030)	-	(15,892,654)	60,876,932	(4,812,616)
Retrospective adjustments (Note 4.3)	-	-	289,812,333	-	-	-	-	-	-	289,812,333
Transfer from (to) other accounts	2,870,347	(1,080,104,621)	1,127,726,537	101,571,315	80,854,998	138,181	272,823,269	4,728,709	(511,816,965)	(1,208,230)
Depreciation charge	-	(31,290,300)	(430,137,751)	(334,576,314)	(221,846,756)	(3,868,812)	(57,089,487)	(10,715,490)	-	(1,089,435,110)
Revaluation surplus	784,446,357	76,971,417	1,259,304,439	-	(221,846,756)	-	-	-	-	2,119,848,213
Translation adjustment	-	-	(1,510,227)	(140,484)	(133,868)	(12,061)	-	(21,436)	-	(1,818,076)
Less Provision for impairment	-	(490,802)	(30,884,194)	(89,207)	(686,554)	(645,330)	-	-	-	(32,694,087)
Closing net book amount	4,542,765,811	347,413,097	9,249,398,942	2,200,825,940	987,805,113	322,993,486	804,059,470	70,407,500	955,596,549	19,481,465,928
At 31 December 2012										
Cost/Revaluation	4,542,765,811	551,658,603	11,610,291,357	4,308,330,578	2,280,547,788	327,336,319	921,386,477	198,704,147	955,596,549	25,696,727,629
Retrospective adjustments (Note 4.3)	-	-	289,812,333	-	-	-	-	-	-	289,812,333
Less Accumulated depreciation	-	(203,644,704)	(2,619,820,554)	(2,107,415,431)	(1,292,056,121)	(3,799,503)	(117,327,007)	(128,296,627)	-	(6,472,319,947)
Less Provision for impairment	-	(490,802)	(30,884,194)	(89,207)	(686,554)	(645,330)	-	-	-	(32,694,087)
Net book amount	4,542,765,811	347,413,097	9,249,398,942	2,200,825,940	987,805,113	322,993,486	804,059,470	70,407,500	955,596,549	19,481,465,928

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For the year ended 31 December 2013

14. Property, plant and equipment (Cont'd)

	Consolidated											Total Baht
	Land Baht	Land improvements Baht	Buildings and improvements Baht	Machinery and equipment Baht	Furniture, fixtures and office equipment Baht	Hotel operating equipment Baht	Leasehold improvements Baht	Vehicles Baht	Assets under construction Baht	Total		
										Baht	Baht	
Year ended 31 December 2013												
Opening net book amount	4,542,765,811	347,613,097	9,249,398,942	2,200,825,940	987,805,113	322,993,486	804,059,470	70,407,520	955,596,549		19,481,465,928	
Additions	-	3,054,900	393,807,537	213,604,830	146,115,652	56,875,533	1,848,259	15,526,920	761,313,952		1,591,147,583	
Disposals and write-offs, net	-	(5,246)	(10,707,363)	(1,606,821)	(408,329)	(33,702,607)	-	(771,967)	(1,211,738)		(48,414,071)	
Reclassification and adjustment, net	-	138,100,254	5,202,192	66,551,584	(61,723,381)	(20,364,047)	(118,536,836)	(1,214,865)	1,303,843		9,318,744	
Transfer from (to) other accounts	-	46,178,080	847,505,612	407,959,896	153,038,945	15,090,629	16,478,417	3,200,500	(1,503,762,868)		(14,310,789)	
Depreciation charge	-	(29,719,567)	(676,511,858)	(362,804,872)	(262,314,305)	(4,882,632)	(56,812,798)	(13,330,523)	-		(1,406,376,555)	
Translation adjustment	-	2,061,068	124,426,495	23,878,390	7,827,489	2,495,239	-	947,803	4,830,477		166,466,961	
Revaluation surplus	228,354,406	17,251,798	246,774,128	-	-	-	-	-	-		492,380,332	
Less: Provision for impairment	-	-	5,371,106	-	511,854	-	-	-	-		5,882,960	
Closing net book amount	4,771,120,217	524,534,384	10,185,266,791	2,548,408,947	970,853,038	337,505,601	647,036,512	74,765,388	218,070,215		20,277,561,093	

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 For the year ended 31 December 2013

14. Property, plant and equipment (Cont'd)

		Consolidated																			
		Land		Buildings and improvements		Machinery and equipment		Furniture, fixtures and office equipment		Hotel operating equipment		Leasehold improvements		Vehicles		Assets under construction		Total			
		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht			
At 31 December 2013		4,771,120,217		748,684,772		13,566,387,453		5,097,505,709		2,525,001,700		342,027,123		808,111,633		212,859,246		213,239,738		28,284,837,591	
Cost/Revaluation		-		(226,111,456)		(3,480,034,068)		(2,572,885,945)		(1,561,801,451)		(6,473,431)		(160,584,319)		(139,041,661)		-		(8,146,932,331)	
Less: Accumulated depreciation		-		-		(25,513,089)		(89,207)		(174,700)		(543,330)		(490,802)		-		-		(26,811,128)	
Less: Provision for impairment		-		2,061,068		124,426,495		23,878,390		7,827,489		2,495,239		-		947,803		4,830,477		166,466,960	
Translation adjustment		4,771,120,217		524,534,384		10,185,266,791		2,548,408,947		970,853,038		337,505,601		647,036,512		74,765,388		218,070,215		20,277,561,093	
Net book amount																					

Borrowing costs of Baht 5.0 million (2012: Baht 1.2 million) were capitalised during the year and are included in 'Additions'

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For the year ended 31 December 2013

14. Property, plant and equipment (Cont'd)

	Company												
	Land Baht	Land improvements Baht	Buildings and improvements Baht	Machinery and equipment Baht	Furniture, fixtures and office equipment Baht	Hotel operating equipment Baht	Leasehold improvements Baht	Vehicles Baht	Assets under construction Baht	Total Baht			
At 31 December 2012													
Cost/Revaluation	772,116,599	259,947,876	2,006,383,548	1,078,699,500	430,200,167	97,963,912	516,607,806	88,645,087	260,432,482	5,510,996,977			
Less Accumulated depreciation	-	(61,374,506)	(153,728,085)	(244,067,018)	(135,758,834)	-	(53,183,812)	(73,073,577)	-	(72,185,832)			
Net book amount	772,116,599	198,573,370	1,852,655,463	834,632,482	294,441,333	97,963,912	463,423,994	15,571,510	260,432,482	4,789,811,145			
Year ended 31 December 2012													
Opening net book amount	772,116,599	198,573,370	1,852,655,463	834,632,482	294,441,333	97,963,912	463,423,994	15,571,510	260,432,482	4,789,811,145			
Additions	-	1,800,196	1,640,865	20,227,927	12,954,115	14,954,895	2,964,460	-	75,941,707	130,484,165			
Disposals and write-offs, net	-	-	-	(1,655,487)	(379,883)	(8,622,922)	-	(870,428)	-	(11,528,720)			
Reclassification and adjustment, net	-	(8,623,022)	5,396,182	(7,045,007)	(691,123)	539,133	(246,949)	309,421	(9,009,524)	(19,370,889)			
Transfer from (to) other accounts	2,870,347	3,785,047	-	10,826,943	23,472,633	19,750	270,955,872	1,187,710	(316,816,151)	(3,697,849)			
Depreciation charge	-	(20,874,743)	(30,144,131)	(70,426,417)	(37,955,171)	-	(50,263,042)	(1,893,968)	-	(211,557,472)			
Revaluation surplus	529,828,695	27,709,209	628,359,346	-	-	-	-	-	-	1,185,897,250			
Closing net book amount	1,304,815,641	202,370,057	2,457,907,725	786,560,441	291,841,904	104,854,768	686,834,335	14,304,245	10,548,514	5,860,037,630			
At 31 December 2012													
Cost/Revaluation	1,304,815,641	282,192,230	2,644,219,766	1,097,367,657	460,985,086	104,854,768	790,278,538	84,187,771	10,548,514	6,779,449,971			
Less Accumulated depreciation	-	(79,822,173)	(186,312,041)	(310,807,216)	(169,143,182)	-	(103,444,203)	(69,883,526)	-	(919,412,341)			
Net book amount	1,304,815,641	202,370,057	2,457,907,725	786,560,441	291,841,904	104,854,768	686,834,335	14,304,245	10,548,514	5,860,037,630			

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For the year ended 31 December 2013

14. Property, plant and equipment (Cont'd)

	Company									
	Land Baht	Land improvements Baht	Buildings and improvements Baht	Machinery and equipment Baht	Furniture, fixtures and office equipment Baht	Hotel operating equipment Baht	Leasehold improvements Baht	Vehicles Baht	Assets under construction Baht	Total Baht
Year ended 31 December 2013										
Opening net book amount	1,304,815,641	202,370,057	2,457,907,725	786,560,441	291,841,904	104,854,768	686,834,335	14,304,245	10,548,514	5,860,037,630
Additions	-	1,529,342	167,314	12,621,718	9,904,292	15,624,089	1,848,259	3,640,654	17,045,946	62,381,614
Disposals, net	-	-	-	(432,569)	(205,621)	(11,029,616)	-	(442,840)	-	(12,110,646)
Reclassification (Cost)	-	(2,600,855)	15,132,318	(4,435,774)	(6,966,352)	955,139	(731,936)	(79,748)	332,788	1,605,580
Transfer from (to) other accounts	-	15,020,763	(21,386,126)	(13,961,259)	24,367,452	511,895	16,478,417	-	(21,031,142)	-
Depreciation charge	-	(16,077,198)	(52,452,835)	(66,331,502)	(44,436,009)	-	(49,404,472)	(1,892,521)	-	(230,594,477)
Reclassification and Adjustment (Depreciation)	-	20,529,965	(11,461,741)	19,043,520	(23,796,478)	-	89,059	(611,551)	-	3,792,774
Closing net book amount	1,304,815,641	220,772,134	2,387,906,655	733,064,575	250,709,188	110,916,275	655,113,662	14,918,239	6,896,106	5,685,112,475
At 31 December 2013										
Cost/Revaluation	1,304,815,641	296,141,480	2,638,133,272	1,089,827,242	486,055,171	110,916,275	807,873,278	78,775,826	6,896,106	6,819,434,291
Less Accumulated depreciation	-	(75,369,346)	(250,226,617)	(356,762,667)	(235,345,983)	-	(152,759,616)	(63,857,587)	-	(1,134,321,816)
Net book amount	1,304,815,641	220,772,134	2,387,906,655	733,064,575	250,709,188	110,916,275	655,113,662	14,918,239	6,896,106	5,685,112,475

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For the year ended 31 December 2013

14. Property, plant and equipment (Cont'd)

Following a fire at one of the subsidiaries in August 2013, inventory, building and equipment with a net book value (NBV) of USD 813,950 or Baht 25,550,460 was destroyed (inventory was USD 30,263 or Baht 949,977 and building and equipment were USD 783,687 or Baht 24,600,483). These burnt assets are covered by an insurance policy and the Company is now in the process of making a claim with its insurance company. The insurance company has indicated that the Company will receive its insurance claim at a sum not below USD 774,032 or Baht 24,297,406. The Group has already recorded and written-off all burnt assets in this financial statement. However, the revenue from the insurance company will be recognized when it can be measured reliably.

At 31 December 2013, the Company and 2 subsidiaries mortgaged land, buildings and construction with carrying value of Baht 4,641 million (2012: Baht 4,202 million) as collateral for bank overdrafts and long term loan with financial institutions. Later on 3 February 2014, the mortgaged land returned to a subsidiary due to the end of the term of loan from financial institution during 2014.

The land lease agreement for the Hua Hin Railway Hotel stipulates that hotel buildings and premises including the additional fixtures paid by a subsidiary, Central Hua Hin Beach Resort Co., Ltd., belong to the State Railway of Thailand.

The gross amount of fully depreciated property and equipment that was still in use as at 31 December 2013 and 2012 was the following:

	2013	2012
	Baht	Baht
The Group	4,614,560,036	3,730,547,209
The Company	132,350,769	123,002,039

Revaluation of assets

In the third quarter of 2013, five subsidiaries engaged an independent appraiser to appraise existing property and equipment as at 1 January 2013, which included property and equipment which were previously appraised. The subsidiaries recorded property and equipment at the new appraisal value according to the appraisal report. The increasing in revaluation surplus net off deferred tax of subsidiaries Baht 393.90 million has been charged to other comprehensive income. Additionally, in the consolidated statement of comprehensive income, a subsidiary recorded a loss from impairment of asset of approximately Baht 4.06 million.

In December 2012, the Company and its four subsidiaries engaged an independent appraiser to appraise existing property, plant and equipment. Valuation methodologies applied are the income approach. The increasing in revaluation surplus of the Company and subsidiaries approximately Baht 2,190.6 million (Company: Baht 1,185.9 million) has been charged to other comprehensive income (Note 27).

On 12 April 2011, the Federation of Accounting Profession ("FAP") announced "Accounting Record on Revaluation" FAP announcement No. 18/2554 giving the Group two alternatives to be applied on depreciating revalued assets: (a) comply with the principle as stipulated in paragraph No. 38 of TAS No. 16 "Property, Plant and Equipment", and depreciate the revalued sum or (b) comply with the cost method when revaluation is made and continue to depreciate the original cost only.

The Group adopted the alternative to comply with the cost method when revaluation is made. The effects of the above accounting treatment on the Group's results for the years ended 31 December 2013 and 2012 were to increase the Group's profit by Baht 126.4 million and Baht 42.7 million, respectively and increase in earnings per share by Baht 0.09 per share and Baht 0.03 per share, respectively.

Assets under financial lease agreement

Hotel buildings, constructions and fixtures thereon of a subsidiary, Central World Hotel Co., Ltd. ("CWH") must be transferred the rights on buildings and constructions thereon which CWH repair and maintenance or construct on the sub-lease land to the land owner, the Crown Property Bureau, at the date of those repair and maintenance or construction would be completed. According to the sub-lease land agreement, as at 31 December 2013 and 2012, assets under financial lease agreement were as the following:

	Consolidated				
	Land	Buildings	Machinery	Furniture,	Total
	improvements	and	and	fixtures	
Baht	improvements	equipment	and office	Baht	
	Baht	Baht	Baht	Baht	Baht
At 1 January 2012					
Cost	65,993,654	2,421,862,821	1,029,982,006	27,726,347	3,545,564,828
Less: Accumulated depreciation	(8,849,925)	(365,002,928)	(207,910,647)	(7,875,796)	(589,639,296)
Net book amount	57,143,729	2,056,859,893	822,071,359	19,850,551	2,955,925,532
Year ended 31 December 2012					
Opening net book amount	57,143,729	2,056,859,893	822,071,359	19,850,551	2,955,925,532
Additions	-	8,783,949	1,035,650	-	9,819,599
Transfer from other accounts	87,993	6,598,964	-	-	6,686,957
Adjustment	-	(23,762,834)	-	-	(23,762,834)
Depreciation charge	(2,721,271)	(93,607,262)	(53,918,646)	(2,154,774)	(152,401,953)
Closing net book amount	54,510,451	1,954,872,710	769,188,363	17,695,777	2,796,267,301
At 31 December 2012					
Cost	66,081,647	2,413,482,900	1,031,017,656	27,726,347	3,538,308,550
Less: Accumulated depreciation	(11,571,196)	(458,610,190)	(261,829,293)	(10,030,570)	(742,041,249)
Net book amount	54,510,451	1,954,872,710	769,188,363	17,695,777	2,796,267,301
Year ended 31 December 2013					
Opening net book amount	54,510,451	1,954,872,710	769,188,363	17,695,777	2,796,267,301
Additions	-	4,902,261	3,201,657	-	8,103,918
Disposals, net	-	-	(140,494)	-	(140,494)
Transfer from other accounts	-	8,588,017	5,722,772	-	14,310,789
Depreciation charge	(2,725,280)	(98,117,465)	(47,870,940)	(2,154,773)	(150,868,458)
Closing net book amount	51,785,171	1,870,245,523	730,101,358	15,541,004	2,667,673,056
At 31 December 2013					
Cost	66,081,647	2,426,973,178	1,035,258,965	27,726,347	3,556,040,137
Less: Accumulated depreciation	(14,296,476)	(556,727,655)	(305,157,607)	(12,185,343)	(888,367,081)
Net book amount	51,785,171	1,870,245,523	730,101,358	15,541,004	2,667,673,056
Goodwill					

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15. Goodwill

	Consolidated	
	2013 Baht	Restated 2012 Baht
At 1 January	314,602,238	314,602,238
At 31 December	314,602,238	314,602,238

Goodwill arising from the acquisition of Central Restaurants Group Co., Ltd. and indirect interest in CRG International Food Co., Ltd. are Baht 115 million and Baht 199 million respectively. The Group has tested for impairment of goodwill annually by comparing the carrying amount to the recoverable amount for each cash-generating unit. This is determined based on value-in-use calculations. These calculations use a cash flow projection for 5 years and cash flows beyond the 5 year period are extrapolated using the estimated growth rates at 0.00% per annum. The discount rate after tax used in the calculation is 10.00% per annum.

16. Leasehold rights

	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
At 1 January	760,691,820	416,540,368	84,991,440	156,610,721
Additions	281,965,806	28,863,131	92,970,000	11,317,501
Acquisition from investment				
In subsidiaries	-	572,267,817	-	-
Translation adjustment	31,244,275	(5,986,210)	-	-
Adjustment		(115,395,756)	-	-
Amortisation charge	(153,340,870)	(135,597,530)	(87,912,989)	(82,936,782)
At 31 December	920,561,031	760,691,820	90,048,451	84,991,440

17. Other intangible assets

	Consolidated				Company
	Software licenses	License Agreement	Restated Deferred initial fees	Total	Restated Software licenses
	Baht	Baht	Baht	Baht	Baht
At 31 December 2011					
Cost	202,877,079	239,926,421	232,780,836	675,584,336	76,871,188
Less Accumulated amortisation	(95,911,175)	(7,997,547)	(81,236,734)	(185,145,456)	(33,652,810)
Less Provision for shop close	-	-	(820,912)	(820,912)	-
Net book amount	106,965,904	231,928,874	150,723,190	489,617,968	43,218,378
Year ended 31 December 2012					
Opening net book amount	106,965,904	231,928,874	150,723,190	489,617,968	43,218,378
Additions	38,158,247	-	35,082,625	73,240,872	5,659,075
Acquisition from investment					
In a subsidiary (Note 34)	923,760	-	-	923,760	-
Disposals, net	(4,940,610)	-	-	(4,940,610)	(54,644)
Write off, net	-	-	(731,499)	(731,499)	-
Transfer from other accounts	1,208,230	-	-	1,208,230	3,697,849
Adjustment	(7,356,270)	-	-	(7,356,270)	(6,957,537)
Translation adjustment	(1,288)	-	-	(1,288)	-
Amortisation charge	(26,033,945)	(23,992,642)	(21,180,999)	(71,207,586)	(8,897,033)
Provision for impairment	-	-	(7,309,827)	(7,309,827)	-
Closing net book amount	108,924,028	207,936,232	156,583,490	473,443,750	36,666,088
At 31 December 2012					
Cost	230,935,744	239,926,421	260,743,667	731,605,832	78,020,280
Translation adjustment	(1,288)	-	-	(1,288)	-
Less Accumulated amortisation	(122,010,428)	(31,990,189)	(96,029,438)	(250,030,055)	(41,354,192)
Less Provision for shop close	-	-	(8,130,739)	(8,130,739)	-
Net book amount	108,924,028	207,936,232	156,583,490	473,443,750	36,666,088
Year ended 31 December 2013					
Opening net book amount	108,924,028	207,936,232	156,583,490	473,443,750	36,666,088
Additions	15,207,584	-	49,325,237	64,532,821	1,654,432
Disposals, net	(40,553)	-	-	(40,553)	-
Write off, net	-	-	(1,744,823)	(1,744,823)	-
Translation adjustment	146,382	-	-	146,382	-
Amortisation charge	(30,605,808)	(23,992,642)	(23,889,043)	(78,487,493)	(9,694,733)
Reverse provision for impairment	-	-	1,228,172	1,228,172	-
Closing net book amount	93,631,633	183,943,590	181,503,033	459,078,256	28,625,787
At 31 December 2013					
Cost	229,269,587	239,926,421	299,338,890	768,534,898	78,918,591
Translation adjustment	146,382	-	-	146,382	-
Less Accumulated amortisation	(135,784,336)	(55,982,831)	(110,933,290)	(302,700,457)	(50,292,804)
Less Provision for shop close	-	-	(6,902,567)	(6,902,567)	-
Net book amount	93,631,633	183,943,590	181,503,033	459,078,256	28,625,787

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18. Deferred income tax assets and liabilities

The analysis of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Deferred tax assets:				
Deferred tax asset to be recovered				
within 12 months	103,983,313	34,383,328	60,611,072	18,123,154
Deferred tax asset to be recovered after				
more than 12 months	286,648,340	546,763,082	100,818,458	300,774,466
	<u>390,631,653</u>	<u>581,146,410</u>	<u>161,429,530</u>	<u>318,897,620</u>
Deferred tax liabilities:				
Deferred tax liabilities to be settled				
within 12 months	54,376,758	56,115,729	36,365,072	30,036,834
Deferred tax liabilities to be settled after				
more than 12 months	888,300,511	827,295,627	252,778,044	255,050,002
	<u>942,677,269</u>	<u>883,411,356</u>	<u>289,143,116</u>	<u>285,086,836</u>
Deferred tax, net	<u>(552,045,616)</u>	<u>(302,264,946)</u>	<u>(127,713,586)</u>	<u>33,810,784</u>

The gross movement and the deferred income tax account is as follows:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
At 1 January	(302,264,946)	258,562,189	33,810,784	351,459,159
Exchange differences	-	-	-	-
Charged/(credited) to profit or loss	(256,312,115)	(118,200,103)	(168,496,254)	(76,306,670)
Tax charged/(credited) to other				
comprehensive income	6,531,445	(442,627,032)	6,971,884	(241,341,705)
At 31 December	<u>(552,045,616)</u>	<u>(302,264,946)</u>	<u>(127,713,586)</u>	<u>33,810,784</u>

18. Deferred income tax assets and liabilities (Cont'd)

	Tax losses Baht	Impairment for investment in subsidiaries Baht	Depreciation Baht	Employee benefit Baht	Others Baht	Total Baht
Deferred tax assets						
At 1 January 2013	358,115,441	42,246,690	125,510,993	22,759,732	32,513,554	581,146,410
Charged (credited) to profit or loss	(173,475,408)	-	(14,300,149)	(12,679,010)	(5,969,035)	(206,423,602)
Charged/directly to other comprehensive income/equity	-	-	-	15,908,845	-	15,908,845
At 31 December 2013	184,640,033	42,246,690	111,210,844	25,989,567	26,544,519	390,631,653
At 1 January 2012	392,978,764	42,000,000	169,946,993	34,972,705	32,202,662	672,101,121
Charged (credited) the income statement	(34,863,323)	246,690	(44,435,997)	3,695,872	310,892	(75,045,866)
Charged/directly to other comprehensive income/equity	-	-	-	(15,908,845)	-	(15,908,845)
At 31 December 2012	358,115,441	42,246,690	125,510,993	22,759,732	32,513,554	581,146,410

	Consolidated				Total Baht
	Liability under finance lease Baht	Depreciation Baht	Revaluation surplus Baht	Others Baht	
Deferred tax liabilities					
At 1 January 2013	51,351,516	55,470,950	773,212,015	3,376,875	883,411,356
Charged/(credited) to profit or loss	10,066,234	43,199,154	-	(3,284,013)	49,981,375
Charged directly to other comprehensive income/equity	-	-	9,277,328	7,210	9,284,538
At 31 December 2013	61,417,750	98,670,104	782,489,343	100,072	942,677,269
At 1 January 2012					
Charged/(credited) to profit or loss	41,314,845	24,062,798	346,449,191	1,712,099	413,538,933
Charged directly to other comprehensive income/equity	10,036,671	31,408,152	-	1,616,551	43,061,374
At 31 December 2012	-	-	426,762,824	48,225	426,811,049
	51,351,516	55,470,950	773,212,015	3,376,875	883,411,356

Deferred income tax assets and liabilities (Cont'd)

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18. Deferred income tax assets and liabilities (Cont'd)

	Company					
	Tax losses	Provision impairment for investment in subsidiaries	Depreciation	Employee benefit	Others	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Deferred tax assets						
At 1 January 2013	151,772,272	42,000,000	115,954,151	9,040,856	130,341	318,897,620
Charged (credited) to profit or loss	(108,443,705)	-	(49,707,380)	(3,452,464)	(34,506)	(161,638,055)
Charged directly to other comprehensive income/equity	-	-	-	4,169,965	-	4,169,965
At 31 December 2013	43,328,567	42,000,000	66,246,771	9,758,357	95,835	161,429,530
At 1 January 2012	172,809,497	42,000,000	161,734,504	12,872,655	316,375	389,733,031
Charged (credited) the income statement	(21,037,225)	-	(45,780,353)	338,166	(186,034)	(66,665,446)
Charged directly to other comprehensive income/equity	-	-	-	(4,169,965)	-	(4,169,965)
At 31 December 2012	151,772,272	42,000,000	115,954,151	9,040,856	130,341	318,897,620

	Company			
	Liability under finance lease	Revaluation surplus	Others	Total
	Baht	Baht	Baht	Baht
Deferred tax liabilities				
At 1 January 2013	44,472,278	237,330,544	3,284,014	285,086,836
Charged/(credited) to profit or loss	10,142,213	-	(3,284,014)	6,858,199
Charged directly to other comprehensive income/equity	-	(2,801,919)	-	(2,801,919)
At 31 December 2013	54,614,491	234,528,625	-	289,143,116
At 1 January 2012	36,447,605	158,804	1,667,463	38,273,872
Charged/(credited) to profit or loss	8,024,673	-	1,616,551	9,641,224
Charged directly to other comprehensive income/equity	-	237,171,740	-	237,171,740
At 31 December 2012	44,472,278	237,330,544	3,284,014	285,086,836

18. Deferred income tax assets and liabilities (Cont'd)

Presentation in the statements of financial position is as follows:

	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
At 31 December				
Deferred income tax assets	175,639,531	219,014,563	-	33,810,784
Deferred income tax liabilities	(727,685,147)	(521,279,509)	(127,713,586)	-
Deferred income tax, net	(552,045,616)	(302,264,946)	(127,713,586)	33,810,784

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 position are presented at net amount of assets and liabilities incurred in each entity.

Deferred income tax assets are recognized for tax loss carry forwards only to the extent that realization of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 603,282,746 (2012: Baht 507,406,643) in respect of tax losses to carry forward against future taxable income.

A summary of the tax losses carried forward and the expiry dates are set out below:

Expiry year	Consolidated Baht	Company Baht
2014	303,420,506	89,328,246
2015	717,668,621	280,681,856
2016	527,751,746	149,688,095
2017	104,241,018	-
2018	90,032,124	-
	1,743,114,015	519,698,197

19. Other non-current assets

	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
Deposits	399,530,558	340,454,972	5,052,831	8,427,634
Advance payment for construction land and equipment	31,806,803	82,952,934	12,127,288	9,264,320
Prepaid car park service	83,518,712	87,914,434	-	-
Others	5,462,672	5,971,483	825,000	858,331
Total	520,318,745	517,293,823	18,005,119	18,550,285

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

20. Borrowings

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Current				
Bank overdrafts	18,831,477	59,441,615	3,984,199	7,315,474
Short-term borrowings from financial institutions	2,150,000,000	2,540,000,000	1,850,000,000	2,400,000,000
Current portion of long-term borrowings				
Financial institutions	1,250,505,280	958,000,000	788,000,000	588,000,000
Current portion of debentures	-	1,399,862,968	-	1,399,862,968
Current portion of equity of unit holder in property fund	-	62,000,000	-	-
Short-term loans from others	32,813,600	30,631,600	-	-
Short term loan from related parties	60,260,523	61,065,935	841,400,000	749,000,000
	<u>3,512,410,880</u>	<u>5,111,002,118</u>	<u>3,483,384,199</u>	<u>5,144,178,442</u>
Non-Current				
Long-term from financial institutions	5,144,487,160	5,112,519,330	1,142,000,000	1,430,000,000
Debentures	2,798,111,109	1,799,117,717	2,798,111,109	1,799,117,717
Equity of unit holder in property fund	-	31,000,000	-	-
	<u>7,942,598,269</u>	<u>6,942,637,047</u>	<u>3,940,111,109</u>	<u>3,229,117,717</u>
Total borrowings	<u>11,455,009,149</u>	<u>12,053,639,165</u>	<u>7,423,495,308</u>	<u>8,373,296,159</u>

The borrowings include secured liabilities in a total amount of Baht 4,359 million (2012: Baht 4,284 million). The bank borrowings are secured over a part of the land and buildings of the Group (Note 14). Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

As at 31 December 2013, the borrowings from banks of the Group are Baht 6,440 million and USD 64.15 million (2012: Baht 7,257.37 million and USD 43.18 million).

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

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Borrowings:				
- at fixed rates	5,041,185,232	4,660,046,620	5,489,511,109	5,347,980,685
- at floating rates	6,413,823,917	7,393,592,545	1,933,984,199	3,025,315,474
Total borrowings	11,455,009,149	12,053,639,165	7,423,495,308	8,373,296,159

Maturity of long-term borrowings are as follow:

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
No later than 1 year	1,250,505,280	958,000,000	788,000,000	588,000,000
Late than 1 year but not later than 5 years	3,976,330,040	4,536,750,850	1,142,000,000	1,430,000,000
Later than 5 years	1,168,157,120	575,768,480	-	-
	6,394,992,440	6,070,519,330	1,930,000,000	2,018,000,000

Under the terms and conditions on the loan agreements, the Company need to comply with debt to equity ratio not exceed 2:1 , 2.5:1 and 2.75:1.

Long-term loans from financial institutions bear interest at market rates.

During 2011, the Company has renewed long-term loan agreement with a financial institution which had been due in 2011 amounting to Baht 500 million. The new agreement is repayable in year 2014.

Bank overdrafts and short-term loans from financial institutions, and long-term loans of the Group as at

31 December 2013 and 2012 were secured by the Group's property, plant and equipment with carrying value of Baht 4,641 million as at 31 December 2013 (2012: Baht 6,202 million).

Central Restaurants Group Co., Ltd ("CRG") entered into the agreements with three local banks to obtain various short-term credit facility lines. Under the term of the agreement, CRG shall not dispose, pledge or mortgage the existing or future property and leasehold right in an amount over the agreed amount stated in the agreements without consent from the bank.

According to the loan agreement between Central World Hotel Co., Ltd ("CWH") and a local bank, CWH shall not dispose, transfer, lease, or make any commitment in leasehold land and building and construction thereon without consent from the bank.

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20. Borrowings (Cont'd)

	Interest rate (%)	Maturity date	Consolidated / Company	
			2013	Restated 2012
			Baht	Baht
No. 1/2010	3.50	30 September 2013	-	1,000,000,000
No. 2/2010	3.85	23 June 2017	500,000,000	500,000,000
No. 3/2010	3.85	29 June 2017	500,000,000	500,000,000
No. 4/2010	3.40	3 September 2013	-	400,000,000
No. 1/2011	4.86	29 March 2016	500,000,000	500,000,000
No. 2/2011	4.75	29 March 2016	300,000,000	300,000,000
No. 1/2013	4.02	30 September 2016	1,000,000,000	-
			<u>2,800,000,000</u>	<u>3,200,000,000</u>
Deferred expense in issuing debenture			(1,888,891)	(1,019,315)
Net			<u>2,798,111,109</u>	<u>3,198,980,685</u>
Debenture due within one year			-	(1,399,862,968)
Debenture due after one year			<u>2,798,111,109</u>	<u>1,799,117,717</u>

The debentures are in the name of specific holders, unsubordinated and without collateral.

The debenture deed contains certain restrictions and conditions relating to financial ratios, payment of dividends, decrease in paid up share capital, pledge, mortgage, and disposal of assets, which are material for business operations.

Under the terms and conditions on the prospectus, the Company need to comply with interest bearing debt to equity ratio not exceed 2:1.

As at 31 December 2013 and 2012, the Company has various interest rate swap contracts which the details of the contracts are as follows:

Conditions under previous contracts

Principal	Baht 2,000,000,000
Interest rate	Quarterly, fixed interest rate of 3.50% - 3.85% p.a.

Conditions under interest rate swaps contracts

Principal	Baht 2,000,000,000
Interest rate	Monthly, floating interest rate of MLR minus 3% p.a. Quarterly, fixed interest rate 4.65% p.a. Semi annually, 6 month - fixed deposit interest rate plus 1.90% p.a.

The above contracts are mature during 30 September 2013 to 29 June 2017.

20. Borrowings (Cont'd)

Unit holder in Thai Pattana fund 2 equity

	Consolidated	
	2013	Restated 2012
	Baht	Baht
No later than 1 year	-	62,000,000
Later than 1 year but not later than 5 years	-	31,000,000
Total	-	93,000,000

As at 31 December 2013 and 2012, unit holder equity consisted of investment of unit holder type A, (denominated in Thai Baht) which guaranteed for payment by the Company. Dividend payment for unit holders is calculated at the percentage of the latest net asset value per unit as specified in the unit holder agreement.

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated			
	Carrying amounts		Fair values	
	2013	Restated 2012	2013	2012
	Baht	Baht	Baht	Baht
Long-term bank borrowings				
later than 1 year	5,144,487,160	5,112,519,330	5,084,488,401	5,199,044,928
Debentures	2,798,111,109	1,799,117,717	2,836,430,055	1,806,967,151
	7,942,598,269	6,911,637,047	7,920,918,456	7,006,012,079
	Company			
	Carrying amounts		Fair values	
	2013	Restated 2012	2013	2012
	Baht	Baht	Baht	Baht
Long-term borrowings from bank	1,142,000,000	1,430,000,000	1,175,991,817	1,476,435,015
Debentures	2,798,111,109	1,799,117,717	2,836,430,055	1,806,967,151
	3,940,111,109	3,229,117,717	4,012,421,872	3,283,402,166

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

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For the year ended 31 December 2013

20. Borrowings (Cont'd)

Borrowing facilities

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

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Float rate				
- expiring within one year	632,144,578	892,040,337	202,015,801	198,684,526
	632,144,578	892,040,337	202,015,801	198,684,526

21. Trade and other payables

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Trade payable – other parties	732,385,023	606,767,542	56,616,146	50,953,983
Trade payable – related parties (Note 35.2)	11,091,430	7,127,705	87,367	34,541
Amounts due to related parties (Note 35.2)	-	-	12,460,167	4,678,516
Other payables	171,992,692	141,201,028	42,683,719	38,646,554
Payables for purchase of building and equipment	279,179,951	310,387,867	1,788,068	12,285,529
Current portion of finance lease liabilities	26,881,039	24,830,165	12,327,988	11,549,557
Guest deposit	492,604,146	289,214,918	148,783,628	128,705,703
Accrued expenses	617,626,651	614,731,325	67,814,488	95,312,942
Other	68,454	2,834,206	6,978	112,808
Total trade and other payables	2,331,829,386	1,997,094,756	342,568,549	342,280,133

22. Provision for guarantee payment

Provision for guarantee payment represented guarantee under the building lease agreement which the Company and a subsidiary guarantee lease fee income of Centara Hotels & Resorts Leasehold Property Fund. Balances as 31 December 2013 and 2012 of provision for guarantee payment were as follows:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Short-term provision for guarantee payment	-	56,188,542	-	28,189,791
Total	-	56,188,542	-	28,189,791

Movements during the years ended 31 December 2013 and 2012 of provision for guarantee payment were as follows:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
At 1 January	56,188,542	104,714,022	28,189,791	52,534,366
Increase	-	40,391,922	-	20,265,286
Decrease	(56,188,542)	(88,917,402)	(28,189,791)	(44,609,861)
At 31 December	-	56,188,542	-	28,189,791

23. Other current liabilities

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Deposits	7,436,224	7,129,061	223,531	915,181
Retentions	120,824,432	145,559,185	7,619,257	15,574,121
Withholding tax and value added tax payables	194,513,274	159,357,366	52,707,371	32,749,932
Others	168,496	2,280,522	-	-
Total	322,942,426	314,326,134	60,550,159	49,239,234

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

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24. Provision for employee benefits

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

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Present value of unfunded obligations	129,754,168	196,407,611	48,791,785	65,656,930
Actuarial gains	-	(79,152,774)	-	(20,452,650)
Liability in the statement of financial position	129,754,168	117,254,837	48,791,785	45,204,280

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

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
At 1 January	117,254,837	167,949,165	45,204,280	57,858,283
Current service cost	12,357,818	20,150,755	4,381,820	6,494,227
Interest cost	3,430,756	7,739,574	1,055,285	2,516,017
Actuarial gains	-	(79,152,774)	-	(20,452,650)
Benefits paid	(3,289,243)	(2,250,042)	(1,849,600)	(1,211,597)
Acquisition from investment in subsidiary (Note 34)	-	2,818,159	-	-
At 31 December	129,754,168	117,254,837	48,791,785	45,204,280

The amount recognised in expenses is as follows:

	Consolidated		Company	
		Restated		Restated
	2013	2012	2013	2012
	Baht	Baht	Baht	Baht
Current service cost	12,357,818	20,150,755	4,381,820	6,494,227
Interest cost	3,430,756	7,739,574	1,055,285	2,516,017
Total, included in staff costs	15,788,574	27,890,329	5,437,105	9,010,244

Of the total charge, Baht 15,788,574 (2012: Baht 27,890,329) were included in administrative expenses.

The principal actuarial assumptions used were as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	%	%	%	%
Discount rate	3.60	3.60	3.60	3.60
Inflation rate	3.50	3.50	3.50	3.50
Future salary increases	5.00	5.00	5.00	5.00

Mortality assumption of the mortality rate is based from Thailand mortality ordinary 2008 (TMO08) issued by the Office of the Insurance Commission.

25. Share capital

	Consolidated/Company				
	Authorised Shares number of Shares	Issued and paid-up shares number of Shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2012	1,580,800,000	1,350,000,000	1,350,000,000	970,000,000	2,320,000,000
Issue of shares	-	-	-	-	-
Reduction of shares	(230,800,000)	-	-	-	-
At 31 December 2012	1,350,000,000	1,350,000,000	1,350,000,000	970,000,000	2,320,000,000
Issue of shares	-	-	-	-	-
Reduction of shares	-	-	-	-	-
At 31 December 2013	1,350,000,000	1,350,000,000	1,350,000,000	970,000,000	2,320,000,000

The total number of authorised ordinary shares is 1,350,000,000 shares (2012: 1,350,000,000 shares) with a par value of Baht 1 per share. The issued and paid-up shares is 1,350,000,000 shares (2012: 1,350,000,000 shares).

At the Annual General Meeting of Shareholders on 23 April 2012, the shareholders approved the reduction of the Company's registered capital from Baht 1,580,800,000 to Baht 1,350,000,000 through the elimination of the registered, but unissued of 230,800,000 shares, with a par value of Baht 1 each.

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26. Legal reserve

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
At 1 January	158,080,000	158,080,000	158,080,000	158,080,000
Appropriation during the year	-	-	-	-
At 31 December	158,080,000	158,080,000	158,080,000	158,080,000

Under the Public Limited Company Act., B.E. 2535, 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 percent of the registered capital. The legal reserve is non-distributable.

As at 31 December 2013, legal reserve of subsidiaries amounting to Baht 6,987,143 (2012: Baht 6,463,000) have been included in the unappropriated retained earnings of the consolidated financial statements.

27. Other component of equity

	Consolidated				Total Baht
	Remeasuring of available for- sale investment Baht	Land and building revaluation Baht	Surplus on Business Combination Baht	Translation adjustment Baht	
At 1 January 2012	224,182	1,548,307,984	-	-	1,548,532,166
Retrospective adjustments from changes in accounting policy	(44,637)	(309,661,597)	-	-	(309,706,234)
Balance after adjust	179,545	1,238,646,387	-	-	1,238,825,932
Revaluation	-	1,752,443,913	-	-	1,752,443,913
Revaluation transfer	-	(119,456,519)	-	-	(119,456,519)
Gain on remeasuring of available-for-sale investments	191,087	-	-	-	191,087
Currency translation difference	-	-	-	(21,620,634)	(21,620,634)
At 31 December 2012	370,632	2,871,633,781	-	(21,620,634)	2,850,383,779

27. Other component of equity (cont'd)

	Consolidated				Total Baht
	Remeasuring of available for- sale investment	Land and building revaluation	Surplus on Business Combination	Translation adjustment	
	Baht	Baht	Baht	Baht	
At 1 January 2013	463,494	3,696,140,393	-	(21,620,634)	3,674,983,253
Retrospective adjustments from changes in accounting policy	(92,862)	(824,506,612)	-	-	(824,599,474)
	370,632	2,871,633,781	-	(21,620,634)	2,850,383,779
Restatement	-	(195,908,488)	-	-	(195,908,488)
Balance after adjust	370,632	2,675,725,293	-	(21,620,634)	2,654,475,291
Revaluation	-	392,530,142	-	-	392,530,142
Revaluation transfer	-	(102,334,617)	-	-	(102,334,617)
Acquisition of subsidiary	-	-	143,422,000	-	143,422,000
Gain on remeasuring of available-for-sale investments	30,291	-	-	-	30,291
Currency translation difference	-	-	-	29,131,523	29,131,523
At 31 December 2013	400,923	2,965,920,818	143,220,000	7,510,889	3,117,254,630
				Company	
				Land and building revaluation	
				Baht	
At 1 January 2012				629,488	
Revaluation				948,725,510	
Revaluation transfer				(33,984)	
At 31 December 2012				949,321,014	
At 1 January 2013				949,321,014	
Revaluation transfer				(11,206,514)	
At 31 December 2013				938,114,500	

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28. Other income

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Interest income	25,228,453	33,073,417	185,870,974	205,964,923
Management income	187,656,047	163,479,752	298,469,776	275,431,461
Service income	25,000,000	25,000,000	169,500,000	106,000,000
Gain on business acquisition	-	262,488,569	-	-
Income from guarantee on subsidiaries loan	-	-	21,075,044	5,233,529
Gain on re-measuring to fair value of investments	-	312,138,587	-	-
Rental and other services income	4,170,016	6,437,926	-	-
Subsidy	6,612,909	28,998,177	-	-
Gain on insurance claim	78,826,326	57,116,555	-	-
Sale of used oil	15,441,905	20,661,005	-	-
Others	118,445,247	83,632,976	52,734,340	53,137,276
Total other income	461,380,903	993,026,964	727,650,134	645,767,189

29. Finance cost

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Interest expense:				
Related parties	-	-	43,476,213	17,287,894
Financial institutions and debenture holders	503,058,230	479,156,903	285,154,128	369,444,874
Unit holders in property fund's	3,517,406	7,185,245	-	-
Total finance cost	506,575,636	486,342,148	328,630,341	386,732,768

30. Expenses by nature

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

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Cost of food and beverage used	4,239,697,721	3,736,133,558	264,847,303	231,393,678
Staff costs	3,936,182,963	3,262,408,182	786,196,583	677,595,253
Royalty fee	400,218,989	367,194,409	-	-
Land and building rental	2,010,757,908	1,772,232,577	210,812,231	192,936,783
Depreciation and amortisation	1,627,878,680	1,283,023,564	235,352,635	316,311,104

31. Income tax expense

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Current tax:				
Current tax on profits for the year	189,851,626	207,917,897	-	-
Adjustments in respect of prior year	6,480,786	4,842,300	-	-
Total current tax	196,332,412	212,760,197	-	-
Deferred tax:				
Origination and reversal of temporary differences	256,312,115	118,200,103	168,496,255	76,306,670
Impact of change in tax rate	-	-	-	-
Total deferred tax	256,312,115	118,200,103	168,496,255	76,306,670
Total tax expense	452,644,527	330,960,300	168,496,255	76,306,670

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31. Income tax expense (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		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Profit before tax	1,829,247,327	1,949,902,491	1,109,562,420	775,488,091
Tax calculated at a tax rate of 15% and 20% (2012: 15% and 23%)	367,695,495	451,889,810	221,912,484	178,362,261
Tax effect of:				
Associates and joint venture' results reported net of tax	(4,346,862)	(15,072,998)	-	-
Income from property fund which subject to tax exemption	(21,117,221)	(24,894,445)	-	-
Income not subject to tax	(5,843,829)	(132,281,030)	(127,223,765)	(120,653,680)
Expense not deducted for tax purpose	4,901,382	2,134,952	584,178	599,700
Expense deducted at greater amount	(22,239,264)	(14,180,006)	(809,244)	(1,140,395)
Tax losses for which no deferred income tax asset was recognised	24,411,198	27,709,741	-	-
Deferred tax expense relating to the origination and reversal of temporary differences	104,258,654	13,521,916	74,032,602	19,138,784
Unrealised (gain) losses resulting from intergroup transaction	11,405,462	12,290,060	-	-
Adjustment in respect of prior year	(6,480,786)	4,842,300	-	-
Tax charge	452,644,229	325,960,300	168,496,255	76,306,670

The weighted average applicable tax rate was 24.74% (2012: 16.7%). The increase is caused by gain from business acquisition present in other income in fiscal year 2012.

The tax (charge)/credit relating to component of other comprehensive income is as follows:

	Consolidated					
	2013			2012		
	Before tax Baht	Tax(charge)/credit Baht	After tax Baht	Before tax Baht	Tax(charge)/credit Baht	After tax Baht
Fair value gains:						
Land and buildings	492,380,332	(98,476,066)	393,904,266	2,119,848,213	(438,110,977)	1,681,737,236
Available-for-sale financial asset	37,501	(7,573)	30,291	239,312	(48,225)	191,087
Share of other comprehensive income of associates	-	-	-	70,706,674	-	70,706,674
Actuarial gain/loss on retirement benefit obligations	-	-	-	79,152,774	(15,908,845)	63,243,929
Currency translation difference	38,969,522	-	38,969,522	(29,585,806)	-	(29,585,806)
Other comprehensive Income	531,387,355	(98,483,639)	432,904,079	2,240,361,167	(454,068,047)	1,786,293,120

	Company					
	2013			2012		
	Before tax Baht	Tax(charge)/credit Baht	After tax Baht	Before tax Baht	Tax(charge)/credit Baht	After tax Baht
Fair value gains:						
Land and buildings	-	-	-	1,185,897,250	(237,171,740)	948,725,510
Actuarial gain/loss on retirement benefit obligations	-	-	-	20,452,650	(4,169,966)	16,282,684
Other comprehensive income	-	-	-	1,206,349,900	(241,341,706)	965,008,194

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Current tax	196,332,412	212,760,197	-	-
Deferred tax (Note 18)	256,312,115	118,200,103	168,496,255	76,306,670
Share of tax of associates (Note 12)	1,553,700	1,553,700	-	-

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32. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the company by the weighted average number of ordinary shares in issue during the year, excluding treasury shares (Note 25).

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
Earnings (Baht)				
Net profit attributable to ordinary shareholders of the company	1,321,920,315	1,595,764,135	941,066,165	699,181,422
Weighted average number of ordinary shares outstanding (Shares)	1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000
Basic earnings per share (Baht per share)	0.98	1.18	0.70	0.52

There are no potential dilutive ordinary shares in issue for the years ended 2013 and 2012.

33. Dividends per share

At the Annual General Meeting of Shareholders on 25 April 2013, the shareholders approved the declaration of the annual dividend for the year 2013 at Baht 0.30 per share (2012: Baht 0.15 per share), totalling Baht 405 million (2012: Baht 202.5 million). The dividends were paid on 23 May 2013.

34. Business Acquisition

Prior period

Karon Phuket Hotel Co., Ltd.

On 27 February 2012, the Group additionally acquired the investment portion of 33.92%, (existing portion is 50.00%), totalling Baht 179.19 million of the share capital of Karon Phuket Hotel Co., Ltd. from the one of shareholder who desires to exit from the business. This made the Group increase the investment portion to 83.92%. The investment in Karon Phuket Hotel Co., Ltd. changed from "Interests in joint venture" to "Investment in subsidiary" at the date that the Group has control of this entity. The group recognised a gain of Baht 287.59 million as a result of measuring at fair value of investment held before the business acquisition. The gain is included in other income in the group's statement of comprehensive income. The acquired companies generated revenue of Baht 281.68 million and net income of Baht 67.43 million to the Group for the period from 1 March 2012 to 31 December 2012. If the acquisition had occurred on 1 January 2012, the Group's revenue would have been of Baht 380.57 million, and net income would have been of Baht 115.49 million.

Details of net assets acquired from business acquisition are as follows:

	Baht Million
Purchase consideration	
Purchase price	179.19
Fair value of investment held before business acquisition	532.04
Fair value of net assets acquired (see below)	<u>(857.26)</u>
	(146.03)
Gain from business acquisition present in other income	<u>(146.03)</u>
Cash and cash equivalents	12.16
Amount due from related parties	0.43
Trade and other receivables	38.43
Inventories	3.24
Loans to related parties	116.00
Other current assets	2.89
Property, plant and equipment, net	1,512.00
Intangible assets, net	0.17
Refundable deposit	3.38
Trade and other payables	(37.05)
Amount due to related parties	(11.91)
Accrued expenses	(4.57)
Other current liabilities	(5.82)
Borrowings from financial institutions	(605.00)
Employees benefit obligations	<u>(2.82)</u>
Fair value of net assets	1,021.53
Non-controlling interests	<u>(164.27)</u>
Fair value of net assets acquired	<u>857.26</u>

Centara Maldives Pvt. Ltd.,

On 7 June 2012, the Group additionally acquired the investment portion of 25.00%, (existing portion is 50.00%) of the share capital of Centara Maldives Pvt. Ltd., totalling Baht 157.38 million (USD 5 million) for business expansion in overseas purpose. This made the Group increase the investment portion to 75.00%. As a result, the investment in Centara Maldives Pvt. Ltd. changed from "Interest in joint venture" to "Investment in subsidiary". The group recognised a gain of Baht 24.55 million as a result of measuring at fair value of investment held before the business acquisition. The gain is included in other income in the group's statement of comprehensive income. At the date that the Group had control over this entity, the acquired company generated revenue of Baht 2.20 million and net loss at Baht 50.54 million to the Group for the period from 1 June 2012 to 31 December 2012. If the acquisition had occurred on 1 January 2012, the Group's revenue would have been Baht 3.00 million, and net loss would have been Baht 50.49 million

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34. Business Acquisition (Cont'd)

Details of net assets acquired from business acquisition are as follows:

	Baht Million
Purchase consideration	
Purchase price	157.38
Fair value of investment held before business acquisition	314.74
Fair value of net assets acquired (see below)	(435.29)
Purchases price over net assets presented in expense	36.83
Cash and cash equivalents	41.59
Trade and other receivables	81.55
Other current assets	2.81
Property, plant and equipment, net	232.97
Leasehold rights	243.77
Other non-current assets	0.70
Trade and other payables	(0.50)
Amount due to related parties	(4.98)
Accrued expenses	(0.08)
Other current liabilities	(0.20)
Other non-current liabilities	(17.24)
Fair value of net assets	580.39
Non-controlling interests	(145.10)
Fair value of net assets acquired	435.29

Net assets from acquisition of investment in Centara Maldives Pvt. Ltd. are stated at the net book value of the date of acquisition. Since the Group just started the operation and in the process of construction the hotel thus the book value considered closed to fair value, the group uses the difference between net book value of investment and net book value of net assets acquired to record in expense.

R.M.L. Leisure Pvt. Ltd.

On 3 December 2012, the Group additionally acquired in the investment portion of 49.00%, (existing portion is 25.00%) of the share capital of R.M.L. Leisure Pvt. Ltd., totalling Baht 264.61 million (USD 8.6 million) for business expansion in overseas purpose. This made the Group increase the investment portion to 74.00%. The investment in R.M.L. Leisure Pvt. Ltd. changed from "Investment in associate" to "Investment in subsidiary" at the date that the Group has control of this entity, the acquired company generated revenue of Baht 68.10 million and net income at Baht 9.77 million to the Group for the period from 1 December 2012 to 31 December 2012. If the acquisition had occurred on 1 January 2012, the Group's revenue would have been Baht 672.44 million, and net loss would have been Baht 22.74 million.

Details of net assets acquired from business acquisition are as follows:

	Baht Million
Purchase consideration	
Purchase price	264.61
Book value of investment held before business acquisition	135.01
Book value of net assets acquired (see below)	(485.86)
	<u>(86.24)</u>
Purchases price over book value	
Cash and cash equivalents	45.45
Trade and other receivables	66.56
Inventory	16.91
Property, plant and equipment, net	2,092.56
Other non-current assets	4.71
Trade and other payables	(217.41)
Loans	(1,246.31)
Accrued expenses	(59.51)
Other current liabilities	(46.39)
	<u>656.57</u>
Book value of net assets	
Non-controlling interests	(170.71)
	<u>485.86</u>
Book value of net assets acquired	

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35. 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.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Group were as follows:

Name of entities	Incorporation / nationality	Nature of relationships
Kata Phuket Hotel Co., Ltd.	Thailand	Joint venture, 50% shareholding
Centara Hotels & Leasehold Property Fund	Thailand	Associate, 25.3% shareholding
Thai Pattana Fund 2	Thailand	Subsidiary, 23.92% direct and indirect shareholding
Thai Business Fund 4	Thailand	Related party
Central Department Store Co., Ltd.	Thailand	Related party, common shareholders and directors
Harg Central Department Co., Ltd.	Thailand	Related party, common shareholders and directors
Central International Development Co., Ltd.	Thailand	Related party, common shareholders and directors
Central Pattana Public Company Limited	Thailand	Related party, common shareholders and directors
Power Buy Co., Ltd.	Thailand	Related party, common shareholders and directors
Central World Co., Ltd.	Thailand	Related party, common directors
Tieng Chirathivat Co., Ltd.	Thailand	Related party, common directors
AAPC (Thailand) Co., Ltd.	Thailand	Related party, shareholder of a subsidiary

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Interest income and interest expense	Bank interest rate
Management fee income	Contractually agreed prices
Dividend income	Dividend announcement
Management fee expense	Contractually agreed prices
Rental income and rental expense	Contractually agreed prices
Area rental income	Contractually agreed prices
Loss from guarantee provision	Contractually agreed prices
Leasehold right payment	Contractually agreed prices
Prepayment of car park service	Contractually agreed prices
Sale of equipment	Contractually agreed prices
Electricity expense	Contractually agreed prices

The following transactions were carried out with related parties for the year ended 31 December 2013 and 2012 from related parties

35.1) Incomes and expenses

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Subsidiaries:				
Rental income	-	-	9,450,000	4,140,000
Interest income	-	-	179,291,190	202,825,833
Management fee income	-	-	445,377,456	353,125,086
Dividend income	-	-	598,248,169	453,089,187
Interest expense	-	-	43,476,213	17,287,894
Other expenses	-	-	2,646,560	2,646,560
Rental expense	-	-	117,817,550	120,147,204
Joint ventures:				
Management fee income	9,888,504	19,374,206	9,897,039	19,374,206
Interest income	2,460,000	2,460,000	2,460,000	2,460,000
Other income	25,000,000	25,000,000	-	-
Associates:				
Dividend income	37,870,658	71,492,030	37,870,658	71,492,030
Interest income	-	15,372,829	-	-
Management fee income	-	32,358,298	-	-
Rental expense	160,614,505	225,000,000	-	-
Loss from guarantee provision	-	40,391,921	-	20,265,286
Entities controlled by ultimate shareholders				
Rental income	14,279,196	14,279,196	-	-
Management fee income	15,127,202	10,403,892	-	1,331,586
Other income	27,196,526	23,692,911	-	-
Rental expense	124,395,386	118,177,661	93,928,958	89,273,243
Electricity expense	43,092,699	39,674,729	43,092,699	39,674,729
Management fees expense	12,000,000	-	6,000,000	-
Other service fees	14,735,357	13,167,007	-	-

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35. Related party transactions (Cont'd)

35.2) Receivables and payables

Balances as at 31 December 2013 and 2012 with related parties were as follows:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Receivables from:				
Subsidiaries	-	-	370,137,691	167,693,521
Entities controlled by ultimate shareholders	108,346,121	71,625,088	2,891,595	3,893,749
Total	108,346,121	71,625,088	373,029,286	171,587,270
Payables to:				
Subsidiaries	-	-	12,460,167	4,678,516
Entities controlled by ultimate shareholders	11,091,430	7,127,705	87,367	34,541
Total	11,091,430	7,127,705	12,547,534	4,713,057

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35. Related party transactions (Cont'd)

35.3 Loans to related parties

	Interest rate (%)		Consolidated				Company	
	2013	2012	2013	Restated		2013	Restated	
			Baht	2012	Baht	Baht	2012	
Short-term loans								
Subsidiaries								
Central Krabi Bay Resort Co., Ltd.	4.75	4.75	-	-	-	154,700,000	153,900,000	
Central World Hotel Co., Ltd.	4.75	4.75	-	-	-	316,000,000	284,700,000	
S.P. Realty Pattaya Beach Co., Ltd.	4.75	4.75	-	-	-	-	24,000,000	
Triplene Decor Co., Ltd.	4.75	4.75	-	-	-	-	2,250,000	
Short-term loans to related parties			-	-	-	470,700,000	464,850,000	

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NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

35. Related party transactions (Cont'd)

35.3) Loans to related parties (Cont'd)

	Interest rate (%)		2012		2013		2012		2013		2012	
	2013	2012	Consolidated		Company		Restated		Restated		Restated	
			2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Long-term loans												
Subsidiaries												
Central Samui Hotel Management Co., Ltd.	4.75	4.75	-	4.75	-	4.75	-	-	293,500,000	-	275,000,000	-
Central Karan Village Co., Ltd.	4.75	4.75	-	4.75	-	4.75	-	-	104,000,000	-	117,000,000	-
Central Hotel Management Co., Ltd.	4.75	4.75	-	4.75	-	4.75	-	-	120,000,000	-	137,000,000	-
Central Krabi Bay Resort Co., Ltd.	4.75	4.75	-	4.75	-	4.75	-	-	532,300,000	-	455,100,000	-
Central World Hotel Co., Ltd.	4.75	4.75	-	4.75	-	4.75	-	-	1,098,500,000	-	1,559,800,000	-
S.P. Realty Had Farang Co., Ltd.	4.75	4.75	-	4.75	-	4.75	-	-	300,000	-	300,000	-
Centara International Management Co., Ltd.	4.75	4.75	-	4.75	-	4.75	-	-	894,000,000	-	1,155,500,000	-
S.P. Realty Pattaya Beach Co., Ltd.	4.75	-	-	-	-	-	-	-	25,100,000	-	-	-
Triplenine Decor Co., Ltd.	4.75	-	-	-	-	-	-	-	2,250,000	-	-	-
Centara Import-Export Co., Ltd.	4.75	-	-	-	-	-	-	-	1,000,000	-	-	-
Kata Phuket Hotel Co., Ltd.	6.00	6.00 - 6.50	41,000,000	6.00 - 6.50	41,000,000	6.00 - 6.50	157,000,000	41,000,000	41,000,000	157,000,000	41,000,000	41,000,000
Long-term loans to related parties			41,000,000		41,000,000		157,000,000	41,000,000	3,111,950,000	157,000,000	3,740,700,000	3,740,700,000

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

35. Related party transactions (Cont'd)

35.3) Loans to related parties (Cont'd)

Movements during the years ended 31 December 2013 and 2012 of loans to related parties were as follows:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Subsidiaries				
At 1 January	-	-	4,164,550,000	4,451,250,000
Increase	-	-	1,301,100,000	1,951,300,000
Decrease	-	-	(1,924,000,000)	(2,238,000,000)
At 31 December	-	-	3,541,650,000	4,164,550,000
Joint ventures				
At 1 January	157,000,000	41,000,000	41,000,000	41,000,000
Increase from acquisition of a subsidiary	-	116,000,000	-	-
Decrease	(116,000,000)	-	-	-
At 31 December	41,000,000	157,000,000	41,000,000	41,000,000
Associate				
At 1 January	-	222,708,375	-	-
Reclassify to indirect subsidiary	-	(222,708,375)	-	-
At 31 December	-	-	-	-
Total loans to related parties				
At 1 January	157,000,000	263,708,375	4,205,550,000	4,492,250,000
Increase	-	-	1,301,100,000	1,951,300,000
Acquisition of a subsidiary	-	116,000,000	-	-
Decrease	(116,000,000)	-	(1,924,000,000)	(2,238,000,000)
Reclassify to indirect subsidiary	-	(222,708,375)	-	-
At 31 December	41,000,000	157,000,000	3,582,650,000	4,205,550,000

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NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

35. Related party transactions (Cont'd)

35.4) Loans from related parties (Cont'd)

	Interest rate (%)		Consolidated				Company	
	2012		2013		Restated		Restated	
	2013	2012	2013	Baht	2012	Baht	2012	Baht
Short-term loans								
Subsidiaries								
Centara International Management (Thailand) Co., Ltd.	3.00	3.00 - 4.75	-		-	178,000,000		72,500,000
Central Hua Hin Beach Resort Co., Ltd.	3.00	1.75 - 3.00	-		-	55,000,000		10,000,000
Cosli Hotels Co., Ltd.	3.00	3.00 - 4.75	-		-	4,900,000		5,000,000
Central Samul Beach Resort Co., Ltd.	4.75	4.75	-		-	513,500,000		661,500,000
Karon Phuket Hotel Co., Ltd.	4.75	-	-		-	79,000,000		-
Cosli Hotel Management Co., Ltd.	3.00	-	-		-	1,000,000		-
Centara Loyalty Marketing Co., Ltd.	3.00	-	-		-	10,000,000		-
Related parties	3.00	3.00	60,260,523		61,065,935	-		-
Total			60,260,523		61,065,935	841,400,000		749,000,000

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

35. Related party transactions (Cont'd)

35.4) Loans from related parties (Cont'd)

Movements during the years ended 31 December 2013 and 2012 of short-term loans from related parties were as follows:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Short-term loans from related parties				
At 1 January	61,065,935	6,000,000	749,000,000	70,000,000
Increase	-	-	2,208,500,000	1,426,500,000
Short-term loans from investment in subsidiary				
Decrease	(17,441,460)	(6,000,000)	(2,116,100,000)	(747,500,000)
Translation adjustment	16,636,048	(104,859)	-	-
At 31 December	60,260,523	61,065,935	841,400,000	749,000,000

35.5) Provision for guarantee payment

Movements during the years ended 31 December 2013 and 2012 of short-term loans from related parties were as follows:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Short-term provision for guarantee payment	-	56,188,542	-	28,189,791
Total	-	56,188,542	-	28,189,791

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

35. Related party transactions (Cont'd)

35.6) Liability under consignment agreement

The outstanding amount due to Thai Pattana Fund II matured as follows:

	Company					
	2013			Restated 2012		
	Amount due	Deferred expenses	Net	Amount due	Deferred expenses	Net
Within 1 year	-	-	-	122,250,000	(5,523,557)	116,726,443
Later than 1 year, but not later than 5 years	-	-	-	-	-	-
Total	-	-	-	122,250,000	(5,523,557)	116,726,443

35.7) Key management personnel compensation

Key management personnel compensation comprised:

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
	Baht	Baht	Baht	Baht
Short-term employee benefits	38,577,125	39,080,543	38,237,125	38,720,543
Post-employment benefits	1,204,593	603,501	1,204,593	603,501
Total	39,781,718	39,684,044	39,441,718	39,324,044

35.8) Long-term contracts

Long-term lease agreement

The Company

Under the terms of a reciprocal agreement entered into with Central International Development Co., Ltd. ("CID") who entered into long-term land lease agreement with State Railway of Thailand ("SRT"), the Company was granted the right to construct a hotel building on the leased property of Central International Development Co., Ltd. and to operate the hotel for the Company's benefits up to 18 December 2008. This agreement is renewable for period of 10 years each. The Company is committed to make payments for this right totaling approximately Baht 73.7 million payable in various installments up to 2008.

On 26 March 2003, CID entered into a memorandum of understanding with SRT in which the said related company agreed to pay certain compensation on lease agreement as mutually agreed with SRT. The Company agreed to share the said compensation for the total amount of approximately Baht 65 million to be paid in 8 installments; the first installment was paid on 31 March 2003 and the last installment will be paid by 18 December 2008.

Transfer of assets to State Railway of Thailand

As at 18 December 2008 which was the expiration date of the said reciprocation agreement, the Company was required to transfer the construction on sub-lease land, fixtures and improvements, including part of equipment to SRT. The net book value at the expiration date of agreement was Baht 23.9 million, resulting the Company incurred loss from disposal assets at the same amount.

On 9 December 2008 CID entered into a new land and/or building lease agreement of 20 years lease term with SRT. The Company then signed the memorandum of agreement with CID in order to preserve and affirm of undertaking the right to enter into the new sub-lease agreement with CID. Company has to pay the guarantee deposit on land and/or building lease agreement of Central Plaza Hotel at Ladprao, in the amount of Baht 95 million on the day which CID entered into lease agreement with SRT.

In 2009, the Company entered into a sub-lease agreement with Central International Development Co., Ltd. ("sub-lessor") for the sub-leasing of Sofitel Centara Grand Bangkok Hotel's building (Formerly Central Plaza Ladprao Hotel) and hotel building improvements including durable goods for a period of 20 years. The lease will expire on 18 December 2028. The Company was required to pay the sub-lessor of Baht 2,556 million for the sub-leasing right and annual rent for the whole lease term. During 2009, the Company recorded sub-leasing right and annual rent of Baht 361 million as leasehold right in the consolidated and separate balance sheets (Note 16). In addition, the Company was required to pay durable goods rental fee totalling Baht 31 million for the whole lease term. The Company recorded durable goods rental fee as asset under finance lease (Note 14).

Leased assets, which the Company has renovated, improved or constructed, altered, added, maintained or rebuilt, will be transferred to SRT as soon as the said activities are completed. In addition, the Company has to return leased supplies according to the list in the lease agreement in a manner which appropriate to their condition and useful lives to SRT at the end of the lease agreement.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

35. Related party transactions (Cont'd)

35.8) Long-term contracts (Cont'd)

Long-term lease agreement (Cont'd)

Subsidiaries (Cont'd)

Centara Grand Beach Resort Samui Project

Agreements between Central Plaza Hotel Public Co., Ltd., its subsidiaries and Thai Pattana Fund I

On 12 December 2002, Central Samui Beach Resort Co., Ltd., ("CSBR") entered into a purchase and sales agreement with Thai Pattana Fund I ("TP1") in which CSBR agreed to sell a hotel building and furniture for hotel operations to TP1. CSBR also entered into a leaseback agreement with TP1 on the same date for a three years period from the agreement date. The leaseback agreement can be renewed for 3 years. In addition, on 12 December 2002, CSBR entered into a land lease agreement with TP1 for a 15 years. Under this agreement, TP1 as the owner of the hotel buildings which are located on the leased land, agreed to sell the said hotel buildings including furniture back to CSBR on the transfer of the building ownership date. The transfer of building ownership will be made when CSBR has made full repayment for repurchase of the hotel buildings and furniture to TP1 as stated in the agreement.

TP1 hired CSBR as property manager according to property management agreement dated 12 December 2002 for a 15 years period. As guarantee for the repayment and compliance with related agreements, CSBR had mortgaged land, which is the location of the leased assets, and Central Plaza Hotel Public Co., Ltd. ("CPH") had provided a guarantee letter to TP1 for repayment and compliance with the building lease agreement and property management agreement.

On 26 September 2008, CSBR and TP1 arranged a memorandum of agreement for termination of agreements which CSBR and TP1 agreed to terminate the land lease agreement, the building lease agreement, the property management agreement and the mortgage of land. All the said agreements were ceased on the day that the memorandum of agreement was signed. In addition, CSBR agreed to buy and TP1 agreed to sell furniture and equipments remained in the hotel building as at the date in the memorandum of agreement, in the amount of Baht 1 million. TP1 agreed to transfer rights and deliver the said furniture and equipment to CSBR and CSBR paid for the said furniture and equipment to TP1 on the date of the memorandum of agreement. And on the same date, CPH and TP1 arranged a memorandum of agreement to annul the guarantee letter, dated 12 December 2002, which CPH had prepared for TP1 for a guarantee of debt repayment of CSBR under the property management agreement, building lease agreement and land lease agreement.

On 26 September 2008, TP1 sold the hotel building to CPH since CSBR did not exercise its right to buy the hotel building under the land lease agreement dated 12 December 2002. TP1 received Baht 1,450 million from sale of the building.

Agreements between Central Plaza Hotel Public Co., Ltd., its subsidiaries and Centara Hotels & Resorts Leasehold Property Fund.

On 25 September 2008, Central Plaza Hotel Public Company Limited and its subsidiary entered into agreements relating to land and hotel building of Centara Grand Beach Resort Samui Hotel (formerly: Central Samui Beach Resort Hotel) with Centara Hotels & Resorts Leasehold Property Fund ("CTARAF"), in the following matters.

1. Central Samui Beach Resort Co., Ltd. ("CSBR") entered into the land lease agreement with CTARAF for lease the land to CTARAF for the period of 30 years commencing from the date on which both parties register the lease agreement (26 September 2008). CTARAF agreed to pay the land lease fee in the total amount of Baht 1,500 million with full payment on the date on which the lease was registered. CSBR recognised such proceeds from lease as deferred income in its balance sheet and amortises to income using the straight line method over the lease term of 30 years. As at 31 December 2013, the balance of deferred income in consolidated financial statements, net of amortisation of Baht 50.0 million (2012: Baht 50.0 million) was Baht 1,236.7 million (2012: Baht 1,286.7 million).
2. Central Plaza Hotel Public Company Limited ("CPH") entered into the property lease agreement with Centara Grand Beach Resort Samui Hotel, including the utility facilities and related equipment with CTARAF in order to lease to CTARAF for the period of 30 years commencing from the date that both parties registered the lease agreement (26 September 2008). CTARAF agreed to pay the property lease fee in the total amount of Baht 1,510 million with full payment on the date on which the lease was registered. CPH recognised such proceeds from lease as deferred income in its balance sheet in separate financial statements and amortises to income using the straight line method over the lease term of 30 years. As at 31 December 2013, the balance of deferred income net of amortisation of Baht 50.3 million (2012: Baht 50.3 million) was Baht 1,245.0 million (2012: Baht 1,295.0 million).

Under the property lease agreement, CPH agreed and guaranteed that, in the period of 4 years from the registry date of lease, CTARAF would receive lease fee income from the lease assets in the amount not less than the accumulated guaranteed lease fee specified in the agreement. If CTARAF receives the accumulated lease fee income less than the accumulated guaranteed lease fee as in the agreement, CPH agreed to pay CTARAF the difference between the accumulated lease fee income of the fund and the accumulated guaranteed lease fee income.

On 1 December 2008, CPH and CSBR entered into the agreement regarding guarantee CTARAF lease fee income. CSBR as a land lessor which mutually get benefits from CTARAF on lease agreement, to be the co-guarantor in guarantee CTARAF lease fee income. In case CPH have to pay any payments to CTARAF under the above guarantee agreement, CSBR agree to pay partial guarantee payment to CPH according to the rate specified in the agreement.

In the Company's separate financial statements, CPH recognised loss from guarantee provision in the amounts of Baht 20.3 million in the statements of comprehensive income for the year ended

31 December 2012, whereby as at 31 December 2013, there is no balance of provision for guarantee payment in the financial position (2012: Baht 28.2 million). In the consolidated financial statements, CPH and CSBR recorded loss from guarantee provision totaling Baht 40.4 million in the consolidated statements of comprehensive income for the year ended 31 December 2012, whereby as at 31 December 2013, there no balance of provision for guarantee payment in the consolidated statements of financial position (2012: Baht 56.2 million) (Note 22).

If CTARAF wished to renew the land lease agreement and building lease agreement as in No.1 and No. 2 above when the lease period was due, CTARAF has to state its intention to CSBR and CPH, depending on the case, in writing within the 26th year from the first year of the lease period and both parties negotiate and finalise the details for renewal of lease agreement within the 27th year from the first year of the lease period

3. CSBR entered into the agreement for sale of furniture and equipment installed / used within the Centara Grand Beach Resort Samui Hotel with CTARAF, under which CTARAF agreed to pay for rights transferring of the said furniture and equipment in the amount of Baht 80 million (including VAT) by making a full payment on the day that the rights are transferred (26 September 2008).

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

35. Related party transactions (Cont'd)

35.8) Long-term contracts (Cont'd)

Long-term lease agreement (Cont'd)

Subsidiaries (Cont'd)

Centara Grand Beach Resort Samui Project (Cont'd)

4. CTARAF entered into the sub-lease agreement of Centara Grand Beach Resort Samui Hotel with Central Samui Hotel Management Co., Ltd. ("CSHM") for lease the land, building and utility facility and relating equipment, and furniture and equipment to CSHM to use in operating the hotel business. The lease term is 3 years commencing from 26 September 2008. CTARAF promised to CSHM that CSHM is able to lease the assets for another 3 years since the end of the lease term. CSHM must inform the fund for exercise of the promised right in writing not less than 6 months before the end the lease term. According to this agreement, CSHM agreed to pay a monthly lease fee comprise of fixed lease fee in the amount of Baht 225 million per annum and variable lease fee calculating from percentage as enumerate in the agreement of revenue after deduction of costs and operating expenses, other expenses and fixed rental.

According to the sub-lease agreement and other relating agreements, CSHM must comply with the conditions stipulated in the agreement such as submission of documents and other information specified in the agreement, opening and maintaining of various bank accounts including transfer of rights over the said bank accounts to CTARAF, without the increase of additional debt, selling, disposing, lease, forming a commitment in part or all of assets, loaning to, investing, except for the consent in writing from CTARAF is granted.

Central Wong Amat Beach Resort, Pattaya

On 23 December 2003, Central International Development Co., Ltd. ("the Consignor") entered into a consignment agreement of land and building with Thai Pattana Fund 2 ("the Consignee") and other party as another consignor had entered into a consignment agreement of land with Thai Pattana Fund 2 ("the Consignee") for Central Hua Hin Beach Resort Co., Ltd. ("CHBR") to lease and operate the hotel business, the contracting parties of which agreed with the consignors or Central Hua Hin Beach Resort Co., Ltd. or Central Plaza Hotel Public Company Limited, either of which will have the right to redeem the assets on consignment from the consignee at the redeemable price stipulated in the agreement within 10 years counting from the registration date of the ownership transfer or in the case of the one who has the right to redeem wishing to finalize the redemption of the assets on consignment prior to 10 years' period will have to notify the consignee in writing, in advance not less than 30 days before the next installment is due.

On 18 December 2003, both consignors issued the renounce letter for the right to redeem the assets on consignment to Central Hua Hin Beach Resort Co., Ltd. and Central Plaza Hotel Public Company Limited.

As guarantee for the repayment and compliance with this agreement, Central Plaza Hotel Public Co., Ltd. has prepared a guarantee letter for the repayment of CHBR to Thai Pattana Fund 2.

On 1 March 2006, CHBR issued the renounce letter for the right to redeem the assets on consignment for the Company only.

On 23 December 2003, Central Hua Hin Beach Resort Co., Ltd. ("CHBR") entered into a land and hotel buildings lease agreement of Central Wong Amat Beach Resort, Pattaya ("Hotel Buildings") with Thai Pattana Fund 2 ("The Fund") to operate the hotel business for a period of 10 years, starting from

23 December 2003 onwards. Thus, CHBR agreed to pay the rent, on a semi-annual basis, by instalments of Baht 55 million per period. The lease rate will be in force for the lease period starting from the date of signing the agreement until 28 February 2007, after which the contracting parties will adjust the rental as appropriate. The first payment of rent was due on 26 August 2004 to cover the lease period from 23 December 2003 until 31 August 2004 and the next payment is due on the third working day before the end of February and August of each year. The last payment of rent will be made upon termination or ending of the agreement, in the amount calculated based on the actual number of days counting from the date following the preceding payment of rent until the end of the agreement.

The Company's land title deed with carrying value of Baht 772 million, as at 31 December 2013 and 2012, was under the name of Thai Pattana Fund 2, the consignee. This land relates to Central Wong Amat Beach Resort Project, Pattaya.

In addition, CHBR agreed to build a building or other construction on the leased land in order to add value to the land and hotel buildings as compensation to the Fund for agreeing with CHBR to lease the assets and, one year after the beginning of the lease period, CHBR agreed to renovate and/or consider to renovate the hotel building to improve the value of leased assets and the suitability of its hotel business.

On 1 March 2006, the Company entered into a leasehold rights transfer agreement with CHBR and the Fund. The transfer agreement granted the Company the leaseholder rights and responsibilities under land and hotel buildings lease agreement.

Central World Hotel Co., Ltd.

On 28 April 2005, Central World Hotel Co., Ltd. ("CWH"), entered into a sublease of hotel land and building with Thai Business Fund 4 ("the Fund") to develop and to operate a hotel or other related businesses. CWH is required to pay rental in advance and annual rental fee of totalling Baht 1,188.8 million to the Fund up to the end of the agreement on 22 December 2032. CWH paid the rental in advance upon signing the agreement of Baht 275 million. During 2013, CWH paid the annual rent of Baht 15.8 million (2012: Baht 15.8 million) which was recorded as leasehold right in the consolidated statements of financial position (Note 16).

The above agreement also specified CWH to transfer the rights on buildings and constructions thereon which CWH repair and maintenance or construct on the sub-lease land to the land owner, the Crown Property Bureau, at the date of those repair and maintenance or construction would be completed.

As at 31 December 2013, CWH has not transferred the rights on buildings and constructions thereon to the land owner, as CWH obtained approval for an extension period for development and hotel buildings construction and consequence will transfer buildings and construction rights to the owner within the year 2013.

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

35. Related party transactions (Cont'd)

35.8) Long-term contracts (Cont'd)

Long-term service agreements

The Company

On 1 July 2004, the Company entered into management agreements with its subsidiaries, effective from 1 January 2004. Management fee would be paid on a quarterly basis. The parties to the agreement have the right to amend the agreement, as detailed below:

- The Company entered into management agreements with its seven subsidiaries in the hotel group to manage the hotel operations. Under the said agreements, the Company would receive management fee based on the percentage of net sales specified in the agreements, divided into operational management fee and marketing management fee.
- The Company entered into a marketing management agreement with another subsidiary in the hotel group. Under this agreement, the Company would receive the marketing management fee at the percentage of net sales specified in the agreement.
- The Company entered into a management agreement with Central Restaurants Group Co., Ltd. ("CRG"), for the operational management of CRG. Under the said agreement, the Company would receive a monthly fixed management fee as specified in the agreement.

On 26 September 2008, the Company entered into management agreement with Central Samui Hotel Management Co., Ltd. to manage the hotel's operation for 30 years commencing from the agreement date. Under the said agreement, the Company would receive the management fee as specified in the agreement.

On 31 March 2011 and 26 May 2011, the Company entered into management agreements with Karon Phuket Hotel Co., Ltd. ("CKR") and Kata Phuket Hotel Co., Ltd. ("CKT") to manage the hotel's operation for 5 years ending March 2016 and May 2016, respectively. The agreements are automatically renewable for 5 years. Under the said agreements, the Company would receive the management fee as specified in the agreements.

On 31 January 2012, the Company entered into a service agreement with Harg Central Department Store Co., Ltd. for a period of 1 year in order to receive information and various suggestions, which are beneficial to the Company. The agreement is automatically renewable for a year. The service fee is Baht 500,000 per month with the increased by 5% for service fee from the previous year.

Subsidiaries

Central Sukhontha Hotel Co., Ltd. ("CHY") has entered into a rental and services agreement with Central Department Store Co., Ltd. for a period of 30 years ending on 31 May 2024. Central Department Store Co., Ltd. agreed to lease part of the building as a shopping center. Total income to CHY under the agreement will amount to approximately Baht 428 million in total. As at 31 December 2013, the balance of deferred rental income in consolidated financial statements, net of amortisation was Baht 154.6 million (2012: Baht 168.9 million).

On 31 January 2012, Central Restaurant Group Co., Ltd. ("CRG") entered into a service agreement with Harg Central Department Store Co., Ltd. for a period of 1 year in order to receive information and various CRG suggestions, which are beneficial. The agreement is automatically renewable for a year. The service fee is Baht 500,000 per month with the increased by 5% for service fee from the previous year.

Long-term lease and service agreements

Central Restaurants Group Co., Ltd. ("CRG") had long-term lease and service agreements with related party for periods of 3 to 30 years up to 2026. According to the terms of the agreements, CRG has to pay monthly rental and service charges at fixed rates or at certain percentages of gross sales as follows:

	Consolidated	
	2013	2012
	Baht	Baht
Non-cancellable operating lease commitments		
No later than 1 year	310,582,819	323,647,489
Later than 1 year but not later than 5 years	261,407,611	256,608,160
Later than 5 years	8,772,621	11,244,063
Total	580,763,051	591,499,712

35.9) Commitments under agreements with related parties

The Company

As at 31 December 2013, the Company guaranteed the overdraft lines, letters of credit and various guarantees for subsidiaries to various local banks totalling Baht 32 million (2012: Baht 32 million).

The Company provided guarantee in respect to Central World Hotel Co., Ltd. ("CWH") loans to a financial institution in the amount not less than Baht 2,350 million.

In June 2009, CWH had drawn down the loan totalling Baht 2,300 million. As at 31 December 2013, the outstanding loan is equal to Baht 500 million (2012: Baht 500 million).

Subsidiaries

As at 31 December 2013, Central Restaurants Group Co., Ltd. had provided guarantees to a financial institution for bank overdraft and long-term loan facility of a subsidiary totalling Baht 50 million (2012: Baht 10 million).

NOTES TO THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2013

36. Commitments with non-related parties

	Consolidated		Company	
	2013 Baht	2012 Baht	2013 Baht	2012 Baht
Capital commitments				
Contracted but not provided for				
- Hotel construction	93,873,253	294,402,009	6,789,746	6,195,779
Total	93,873,253	294,402,009	6,789,746	6,195,779
Non-cancellable operating lease and service				
Commitments of Central Restaurant Groups Co., Ltd.				
No later than one year	160,868,578	138,572,582	-	-
Later than 1 year but not later than 5 years	117,091,511	120,705,679	-	-
Later than 5 years	1,922,630	2,338,334	-	-
Total	279,882,719	261,616,595	-	-

37. Contingencies

In 2013, a subsidiary of the Group received a letter from the Court stating that it was being sued by a customer under consumer law; the claim was for Baht 50 million. The Group is currently seeking appropriate legal advice and also waiting for the Court of Appeals judges to rule whether this is a consumer law case or not. However, the management of the Group believes that it will not cause any significant damage to the Group.

38. Event after the reporting period

On 25 December 2013, the Investment Committee of Thai Pattana Fund 2 agreed that the resolution date of this investment fund would be 15 January 2014. Later, on 7 January 2014 the Investment Committee approved the cancellation of this resolution and changed the resolution date to 7 February 2014 instead.

At the Board of Directors' meeting No. 1/2557 on 28 February 2014, the board approved the declaration of the annual dividend at Baht 0.40 (2012: Baht 0.30), totalling Baht 540.0 million (2012: Baht 405.0 million).

ANALYSYS AND EXPLANATION OF FINANCIAL STATUS AND OPERATING RESULTS

For the year ended 31 December 2013

1. OPERATING PERFORMANCE RESULTS

Overview

The Company and its Subsidiaries achieved total FY/2013 consolidated revenues of Baht 17,469.5 million, an increase of Baht 2,640.3 million or 17.8% year-on-year (YoY). This total revenue comprised of a 29.2% increase in total Hotels Business revenues and a 9.7% increase in total Food Business revenues. The Company and its Subsidiaries achieved total consolidated EBITDA of Baht 3,799.5 million, a YOY increase of Baht 782.4 million or 25.9%; as well as total consolidated Net Profit from normal operations of Baht 1,334.3 million, an YoY increase of Baht 270.2 million or 25.4%, and Net Profit after extraordinary items of Baht 1,321.9 million that represented a decrease of Baht 273.9 million or 17.2%, YoY.

In 2013, the Centara Ras Fushi Resort & Spa, Maldives was opened on 24 March 2013 and achieved satisfactory revenues during the year. Additionally, the large hotel properties within the Group, namely: Centara Grand Central Plaza Ladprao Bangkok, Centara Grand and Bangkok Convention Center Central World, Centara Grand Mirage Beach Resort Pattaya and Centara Grand Beach Resort Phuket, were able to achieve continued satisfactory total revenues from its hotel operations together with Average Occupancy (OCC). This resulted in the Hotels Business growing and achieving increased revenues. While the Food Business also continued to be very successful, both in terms of achieving YoY increased revenues of Baht 800 million or 9.7% and expanding its QSR network with 66 new outlets together with one new QSR brand concept, ie: Tenya.



ANALYSYS AND EXPLANATION OF FINANCIAL STATUS AND OPERATING RESULTS

For the year ended 31 December 2013

Therefore, a detailed analysis according to the Financial Statements the operating performance results of the Company and its Subsidiaries, for the year ending 31 December 2013, is as follows:

Unit : Million Baht	2013		2012		Changes YoY	
			(restated)		(increase + / decrease -)	
	Baht	%	Baht	%	Baht	%
Total revenues — Hotels business	7,922.8	45.4%	6,130.7	41.3%	+1,792.1	+29.2%
Total revenues — Food business	9,058.6	51.9%	8,258.6	55.7%	+800.0	+9.7%
Other revenues	488.1	2.8%	439.9	3.0%	+48.2	+10.9%
TOTAL CONSOLIDATED REVENUES	17,469.5	100.0%	14,829.2	100.0%	+2,640.3	+17.8%
Costs of sales — Hotels business	(3,000.1)	(17.2%)	(2,462.5)	(16.6%)	+537.6	+21.8%
Costs of sales — Food business ⁽¹⁾	(4,398.3)	(25.2%)	(3,974.9)	(26.8%)	+423.4	+10.7%
TOTAL COSTS OF SALES ⁽¹⁾	(7,398.4)	(42.4%)	(6,437.4)	(43.4%)	+961.0	+14.9%
Less: Selling & General admin expenses	(6,293.1)	(36.0%)	(5,440.2)	(36.7%)	+852.9	+15.7%
Add: Share of Profit/(Loss) from investments (by the equity method)	21.5	0.1%	65.5	0.4%	- 44.0	-67.1%
EBITDA	3,799.5	21.7%	3,017.1	20.3%	+782.4	+25.9%
Less: Depreciation & Amortization	(1,551.6)	(8.9%)	(1,213.0)	(8.2%)	+338.6	+27.9%
EBIT	2,247.9	12.9%	1,804.1	12.1%	+443.8	+24.6%
Less: Financial costs	(506.6)	(2.9%)	(486.3)	(3.2%)	+20.3	+4.2%
Less: Corporate tax	(452.6)	(2.6%)	(331.0)	(2.2%)	+121.6	+36.7%
Less: Net Profit/(Loss) from non controlling Interests (by the equity method)	(54.7)	(0.3%)	(23.0)	(0.2%)	+31.7	+137.7%
Add: Amortization of deferred rental income for CGSBR	100.3	0.6%	100.3	1.2%	-	-
Net Profit/(Loss) from normal operations	1,334.3	7.6%	1,064.1	7.1%	+270.2	+25.4%
Extraordinary Items :						
Less: Losses from guarantee provisions	-	-	(40.4)	(0.3%)	-40.4	-100.0%
Add: Share of Profit/(Loss) from investments in Property Fund (by equity method (25% of Loss resulting from assets revaluation)	(12.4)	(0.1%)	(7.2)	0.1%	+5.2	+71.3%
Add: Profit from acquisition of businesses and fair valuation of investments	-	-	579.3	8.9%	-579.3	-100.0%
NET CONSOLIDATED PROFIT/(LOSS)	1,321.9	7.6%	1,595.8	10.8%	-273.9	-17.2%
Note: Gross Profit / % Margin	9,583.0	56.4%	7,951.9	55.3%	+1,631.1	+20.5%

(1) Costs of sales excludes depreciation & amortization costs allocated to costs of sales

Consolidated revenues from sales and services

The Company and its Subsidiaries operate 2 core business, namely: the Hotels Business and the Food Business; whereby the revenue mix for 2013 derived from the Hotels Business and the Food Business was 47 : 53 (compared to 43 : 57 for 2012) with total consolidated revenues of Baht 17,469.5 million (comparing to Baht 14,829.2 million in 2012) increasing by Baht 2,640.3 million, or 17.8%, year-on-year as shown in detail below.

Hotels Business Revenues

Total revenues for the Hotels Business, consisting 1) room sales, 2) food & beverage sales, and 3) income derived from other services provided, such as: transfer services, laundry & dry cleaning services, spa services, functions and banqueting sales, whereby the revenues mix in 2013 for these 3 categories was approximately 56 : 30 : 14.

The achieved average occupancy rate (OCC), average room rate (ARR) and RevPAR for the Hotels Business of the Company and its Subsidiaries can be summarized as follows

	2013	2012	% Increase (Decrease)	% Change
OCC (%)*	79.8%	70.0%	+9.8%	+14.0%
ARR (Baht) *	4,370	4,002	+368	+9.2%
RevPAR (Baht) *	3,486	2,802	+684	+24.4%

* Includes Centrara Kata Resort, Phuket, that is a joint venture business

(In Baht Million)

	Hotels Business Revenues (Hotels)	FY 2013	FY 2012	Increase (Decrease)	% Change
1.	Centara Grand and Bangkok Convention Center, Central World (CGCW)	1,458.4	1,392.0	+66.5	+4.8%
2.	Centara Grand Mirage Beach Resort, Pattaya (CMBR)	1,150.9	1,049.0	+101.9	+9.7%
3.	Centara Grand Central Plaza Ladprao, Bangkok(CGLB)	1,052.4	940.7	+111.7	+11.9%
4.	Centara Grand Beach Resort, Phuket(CPBR)	719.2	677.4	+41.8	+6.2%
5.	Centara Grand Beach Resort & Villa, Hua Hin (CHBR)	618.6	552.4	+66.2	+12.0%
6.	Centara Grand Beach Resort Villa, Krabi (CKBR)	430.6	403.0	+27.6	+6.9%
7.	Centara Grand Beach resort, Samui (CSBR)	443.1	389.8	+53.4	+13.7%
8.	Centara Karon Resort, Phuket (CKR)	370.3	251.8	+118.5	+47.1%
9.	Centara Haadyai (CHY)	182.2	155.4	+26.8	+17.2%
10.	Centara Villa, Samui (CSV)	132.6	120.6	+12.0	+9.9%
11.	Centara Villa, Phuket (CVP)	98.0	99.1	-1.1	-1.1%
12.	Centara Grand Island Resort & Spa, Maldives (CIRM)	762.5	67.9	+694.6	+1,030%
14.	Centara Ras Fushi Resort & Spa, Maldives (CRF) *	452.3	-	+452.3	+100.0%
15.	Centara Mae Sot Hills (CMS)	34.1	31.6	+2.5	+8.0%
16.	Other	17.6	-	+17.6	+100.0%
	Total consolidated Hotels Business revenues	7,922.8	6,130.7	+1,792.1	+29.2%

* CRF started partial operations in March 2013, and was fully opened in June 2013

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The Hotels Business consolidated revenues increased by Baht 1,792.1 million, or 29.2%, compared to the previous year, with achieved OCC of 79.8% (an increase of 9.8 percentage points) and ARR of baht 4,370 (an increase of Baht 368), primarily resulting from the following factors.

1. New Hotels

- The Centara Ras Fushi Resort & Spa, Maldives, (a 4 star, 140 rooms hotel that was partially opened on March 24, 2013), achieving satisfactory operating results for 2013 with total revenues of Baht 452.3 million.
- The Centara Grand Island Resort & Spa, Maldives, in which the Company made additional investments to acquire an additional 49% in December 2012 (from a previous equity holding of 25%); thus resulting in now having a total equity holding of 74% whereby it became a full Subsidiary Company (instead of being a JV Company) requiring its operating results to be consolidated in the overall performance results, achieving total revenues of Baht 762.5 million for FY/2013.
- The Centara Karon Resort, Phuket in which the Company made an investment to acquire an additional 33.9% equity in February 2012 (from previously having a 50% equity), thus resulting in a total equity holding by the Company of 83.9% and transforming a former joint venture business company into a Subsidiary Company. Therefore, its operating results are required to be consolidated into the Company's financial statements since March 2012, whereby the total 2013 revenues for this hotel was Baht 370.3 million.

2. Existing Hotels

Total FY/2013 revenues from existing hotels increased by Baht 645.4 million from the previous year, primarily driven by continuing promotions of the tourism sector by both Government and private sector organizations involved together with the resultant significant increase in the total number of international tourist arrivals and domestic travelers — with these hotels achieving positive revenues increase during the year:

- The Centara Grand Central Ladprao, Bangkok and the Centara Grand and Bangkok Convention Centre at Central World, Bangkok achieved a revenues increase of Baht 111.7 million and Baht 66.5 million respectively, compared to the previous year, as a result of increases in the number of hotel guests as well as in the number of various meeting events and functions.
- The Centara Grand Mirage Beach Resort, Pattaya achieved a revenues increase of Baht 101.9 million as a result of a 1.7% increase in its OCC together with a Baht 313 increase in its ARR compared to the previous year.
- The Centara Grand Beach Resort & Villa, Hua Hin achieved a revenues increase of Baht 66.2 million as a result of 11.7% increase in its OCC compared to the previous year.

Food Business Revenues

Total revenues for the Food Business consist of sales of food and beverages at the outlets of the various QSR brand concepts of : KFC, Mister Donut, Auntie Anne's, Pepper Lunch, Beard Papa's, Chabuton Ramen, Coldstone Creamery, Ryu Shabu Shabu, Yoshinoya, Ootoya, The Terrace and Tenya, with details of the respective revenues and YoY growth by brand concepts as follows:

(in Baht Million)

	QSR Brands	FY/2013	FY/2012	Increase (Decrease)	% Change
1.	KFC	4,723.5	4,425.5	+298.0	+17.4%
2.	Mister Donut	1,852.7	1,646.8	+205.9	+12.5%
3.	Ootoya	771.2	719.7	+51.4	+7.1%
4.	Auntie Anne's	756.4	664.0	+92.3	+13.9%
5.	Chabuton Ramen	233.1	190.3	+42.8	+22.5%
6.	Pepper Lunch	209.6	184.2	+25.4	+13.8%
7.	Yoshinoya	174.8	100.2	+74.6	+74.5%
8.	Beard Papa's	47.5	88.8	-41.3	-46.5%
9.	Coldstone Creamery	70.5	63.9	+6.7	+10.4%
10.	The Terrace	70.1	45.5	+24.5	+53.9%
11.	Ryu Shabu Shabu	21.3	26.3	-5.1	-19.2%
12.	Tenya *	4.8	-	+4.8	+100.0%
13.	Other income	123.1	103.4	+19.7	+19.1%
	TOTAL FOOD BUSINESS REVENUES	9,058.6	8,258.6	+800.0	+9.7%

* TENYA started operations in October 2013

YoY Revenues Growth Rate	2013
Total System Sales (TSS) Growth	+9.7%
Same Store Sales (SSS) Growth	+0.9%

ANALYSYS AND EXPLANATION OF FINANCIAL STATUS AND OPERATING RESULTS

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Total number of QSR Outlets by Brand Concepts as at the end of 2013 and 2012

	Brand Concepts	31 Dec 2013	31 Dec 2012	Increase (Decrease)
1.	KFC	194	181	+13
2.	Mister Donut	309	290	+19
3.	Auntie Anne's	117	101	+16
4.	Pepper Lunch	18	16	+2
5.	Beard Papa's	6	17	-11
6.	Chabuton Ramen	14	12	+2
7.	Cosldstone Creamery	16	10	+6
8.	Ryu Shabu Shabu	1	1	-
9.	Yoshinoya	18	9	+9
10.	Ootoya	40	36	+4
11.	The Terrace	8	4	+4
12.	Tenya (started 11 Oct 2013)	2	-	+2
	TOTAL	743	677	+66

Total revenues from the Food Business increased by Baht 800 million, or 9.7%, compared to the previous year, primarily as a result of : increased revenues from the addition of 66 new QSR outlets for the various QSR brands, ongoing development and launch of new products and menu offerings, together with price adjustments and sustained and increased marketing promotions and advertising activities.

During 2013, the Food Business group added 66 new QSR outlets, with a total of 743 outlets as at the end of 2013, with achieved Total-System-Sales Growth of 9.7%YoY and achieved Same-Store-Sales Growth of 0.9% YoY (compared to 27.1% and 6.2% in 2012 respectively).

Other Income

Other income consisted of income from the management of hotel properties belong to other parties under the various Hotel Management Agreements, rental and services income, and cooperative marketing income ; whereby total FY/2013 other income increased by Baht 48.2 million, or 10.9 %, compared to the previous year, mainly as a result of the increase in hotel management services income.

Costs of sales and Gross Profit Margin

In 2013, the Company and its Subsidiaries had costs of sales totaling Baht 7,398.4 million (versus Baht 6,437.4 million in 2012), thus representing a Gross Profit Margin of 56.4% (versus 55.3% in 2012), with the details by the respective business groups as follows:

Business Group	2013			2012			% Change in the Costs of sales
	Costs of sales (Baht Million)	Gross Profit (Baht Million)	Gross Profit Margin (%)	Costs of sales (Baht Million)	Gross Profit (Baht Million)	Gross Profit Margin (%)	
Hotels Business	3,000.1	4,922.7	62.1%	2,462.5	3,668.2	59.8%	+21.8%
Food Business	4,398.3	4,660.3	51.4%	3,974.9	4,283.7	51.9%	+10.7%
Total*	7,398.4	9,583.0	56.4%	6,437.4	7,951.9	55.3%	+14.9%

* Costs of Sales excludes depreciation and amortization costs allocated to costs of sales

Hotels Business

For FY/2013, the Company and its Subsidiary Companies had costs of sales for the Hotels Business totaling Baht 3,000.1 million (comprising of direct costs - such as, costs in providing guest rooms services together with costs of F&B, salaries and benefits for direct staff headcount, and consumables), which relative to total revenues represents an achieved Gross Margin of 62.1% of total revenues (versus 59.8% for FY/2012). This YoY increase in Gross Margin is primarily due to the increased total revenues for all hotels properties —and especially for these 2 new hotels: The Centara Grand Island Resort & Spa, Maldives and the Centara Ras Fushi Resort & Spa, Maldives — together with the improved positive operating results of those existing hotels when compared to the previous year.

Food Business

For 2013, the Company and its Subsidiary Companies had costs of sales for the Food business totaling Baht 4,398.3 million (comprising of direct costs - such as, costs of food and beverage, salaries and benefits for direct staff headcount, and consumables), and thus resulted in achieved Gross Margin of 51.4% of total revenues (versus 51.9% for FY/2012).

This marginal YoY decrease in the Gross Profit Margin is primarily due to the increase in direct costs that are then allocated, on a pro rata basis based on the respective increases in revenues, as well as mainly to the increases in the allocated selling and administrative expenses and increases in raw material costs, together with overall increase in sale promotions and advertising expenses during the year that is another reason for the overall increase in the total costs of sales.

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Selling and Administrative Expenses

Total selling and general administrative expenses the Company and its Subsidiary Companies, comprising of staff salaries and benefits, hotel properties management expenses, facilities rental costs, costs for credit cards usage, QSR franchise and royalty fees, totaled Baht 6,293.1 million, representing an increase of Baht 852.9 million (or 15.7%) YoY, and is equal to 36.0% of total revenues (compared to 36.7% for FY/2012). The overall YoY decrease in the total selling and general administrative expenses is due to the overall increases in total revenues achieved for FY/2013 from the 2 new hotels properties located in the Maldives, as well as to the ongoing effective costs management and controls that has enable this decrease in these overhead costs compared to the previous year.

Depreciation and Amortization Costs

In 2013, the Company and its Subsidiaries had total depreciation and amortization costs of Baht 1,551.6 million, an increase of Baht 338.6 million, or 27.9%, compared to the previous year, and is equal to 8.9% of total consolidated revenues (versus 8.2% in 2012). This YoY increase in total depreciation and amortization costs in 2013 resulted from the increase in facilities and equipments due to the merging of some business during the year before.

Share of Profits from Investments, based on the equity method

During 2013, the Company and its Subsidiaries achieved shares of profits from investments, through adopting the equity method, totaling Baht 21.5 million. This represents a YoY decrease of Baht 44.0 million, or 67.1%, compared to the previous year, as a result of the Hotel Business group expanding its hotels portfolio, since late 2012 and up to the present, through making additional investments as follows:

1. Karon Phuket Hotel Co, Ltd. : By purchasing an additional 33.9% equity (in Q1/2012) and another 30.8% equity in (Q1/2013), it has resulted in CENTEL currently having a total equity holding (directly and indirectly) of 99.32% in this hotel company, which has now become a full Subsidiary Company instead of previously being a JV Business unit in which CENTEL, directly and indirectly, had a 50% equity.
2. Centara Maldives Pvt. Ltd. : By purchasing an additional 25% equity in Q2/2012, the current shareholding now totals 75% (compared to a previous indirect equity holding of 50%) in this hotel company, which has now become a full Subsidiary Company instead of being a joint operating company in which CENTEL had a minority interest.
3. RML Leisure Pvt. Ltd. : By purchasing an additional 49% equity in Q4/2012, the current shareholding now totals 74% (compared to a previous indirect holding of 25%) in this company, which has now become a full Subsidiary Company instead of being a JV company.

The abovementioned hotels business expansion has resulted in 2 of the said companies becoming consolidated business operations, while the other 1 company becoming a full Subsidiary Company, as well as in the overall share of profits from investments, based on the equity method, in these operations being reduced compared to the previous year.

Finance Costs

In 2013, the Company and its Subsidiaries had total finance costs of Baht 506.6 million, an increase of Baht 20.3 million, or 4.2%, compared to the previous year an equal to 2.9% of total consolidated FY/2013 revenues (versus 3.2% in 2012). This YoY increase in total finance costs resulted from the increase in total borrowings due to the overall expansion of the business.

EBITDA and Net Profit

In 2013, the Company and its Subsidiaries achieved total EBITDA of Baht 3,799.5 million, an increase of Baht 782.4 million, or 25.9%, compared to 2012, details of which are as follows:

- Hotels Business EBITDA increased by Baht 724.1 million, or 38.6%, from the previous year as a result of the positive operating result for all hotel properties.
- Food Business EBITDA increased by Baht 58.3 million, or 5.1%, compared to the previous year as result of the continued expansion of QSR outlets, development of new products and menu offerings, and sustained proactive marketing promotions activities that achieved increases in both Food Business revenues and associated EBITDA.

EBIT and Net Profit

For full year 2013, the Company and its Subsidiaries achieved total consolidated EBIT of Baht 2,247.9 million (a YoY increase of Baht 443.8 million, or 24.6%), equal to EBIT 12.9% of total consolidated revenues compared to 12.1% in 2012.

Total FY/2013 consolidated Net Profit from normal operations for the Company and its Subsidiaries was Baht 1,334.3 million, a YoY increase of Baht 270.2 million, or 25.4%; which is equal to 7.6% of total consolidated revenues, increasing from the 7.1% achieved in the year before. This increase is due to the overall significant improvements in the operating results for both the Hotels and Food Business as mentioned above.

However, due to the fact that in 2012 the Company and its Subsidiaries recognized a special gain totaling Baht 579.3 million and resulting from the purchase of a hotels business and the associated reappraisal to a fair market value price of the investments already made, this has resulted in the achieved FY/2013 Net Profit of Baht 1,321.9 million being lower than that of full year 2012 by Baht 273.9 million or 17.2% YoY.

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Extraordinary Item for FY 2012

An extraordinary gain was recognized in 2012 relating to additional investments made by the Hotels Business group, resulting from the purchase of a hotel business and associated reappraisal to fair market value of investments already made- with the following details :

- Q1/2012 Karon Phuket Co.Ltd. Purchase of additional 33.9% equity in this company, resulting in it becoming a Subsidiary Company, in which the Company now having, directly and indirectly, a total equity holding of 83.9% instead of being a joint control business (in which the Company had, directly and indirectly, a 50% equity).
- Q2/2012 Centara Maldives Pvt. Ltd.. Purchase of additional 25% equity in this company (in addition to the indirect equity holding of 50%), resulting in it becoming a Subsidiary Company in which the Company now has a total equity holding of 75%, instead of being a minority investment business of the Company.
- Q4/2012: RML Leisure Pvt. Ltd. : Purchase of additional 49% equity in this company (in addition to the 25% equity already owned), resulting in it becoming a Subsidiary Company, in which the Company now has, directly and indirectly, total equity holdings of 74% instead of being a joint venture Company.

Additionally, while previously the recognized share of profits by the Group was recorded, using on the equity method, was based on the total amount of investments held in these JV or joint control business companies, however through the abovementioned additional investments made during 2012, these JV or joint control businesses became full Subsidiary Companies. From the finance and accounting perspectives, the Company had to undertake a reappraisal of the investment assets prior to making a decision to invest further, which resulted in an increase in value of the investments assets already made based on the current 'fair value' of the business, whereas previously this value was recognized based on the equity method. As such, the Company then had to adjust its FY/2012 financial statements to recognize the extraordinary gains, from the stated investments and acquisitions and the reappraised fair value, totaling Baht 579.3 million for the full year 2012 period.

In view of the ongoing economic and political environments together with the possibility of other natural disasters occurring, both of which factors may have potential negative impact on the tourism and hotels industry sectors, the CENTEL Group has maintained its proactive efforts to find various measures to reduce overall costs and expenses; for example : costs negotiating with key suppliers together with implementing energy costs savings programs and ongoing effective costs management and controls procedures.

Additionally, CENTEL plans to explore additional sources of revenues through further expanding the Hotels Business group's activities; while it plans to focus on its core strategies of expanding the Food Business through adding new QSR outlets as well as new QSR brand concepts, together with continuing to develop new menu/products offerings and deploying sustained proactive marketing and promotions campaigns.

2. FINANCIAL STATUS

Assets: As at 31 December 2013 the Company and its Subsidiaries had total assets of Baht 29,211.9 million, an increase of Baht 1,062.8 million, or 3.8%, over 2012., that primarily results from increased investments in new buildings and facilities as well as equipments for the Hotels Business together with expansion of new QSR outlets for the various brand concepts (totaling 66 outlets) for the Food Business during the year.

As such, the significant assets of the Company and its Subsidiaries are as follows:

Trade Receivables

As at 31 December 2013, the Company and its Subsidiaries had total Trade Receivables (net) of Baht 551.8 million, an increase of Baht 6.2 million, or 1.1%, from the end of 2012; with achieved average collections of 20 days (the calculated average collection days excludes CRG's revenues, as the majority of CRG's revenues are cash sales) which is a positive sign since the payment terms of the Company and its Subsidiaries is 15 -30 days. Details of these trade receivables and associated aging is as follows:

Trade receivable - Aging	31 December 2013		31 December 2012	
	Baht Million	%	Baht Million	%
Current	410.5	71.4%	409.9	74.6%
Overdue :				
Less than 3 months	112.9	19.6%	86.8	15.8%
3 — 6 months	12.9	2.2%	37.2	6.8%
6 -12 months	10.1	1.8%	3.1	0.6%
More than 12 months	28.7	5.0%	12.5	2.2%
Total :	575.2	100.0%	549.5	100.0%
Less: Provisions for doubtful debts	(23.4)		(3.8)	
NET - TRADE RECEIVABLES	551.8		545.6	

As at 31 December 2013, current trade receivables equaled to 71.4% of the total trade receivables, trade receivables due but at not more than 3 months aging equaled 19.6 %. The Company and its Subsidiaries has a policy to make provisions for doubtful dates based on the analysis of the actual past payment records of the clients together with an assessment of likelihood of payments being received; whereby, as at the end of 2013, a total provision of Baht 23.4 million was earmarked as being possible doubtful debts, which the Company believes is adequate to cover those trade receivable that may not be collected from the debtors.

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Land, Buildings and Equipments; Intangible Assets and Leasehold Rights

As at 31 December 2013, the Company and its Subsidiaries had total fixed assets —net (in the form of land, building and equipments) totaling Baht 22,945.2 million (compare to Baht 22,277.7 million in 2012); total intangible assets of Baht 459.1 million (compared to Baht 473.4 million in 2012); and net total leasehold rights value of Baht 920.6 million (compared to Baht 760.7 million), details of which relating to the land, building and equipments, intangible assets and leasehold rights for the respective business groups are as follows:

Assets (Baht -Million)	31 December 2013	31 December 2012
Land, buildings and equipments —Net		
– Hotels Business	21,160.4	20,771.0
– Food Business	1,784.8	1,506.7
Total :	22,945.2	22,277.7
Intangible Assets — net		
– Hotels Business	58.6	64.6
– Food Business	400.5	408.8
Total	459.1	473.4
Leasehold rights - net		
– Hotels Business	866.9	701.3
– Food Business	53.7	59.4
Total	920.6	760.7
Total Assets : (Land, buildings and equipments; Intangible assets, and leasehold rights -net)	24,324.9	23,511.8

The 2013 asset value for land, buildings and equipment increased from 2012 by Baht 667.5 million, or 0.3%, as a result of :

1. Additional investments made in the Centara Ras Fushi Resort & Spa, Maldives, which is a new hotel property, totaling Baht 518.1 million.
2. Additional expansion of QSR outlets for the Food Business (a total of 66 new outlets compared to the end of 2012)
3. Revaluation of the selected properties assets of the Company and its Subsidiaries, in December 2013, at 5 properties, based on revenues projections; which resulted in the Company and its Subsidiaries recognizing the gains on the value of these net assets value from the deferred income tax totaling Baht 267.3 million

Other intangible assets decreased by Baht 14.3 million compared to 2012, resulting from the amortization of intangible assets during 2013.

Total leasehold rights value increased by Baht 159.9 million, or 21.0% compared to 2012, resulting from the extension of the lease agreement for the island property by the Centara Maldives Pvt. Ltd.

3. SOURCES OF FUNDS

Liabilities

As at 31 December 2013, the Company and its Subsidiaries had total liabilities of Baht 18,060.1 million, a decrease from 2012 of Baht 159.5 million or 0.9% YoY, as a result of the Company reducing its short term loans by Baht 1,598.6 million while increasing its long term loans by Baht 1,000 million during 2013. Also in 2013, the Company redeemed its debentures, that reached its maturity, with a total value of Baht 1,400 million, while issued a new batch of debentures with a total value of Baht 1,000 million.

As at 31 December 2013, the Company and its Subsidiaries had total interest-bearing debts as follows:

Types of loans/Debts	Available Credit Facility (Baht Million)	Used Credit Facility (Baht Million)	Applicable Rate of Interest
1. Loans from financial institutions			
- Bank overdrafts	632.1	18.8	MOR
- Short term loans	2,150.0	2,150.0	2.75%
- Long term loans*	6,395.0	6,395.0	3 months Fixed Deposits rates + 2.0% , MLR -0.5 to 1.75%, LIBOR 3 month + 2% to 3%
2. Debentures (Net) **	-	2,798.1	3.85% - 4.86%, 6 months Fixed deposit rates + 1.9%
3. Short term loans from other businesses/persons	-	32.8	7.0%
4. Short term loans from related persons or businesses	-	60.3	3.00%
TOTAL	9,177.1	11,455.0	

* for use relating to the Centara Grand Island Resort & Spa Maldives (CIM), the Centara Ras Fushi Maldives (CRF), Centara Grand and Bangkok Convention Center (CGCW), Centara Grand Mirage Beach Resort Pattaya (CMBR) and Centara Grand Beach Resort Phuket.

** Net of associated accrued costs relating to the issue of debenture totaling Baht 1.0 million

ANALYSYS AND EXPLANATION OF FINANCIAL STATUS AND OPERATING RESULTS

For the year ended 31 December 2013

Shareholders' Equity

At the Extraordinary Shareholders Meeting No. 1/2006, held on 21 June 2006, the Shareholders approved a resolution relating to the Company's registered capital as follows :

1. Approved to change in the Par Value of the ordinary shares of the Company from Baht 5.00 per share to Baht 1.00 per share, resulting in the total number of ordinary shares issued to now total 900 million shares (from the previous total of 180 million shares).
2. Approved the change and increase of the registered capital of the Company to Baht 1,580.8 million (from the previous total of Baht 900.0 million), through the issue of 680.8 million new ordinary shares with a par value of Baht 1.00 per share
3. Approved the allocation of the new ordinary shares to be issued from the approve capital increase as follows:
 - a. Allocation of not more than 450 million ordinary shares, with a par value of Baht 1.00 per share, for offering for sale to the existing Shareholders
 - b. Allocation of not more than 170 million ordinary shares, at a par value of Baht 1.00 per share, for offering for sale to the general public.
 - c. Allocation of not more than 60.8 million ordinary shares, with a par value of baht 1.00 per share, to be made available to meet the rights to purchase new ordinary shares by holders of the Company's warrants.

In August 2006, the Company therefore received funds from the sale of the 450 million new ordinary shares of the Company to existing Shareholder (at an offering price of Baht 1.60 per share) totaling Baht 720.0 million; and on 3 August 2006 the Company also registered its new capital increase to be Baht 1,350.0 million (from previous Baht 900.0 million).

At the Annual General Shareholders Meeting held on 23 April 2012, the Shareholder approved a resolution to reduce the total registered capital to Baht 1,350.0 million (from previous Baht 1,580.0 million) through the elimination of a total of 230.8 million ordinary shares, with a par value of Baht 1.0 each, that were previously registered but unsold.

Adequacy of the Company's Capital Structure

As at 31 December 2013, the Company and its Subsidiaries have an Interest-bearing Debt/Equity Ratio of 1.02 times and 1.05 times respectively; which capital structure is still complies to the agreed debt covenants obligations whereby the an important source of funds for the group are the operational cash flows together with its borrowings.

4. CASH FLOWS AND MAINTENANCE OF LIQUIDITY RATIO

Cash Flows

The Company and its Subsidiaries had the following net cash flows from the various activities of the Group for the financial period ending 31 December 2013 compared to 31 December 2012.

	(Baht Million)		
	2013	2012	%
			change
Cash flow from operating activities	3,913.5	2,709.4	+44.4%
Cash flow used in investing activities	(1,841.3)	(1,950.8)	-5.6%
Cash flows from/used in financing activities	(1,646.3)	(689.9)	+183.6%
Net Cash flow	425.9	68.7	

Operating activities

Cash flow from the operating activities of the Company and its Subsidiaries for the financial year ending 31 December 2013, totaled Baht 3,913.5 million, increasing by 44.4% from the previous year.

Investing activities

Cash flow from the investing activities of the Company and its Subsidiaries for the financial year ending 31 December 2013, totaled Baht 1,841.3 million, used mostly for investing in Subsidiary Companies as mentioned above together with for the expansion of new QSR outlets in the Food Business.

Financing activities

Cash flow from the investing activities of the Company and its Subsidiaries for the financial year ending 31 December 2013, totaled Baht 1,646.3 million, used mostly for the repayment of loans from financial institutions together with payment of interest costs.

Maintenance of the Liquidity Ratio

As at 31 December 2013 and 31 December 2012, the Company and its Subsidiaries had a Liquidity Ratio of 0.38 times and 0.26 times respectively, representing an improvement in the liquidity ratio compared to 2012, resulting mainly from debentures reaching their maturity within 1 year. An assessment of the Debt Service Coverage Ratio of the Company and its Subsidiaries, as at 31 December 2013, indicates this is at 1.36 times (compared to 1.20 times for 2012), meaning that the Company and its Subsidiaries still have positive cash flows to meet its ongoing debt obligations as well as interest payments.

FINANCIAL STATEMENTS

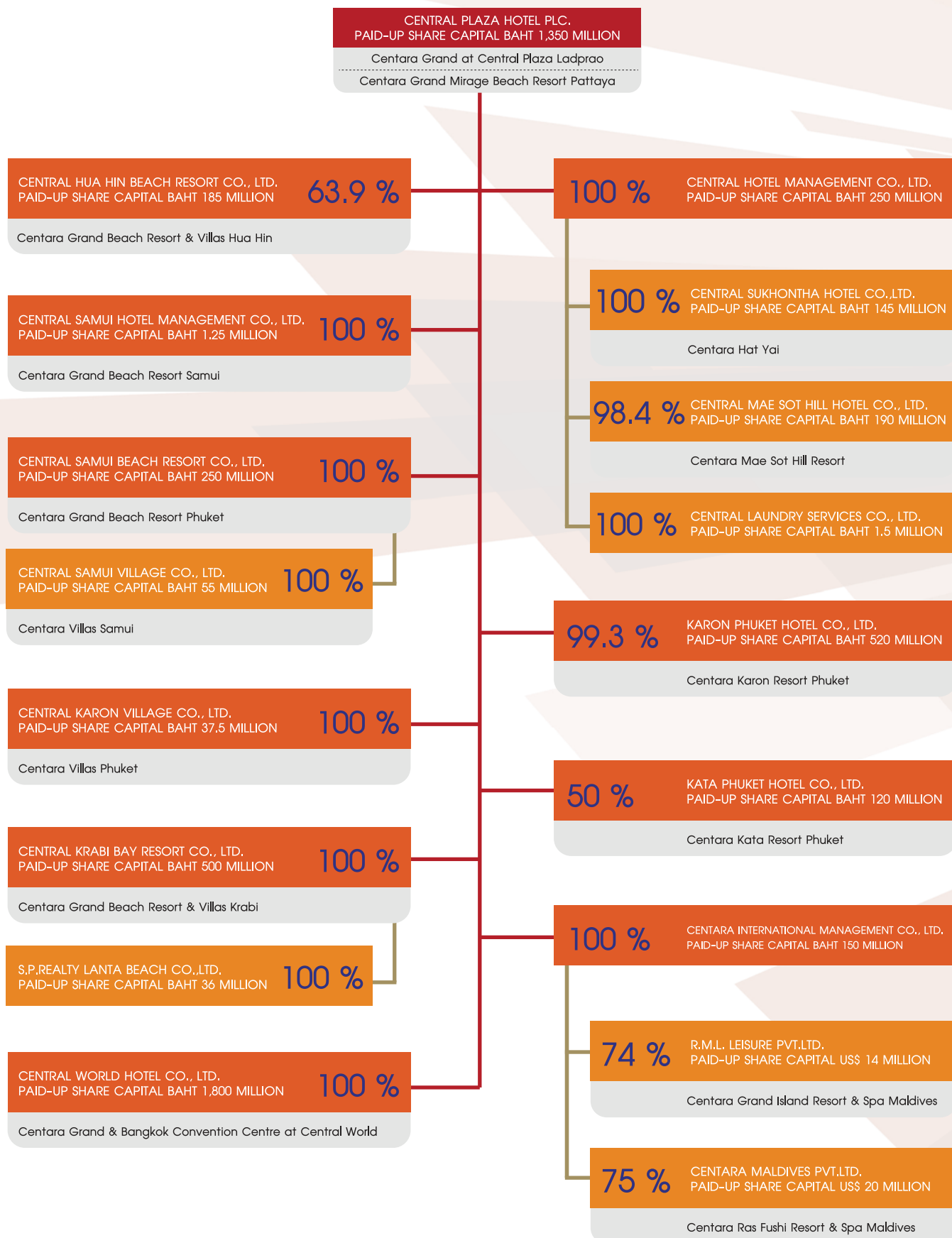
NATURE OF BUSINESS

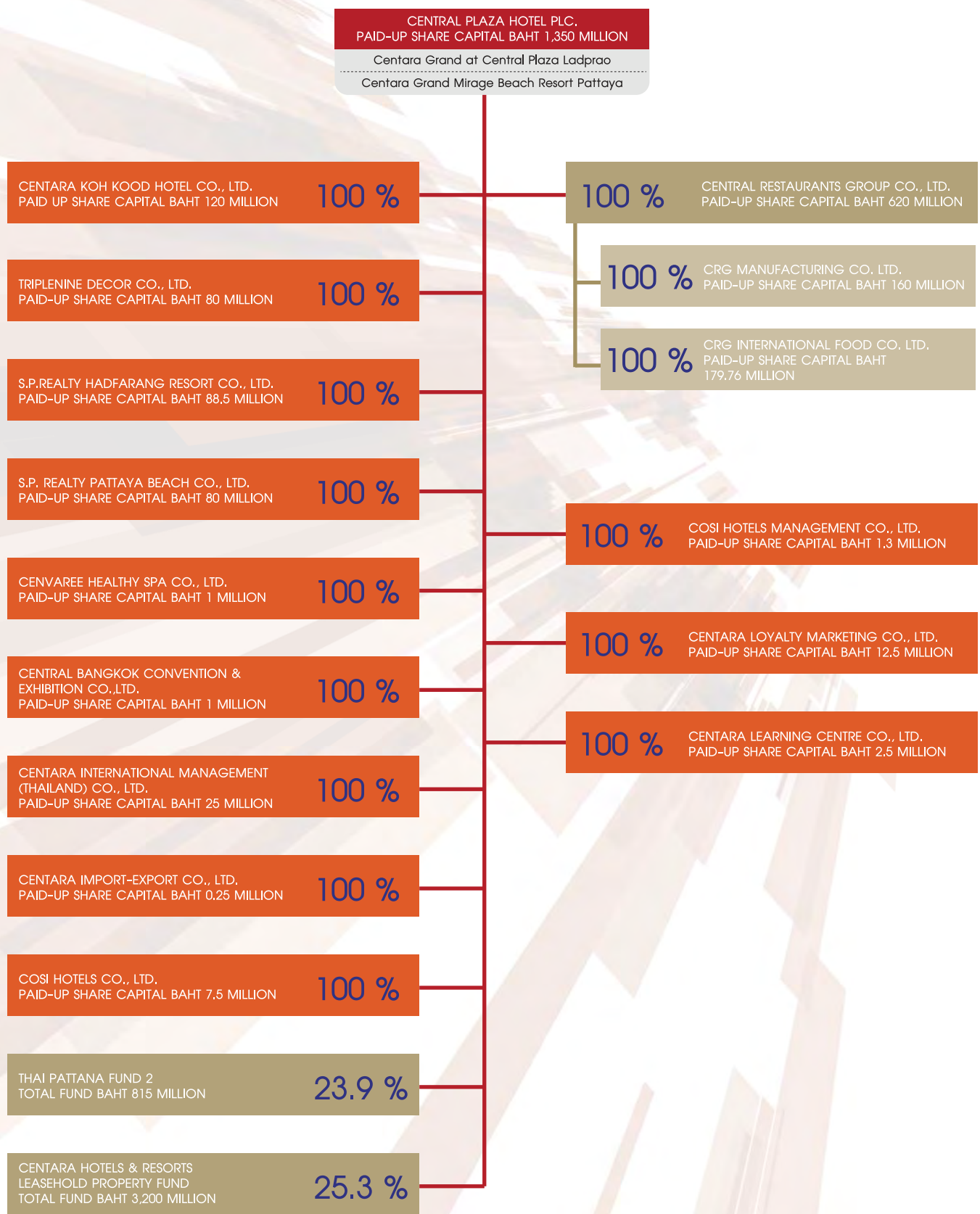
DIRECTORS' REPORT

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CORPORATE GOVERNANCE





FINANCIAL STATEMENTS

REVENUE STRUCTURE

(Unit : Million Baht)

Business	Operated by	Current % Holding	2013		2012 (Restated)		2011	
			Amount	%	Amount	%	Amount	%
Hotel	Sales revenues							
	Centara Grand at Central Plaza Ladprao Bangkok	--	1,052.4	6.0	940.7	6.3	616.3	5.4
	Centara Grand Beach Resort & Villas Hua Hin	63.9%	618.6	3.5	552.4	3.7	529.7	4.6
	Centara Grand Beach Resort Samui	100.0%	443.1	2.5	389.8	2.6	348.0	3.0
	Centara Hat Yai	100.0%	182.2	1.0	155.4	1.0	161.2	1.4
	Centara Mae Sot Hill Resort	98.4%	34.1	0.2	31.6	0.2	26.5	0.2
	Centara Villas Samui	100.0%	132.6	0.8	120.6	0.8	80.2	0.7
	Centara Villas Phuket	100.0%	98.0	0.6	99.1	0.7	76.1	0.7
	Centara Grand Beach Resort & Villas Krabi	100.0%	430.6	2.5	403.0	2.7	377.1	3.3
	Centara Grand & Bangkok Convention Centre at Central World	100.0%	1,458.4	8.3	1,392.0	9.4	1,016.3	8.9
	Centara Grand Mirage Beach Resort Pattaya	100.0%	1,150.9	6.6	1,049.0	7.1	907.9	7.9
	Centara Grand Beach Resort Phuket	100.0%	719.2	4.1	677.4	4.6	528.6	4.6
	Centara Karon Resort Phuket	99.3%	370.3	2.1	251.8	1.7	-	-
	Centara Grand Island Resort & Spa Maldives	74.0%	762.5	4.4	67.9	0.5	-	-
	Centara Ras Fushi Resort & Spa Maldives ⁽¹⁾	75.0%	452.3	2.6	-	-	-	-
	Others	--	17.6	-	-	-	-	-
	Total sales from Hotel Business		7,922.8	45.35	6,130.7	41.3	4,667.9	40.7

(Unit : Million Baht)

Business	Operated by	Current % Holding	2012		2011		2010	
			Amount	%	Amount	%	Amount	%
Food	Sales revenues							
	Mister Donut	100.0%	1,852.7	10.6	1,646.8	29.8	1,476.4	12.9
	KFC	100.0%	4,723.5	27.0	4,425.5	11.1	3,768.9	32.9
	Auntie Anne's	100.0%	756.4	4.3	664.0	4.5	530.5	4.6
	Pepper Lunch	100.0%	209.6	1.2	184.2	1.2	137.0	1.2
	Beard Papa	100.0%	47.5	0.3	88.8	0.6	69.7	0.6
	Chabuton Ramen	100.0%	233.1	1.3	190.3	1.3	119.4	1.1
	Cold Stone Creamery	100.0%	70.5	0.4	63.9	0.4	38.5	0.3
	Ryu Shabu Shabu	100.0%	21.3	0.1	26.3	0.2	28.3	0.2
	Yoshinoya	100.0%	174.8	1.0	100.2	0.7	19.9	0.2
	Ootoya	100.0%	771.2	4.4	719.7	4.9	207.5	1.8
	The Terrace	100.0%	70.1	0.4	45.5	0.3	7.4	0.1
	Tenya	100.0%	4.8	0.1	-	-	-	-
	Other sales revenues	100.0%	123.1	0.7	103.4	0.7	91.8	0.8
	Total sales from Food Business		9,058.6	51.85	8,258.6	55.7	6,495.3	56.7
	Other income ⁽²⁾		488.1	2.8	439.9	3.0	292.0	2.6
	Total revenues ⁽³⁾		17,469.5	100.0	14,829.2	100.0	11,455.2	100.0

Note:

1. Centara Ras Fushi Resort & Spa Maldives full operated in March 2013.
2. Other income comprised hotel management fee, rental and service fee, marketing support fund and subsidy, etc.
3. Total revenues did not include amortization of rental income (from the property fund) relating to the Centara Grand Samui Hotel Project for the year 2013 of Baht 100.3 million (Y2012 and Y2011: Baht 100.3 million each; moreover Y2012 did not include extra-loss from investment in property fund accounted for equity method of Baht 7.2 million and Y2011: extra-gain Baht 18.7 million)

The following are the perceived risk factors relevant for the Company's business operations:

1. STRATEGIC RISKS

The Company is focused on operating the core businesses in accordance with the established corporate vision and mission and is confident that the current corporate strategic directions and associated business plans are in line with these various perceived risk factors levels that are considered to be acceptable.

- 1.1 Business Readiness: The Company has defined continuing business expansion plans both for Thailand and overseas. Therefore, given the highly competitive business environment in which the Company operates, the Company must have in place specific business readiness plans that will support such strategic expansion policies — especially in regards to developing its human resources at all levels of its key operational units, undertaking detailed feasibility studies of any proposed new projects to ensure they are both viable and worthwhile for the committed investments, including assessing the creditability and trustworthiness of potential business partners.
- 1.2 Foreign Investments: The Company has further plans to expand its business overseas other than in the Maldives. Therefore, it is importance that detailed research, thorough analysis and careful assessments are made in regards to the various factors relevant to operating a business in a specific new overseas market or country before deciding to invest. Additionally, the Company assigns a specific project team, responsible for studying as well as assessing the current situation and future trends relating in that new market or country in regard to the economic, political, social and business environment; and also has policy of only investing jointly with business partners who have solid and adequate potential.

2. OPERATIONAL RISKS

The Company is focused on reviewing and assessing all its operational processes and procedures, covering all aspects and levels in regards to investing activities, information technology related activities, operational resources, and including any risks to safety from various factors or situations that may have an impact upon the lives of our customers, employees and staff at all levels, as well as upon the assets of the organization and its business units.

- 2.1 The recruitment and hiring of our staff and the creation of their positive connection with and loyalty to the organization: These are important factors to support will our ongoing business expansion in Thailand and overseas in line with our strategies. Therefore, the Company gives great importance to the detailed analysis of the hiring policies of our competitors; whereby a Committee has been established to be responsible for reviewing the systematic restructuring of our compensation structure, together with a working team responsible for human resources development activities at all levels of the organization.
- 2.2 The management of changes to our business activities: The Company has a policy to enhance and improve out information technology systems, in order to be well-prepared to meet future requirements of the organization. Therefore it is necessary to implement new systems that are effective in meeting all aspects of the operational processes in line with the Company's business strategies, which focuses on expansion both in-country and overseas. Expansion. At the same time, it is also necessary to select reputable business partners who are both experienced and have the relevant experts in improving of such information technology systems.
- 2.3 Effective management of and preparedness for various situations of uncertainty relating to the political environment: An Emergency Situation management Committee has been established

to effectively manage any situation that arises in response to the various critical levels of emergencies that may occur. Additionally, a Business Continuity Plan has been defined with the sole aim of preventing any business or work activities disruptions, in order to minimise the potential avoid negatively impacts from such emergency situations as much as possible affected

- 2.4 Other disastrous situations: (ie: natural disasters): The Company gives great importance to the proactive protection and recovery plans in regards to such situations, through defining rules and activities guidelines for every business unit or branch of the organization to following such situations, together undertaking regular trail runs . Additionally, associated business continuity action plans have been established to be well-prepared to face such risks, should they occur.

3. FINANCIAL RISKS

The Company is focus on making effective and careful use of its funds within the agreed budgets. This is in order to achieve appropriate returns for all Stakeholders, together with creating confidence that the established risks management systems and internal controls systems are adequately effective for the agreed acceptable levels of risks, as well as appropriate enough for the ever changing business and operating environment.

Establishing adequate sources of funds: The Company has a policy to establish appropriate and adequate sources of funds, and to manage the associated costs to be at appropriate levels. This is in order that the Company can effectively maintain the overall stability of its business in the midst of the highly competitive environment, to maintain a low Debt/Equity Ratio so that the Company achieves a good liquidity situation in its operations and able to expand its business on a stable basis, to efficiently manage it debts and liabilities, and to make appropriate use of all the available financial tools in order to raise funds as required.

4. COMPLIANCE RISKS

The Company is committed to full and strict compliance with all relevant legal and regulatory requirements, including any regulations — both external and internal to the organization — in the operation of its businesses, as well as to ensure that all business activities have the legally required official approvals and certifications without exception. This is in order to conform to and fully support the principles of good corporate governance in a fully integrated manner.

The Corporate and management Structure of the Company comprises of

1. The Board of Directors of the Company,
2. 3 (three) Board Committees,

with the following details:

1. THE BOARD OF DIRECTORS OF THE COMPANY

1.1 Structure and Composition of the Board of Directors and Appointment of Board Directors

- The Board of Directors must possess extensive experiences in the core business or industry sector of the Company, and disclose its policy on the composition of the Board.
- The Board of Directors determines the structure and composition of the Board, in order to comprise of Directors of varying qualifications — in terms of skills, abilities, experiences, relevant specific capabilities that are beneficial for the Company. The Board should have a total of not less than 5 Directors; and the Board must comprise of not less than 1/3 (one-third), but not less than 3, those who are Independent Directors as well as not less than half are residents of Thailand.
- The Chairman of the Board and the Chief Executive Officer must have duties and responsibilities that are different from one another; whereby the Board of Directors will clearly defined the respective duties and responsibilities of the Chairman of the Board and the Chief Executive Officer and must ensure that neither positions have unlimited power or authority. There should be 2 separate persons appointed to the positions of Chairman of the Board and the Chief Executive Officer. These associated details should also disclose in the Annual Report.
- The Chairman of the Board and the Chief Executive Officer are not the one and same person so that there will be a balance of power and authority in the operations of the business.
- Appointment of Company Directors is to be in full accordance with the relevant applicable legal and regulatory requirements, and are to be undertaken in a transparent and clear manner.
- In the event that Directorship has completed the term of office and retires, a Shareholders Meeting will consider the appointment of new Directors; whereby such appointments are to be made via a majority vote of those Shareholders present at the Meeting; and in the event of a tie then the Chairman of the Meeting will cast the deciding vote.
- In the event that a Directorship becomes vacant for any reason other than a Director being required to retire by rotation, then the Board of Directors will consider to appoint a person, possessing the qualifications as well as not those that are prohibited in accordance to the legal and regulatory requirements, a replace-

ment Director at the next Board of Directors Meeting, unless the remaining term of office of person who has ceased to be a Director is less than 2 months. However, the replacement Director will have a term of office equal to the remaining period of the term of office who that person has replaced; and the appointment of the replacement Director requires at least $\frac{3}{4}$ of the votes of those Company Directors remaining in office.

1.2 Qualifications for a Director

- A Director must be a person of legal age, who is not declared as being bankrupt, lacks abilities or similar to a person lacking abilities, has not received a final sentence to be imprisoned for any fraudulent activities, and has been disciplined or terminated from employment or has been discharged from a Government organisation on charges of fraudulent activities in their duties.
- A Director must be knowledgeable, capable and have experiences that are beneficial to the Company's business operations, and a person with honesty, moral ethics, as well as able to be in a position to devote sufficient time as required in carrying out the duties as a Director.
- A Director can concurrently also be a Directors in other businesses or organisations, such positions are not a hindrance to the effective discharge of the duties of being the Company's Director; whereby a Company Director is not allowed to concurrently be a Directors in more than 5 other SET listed companies organizations.
- A Director must not act in any way akin to managing or undertaking any other businesses that will diminish the benefits of the Company, or that will afford benefits to others persons or legal entities regardless of the fact that the Director does so for personal gains or that of others.

1.3 Independent Directors

An Independent Director is a Director complete independent and free of being under the control, influence of or having any obligations towards the Management group, the majority Shareholder, as well as have any involvement or vested interests in the decisions of the Management group. As such, an Independent Director is required to have these qualifications in regard to being fully independent.

- A person who owns equity holdings of not more than 0.5% of the total number of voting shares of the Company and its Subsidiaries, the Parent company and the JV companies, or any parties with a possible conflict of interests; whereby such equity holdings includes those held in the name of persons connected with or related to the Independent Director.
- Not being a person or a Director who is, or has been, involved in the management of, an employee or staff of, an advisor (with a monthly retainer) to, as well as a person with a controlling authority or power over, the

Company and its Subsidiaries, the Parent company, the JV companies, a Subsidiary of parallel status, or any legal entities/parties with a possible conflict of interests - unless not less than 2 years have passed since having had such a status or held such a position, as described above, prior to being appointed an Independent Director.

- Not being a person, related by blood or through legal registration, with the status of a father or mother, spouse, siblings, and children as well as including spouses of the children, of members of the Management group, the majority Shareholder, those with a controlling power over, as well as of someone about to be appointed a member of Management of or with a controlling a controlling power over the Company or its Subsidiaries.
 - Not being a person who has or has had business relationships with the Company and its Subsidiaries, the Parent company, JV companies or any parties with a possible conflict of interests, in a manner that may result being a hindrance to the exercise of a fully independent judgment on his/her part; as well as not being a majority Shareholder, a non-Independent Director, member of the Management group of a party who has business relationships with his/her Company and its Subsidiaries, the Parent company, JV companies or any parties with a possible conflict of interests - unless not less than 2 years have passed since having had such a status or held such a position, as described above, prior to being appointed an Independent Director.
- 'Business relationships', as stated in the first paragraph above, includes any normal business transactions relating to normal business activities, the rental or renting of fixed assets, as well as any transactions relating to assets or services, and providing or receiving financial support and assistance in the form of receiving and providing loans or guarantees together with providing assets as loan collaterals and any such similar activities; whereby any such business relationships, as described above, would result in the Company in question or the counterparty having debt obligations the other party equal to more than 3% of the total tangible assets of the Company or more than Baht 20.0 million, whichever is the lower value. As such, the method of calculating of such debt obligations is to be the same as that use for assessing the value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions mutatis mutandis, relating to connected transactions, but the assessment of such debt obligations should only include those that occurs within a period of 1 year prior to the start of any such business relationships with the party in question.
- Not being a person who is or has been an Auditor of the Company and its Subsidiaries, the Parent company and JV companies or any legal entities/parties with a possible conflict of interests, as well as a majority

Shareholder, a non-Independent Director, a member of Management, and a Managing Partner of an Audit firm in which the Auditor of the Company and its Subsidiaries, the Parent Company, JV companies or any legal entities/parties with a possible conflict of interests are currently employed - unless not less than 2 years have passed since having had such a status or held such a position, as described above, prior to being appointed an Independent Director.

- Not being a person who has provided any type of professional services (including legal or financial advisory services) to and receiving total fees payment being more than Baht 2.0 million for such services per year from the Company and its Subsidiaries, the parent Company, and JV companies or any legal entities/parties with a possible conflict of interests. - unless not less than 2 years have passed since having had such a status or held such a position, as described above, prior to being appointed an Independent Director. However, in the event that the such professional services are provided by a legal entity, then the above prohibited position or status should also include being the majority Shareholder, a non-Independent Director, a member of Management, or the Managing Partner of any such legal entity providing the abovementioned professional services.
- Not being a Director who is has been appointed to represent a Director of the Company, or the majority Shareholder as well as a Shareholder connected to the majority Shareholder of the Company.
- Not be a person undertaking or involved with a similar business as that of the Company and significant business competitor of the Company and its Subsidiaries; or a person who is a significant partner in a Partnership, as well as a part of the Management group, staff and employee, an advisor with a monthly retainer, or a Shareholder with a shareholding in excess of 1% of the total voting votes, of another company operating a business similar to that of the Company and its Subsidiaries.
- Not being a person with any other qualifications and/or status that will not enable the giving of fully independent opinions in regards to the operations of the Company.

An Independent Director may be assigned by the Board of Directors to make decisions in regards to the operations of the Company and its Subsidiaries, its Parent company and JV Companies, as well as Subsidiaries Companies of a parallel status or other legal entities with a possible conflict of interests; whereby such decisions will be made on a collective basis as a group.

1.4 Role and Responsibilities of the Board of Directors

- Carry out the duties and responsibilities in accordance with all the legal and regulatory requirements, as well as with the Articles of Association of the Company, the resolutions of both the Board of Directors and the

Shareholders Meetings, in an honest and responsible manner and integrity, always keeping in mind the best interests of the all Stakeholders on an equal basis.

- Consider, review and approve the important issues relating to the business operations of the Company; define the vision and mission, policies, together with the business strategies, business objectives and goals, annual budgets; as well as oversee and monitor that the Management group efficiently and effectively discharge its duties according all the established policies and plans.
- Determine and approve the policies and guidelines relating to good corporate governance practices as well as ensure these are full documented; whereby the Board of Directors will also regularly review and update these policies as well as monitor that they are full comply to as required. Additionally, the Board will promote and arrange that a written Code of ethics and good business conducts be published, so that all Directors, members of management and Staff full understand the required standards of ethics to be adopted by the Company in the operations of its businesses. The Board will also monitor that these established standards are fully adhered to by everyone in the organisation.
- Consider and approve the establishment of the various Board Committees to support the Board to carry out its responsibilities as appropriate and necessary; whereby the Board will also regularly review and monitor both the various activities and outputs of these Board Committees.
- Independent Directors on the Board should be fully independent in rendering their judgments when considering and determining the Company's strategies, management of resources, appointments of Directors and the required standards of business operations; and should also be prepared to disagree with any actions on the part of the Management group or even other Directors in the event they have any conflicting views on the possible impacts with regard to the equal status or rights or status of all Shareholders alike.
- Consider in a careful manner any situations involving conflicts of interests or benefits; whereby considerations of such transactions with possible conflict of interests must be undertaken within clearly defined guidelines and for the primary benefits of the Company and all its Shareholders; whereby those involved parties having vested interest must not participate in such considerations, and the Board must oversee and ensure that the established procedures in regard to the required consideration process and transparent disclosures of all relevant information on the specific transaction involving a conflict of interests are strictly adhered to.
- Establish clear policies and guidelines on the required process and procedures to be implemented in regards to any connected transactions.
- Define and establish a system of good governance and management, procedures for financial reporting, as well as the process for overseeing compliance to all

the legal and regulatory requirements and established policies of the Company. The Board will also establish an internal group that is fully independent and responsible for undertaking the above mention oversight and monitoring activities and for reviewing all the key internal systems at least once a year.

- Define policies relating to risks management systems to cover the entire organisation, with the Management group being responsible for their implementation and submitting reports to the Board of Directors on a regular basis; as well as review and assess the overall adequacy of such risks management systems at least once a year or whenever the degree of risks have changed, which includes giving importance to any advance warning signals or red flags and various irregular incidents that may occur.
- Define and establish an effective and adequate system of internal controls; whereby the Board and/or the Audit Committee to report on adequacy of the existing system of internal controls and risks management in the Company's Annual Report.
- Establish clear guidelines and procedures for the Audit Committee being required to report to the Board upon finding or suspecting any activities or incidents that may have a significant negative impact on the financial status or the operations of the Company; whereby the Board must rectify or improve such incidents within the recommended appropriate timeframe proposed by the Audit Committee.
- Arrange regulars review and assessments of as well as improvements to the established policies and key business plans, in order to make them appropriate to the current business environment. Additionally, establish succession plans for the key senior Management positions of the Company; and create the position of the Company Secretary, responsible for coordinating the various activities of the Board of Directors so as to enable both the Board and the Company to comply with all the relevant legal and regulatory requirements.
- Ensure that the Company operate its business within the principles and guidelines of good corporate governance; and support effective communications and dissemination of these principles to all employees within the Company, so that they will both be fully aware and act with full compliance accordingly.
- Carry out any other responsibilities relating to the Company's business that may be assigned by the Shareholders.

1.5 Meetings of the Board of Directors

- The Board of Directors is required to hold a Board meeting every 3 months; whereby these meetings will be scheduled in advance for the entire year, with also extraordinary meeting to be held for any special occasions, as necessary.
- At least 2 Directors together have the right to request for a Board Meeting to take place, whereby the Chairman of the Board (or a person assigned to do so) will

decide the date for such a meeting to held within 14 days of receiving such a request.

- The Chairman of the Board (or a person assigned to do so) will call for a Board Meeting through sending out a Letter of Notification, with details of the date, time and venue for a schedule meeting, not less than 7 days prior to the proposed meeting date — unless, for special reasons or necessity, there is a need for a Board Meeting to take place in order to protect the best interests of the Company; whereby other means of notification will be used for call a meeting within a shorter time-frame.
- For every Board Meeting, there must be at least on half of the total number of Board Members attending to constitute a quorum; whereby the Chairman of the Board will Chair the meeting. However, in any meeting, if the Chairman of the Board not be able to attend or undertake this duty, then the attending Directors will select one of their peers to act as the Chairman for that meeting.
- Any decisions or resolutions of the Board of Directors must be based on a majority vote; whereby each Director has only one vote, and in the event of a tie then the meeting Chairman will cast an additional and deciding vote. Any Directors having a vested interest in a matter being considered must excuse themselves from the discussions and also has no right to vote for that specific matter.
- The Board of Directors can invite members of the Management group or any other involved person(s) within the Company to join a meeting to clarify and make comments on, or to express their opinions relating to any matters being considered at the meeting.
- Non-Executive Directors must meet together, at least once a year, without any Directors who are members of the Management group being present, in order to discuss and exchange opinions on the responsibilities and activities of the Management group.
- The Company Secretary (or a person assigned to do so) will be responsible for taking the minutes of the Board Meetings.

2. BOARD COMMITTEES

2.1 Audit Committee

The Audit Committee comprises of these Directors:

- | | |
|---------------------------------|----------|
| 1. Mr.Bhisit Kuslasayanon | Chairman |
| 2. Dr.Charnvithaya Suvarnapunya | Member |
| 3. Mr. Kanchit Bunajinda | Member |
| 4. Mr.Vichien Tejapaibul | Member |

Duties and responsibilities of the Audit Committee

1. Undertaking the activities assigned by the Board of Directors, in accordance with the Charter for the Audit Committee - with regard to reviewing and assessing,
2. The Audit Committee comprises of at least 3 Independent Directors, or as determined by the SEC, and consisting of the Chairman and respective Members, all of whom must possess all the required qualifications of being an Independent Director and able to render impartial judgments according to the assigned duties and responsibilities with full independence and in an equitable manner, as specified by the requirements of the SEC. Members of the Audit Committee must be knowledgeable and adequately experienced enough to carry out the required responsibilities as an Audit Committee member; whereby at least one member must be fully knowledgeable and well-experienced to review both the correctness and creditability of the Company's financial statements.
3. In every meeting of the Audit Committee, there must be a not less than one half of all the Audit Committee members attending the meeting to constitute a quorum.
4. A Member of the Audit Committee has a term of office of not more than 3 years or that which is equal to the remaining term of office as a member of the Board of Directors; whereby Members of the Audit Committee whose term of office has expired can be appointed as a Member again for another term. However, in the event that there is a vacancy in the Audit Committee, for any reason other than retirement due to the expiration of the term of office and retirement by rotation, then Company's Board of Directors will appoint a person possessing all the required qualifications to be a Member of the Audit Committee so that the Committee has the total required number of Members; whereby that replacement Member will be a member only for the remaining duration of the term of office of the Member being replaced.
5. The Director for internal Audit will be appointed concurrently as the Secretary to the Audit Committee, responsible for arranging and preparing for the meetings

together with the external Auditors and the Internal Auditor, that the Company has in place an effective system of internal controls of that are appropriate and adequate; and reviewing the internal audit records and reports in the event of any conclusions and suspicions of possible abnormal or fraudulent activities as well as significant deficiencies in the internal controls system, as well as submitting its findings to the Board of Directors with recommendations for further consideration.

The Audit Committee is also responsible for considering and nominating independent persons to be appointed as external Auditors of the Company, together with proposing the associated remuneration package for the external Auditors. The Audit Committee is also required to meet with the external Auditors at least once a year without any members of the Management group being present.

of the Audit Committee as well as coordinating all the required reports for submitting to the Board of Directors, investors, the Shareholders and the SET. The Secretary of the Audit Committee is required to attend all meetings of the Audit Committee but has not voting rights in any matters being considered and discussed; and is also able to propose that an assistant to the Secretary be appointed.

- The Audit Committee is required to meet at least 4 times a year to review the financial statements, the internal controls system, the risks management system, compliance to all the legal and regulatory requirements of the SET and the Public Companies Act. Notifications of scheduled meetings must be made not less than 5 days before the scheduled date of the meeting with the scheduled dates are determined in advance for the year, whereby all Members of the Audit Committee are required to attend at least 3 out of the 4 of the scheduled meeting during the year.

2.2 The Nomination and Compensation Committee

The Nomination and Compensation Committee will comprises of at least 5 Members, of which not less one half must be Independent Directors or external Directors; with at least not less than one half of total number of Members, and inclusive of at least one Independent or external Director, attending the Committee Meeting to constitute a quorum.

A Member of the Nomination and Compensation Committee has a term of office of 3 years; whereby the term of office of a Member will be equal to the remaining term of office as a member of the Company's Board of Director, with Members being selected for appointment by the Board of Directors, and those Members retiring by rotation can be appointed for another term.

The Nomination and Compensation Committee is required to meet as necessary and appropriate to effectively discharge its responsibilities as required by the regulations relating to the Nomination and Compensation Committee but not less than once a year; whereby the Chairman of the Committee is responsible for sending out notification regarding details of the scheduled meeting, together with the agenda items to be considered and any relevant supporting documents, sufficiently in advance to enable Members to adequately review and prepare for the meeting, as well as for reporting the outcome of the Committee's meetings and activities to the Board of Directors after every meeting. Names of the current Members of the Nomination and Compensation Committee are as follows:

- | | |
|---------------------------------|----------|
| 1. Dr. Charvithaya Suvarnapunya | Chairman |
| 2. Mr. Vichien Tejapaibul | Member |
| 3. Mr. Bhisit Kuslasayanon | Member |
| 4. Mr. Sudhitham Chirathivat | Member |
| 5. Mr. Prin Chirathivat | Member |

Duties and responsibilities of the Nomination Committee

- Propose, to the Board of Directors for approval, policies relating to the selection and nomination of Company Directors, whereby the process as well as procedures needs to clear, equitable as well as appropriate and reasonable.
- Propose, to the Board of Directions for consideration and approval, the selection and nomination of the Chief Executive Office of the Company, whereby the process as well as procedures needs to clear, equitable as well as appropriate and reasonable.
- Review and propose, for approval by the Board of Directors, strategies and policies relating to the human resources matters that are appropriate for and in line with the business strategies and operations of the Company.
- Select and nominate persons with the required credentials, moral ethics, and appropriate qualifications credentials for being appointed as Directors and/or the Chief Executive Officer of the Company, as applicable.
- Review the composition, total number and experiences of Company Directors to be appointed, together with those qualified nominees to fill any vacancies that occur.
- Oversee and ensure that effective succession plans are in place for the positions of Company Directors and Chief Executive Office.
- Determine the terms and conditions of the employment contract for the position of the Company Directors and Chief Executive Officer of the Company together with the associated succession plans.

Duties and responsibilities of the Compensation Committee

- Determine and submit to the Board of Directors for consideration and proposal for eventual by the Shareholders Meeting, the policies and appropriate structure relating to the compensation and benefits of Company Directors that are in line with the established business strategies and operations of the Company, whereby the process as well as procedures needs to clear, equitable as well as appropriate and reasonable.
- Determine and propose, for consideration and approval by the Board of Directors, the policies and appropriate structure relating to the compensation and benefits of Chief Executive Officer that are in line with the established business strategies and operations of the Company, whereby the process as well as procedures needs to clear, equitable as well as appropriate and reasonable.
- Recommend guidelines and process for payment of the compensation and benefits, both in the form of monies and in other forms, for the Board Directors, Members of Board Committees established by the Board, as well as for the Chief Executive officer of the Company.
- Review and assess that the composition, structure and

amount of compensation to be adopted are in line with the current market environment together with being appropriate for the business operations of the Company as well as required activities and performance outputs of the Company Directors and the Chief Executive Officer.

5. Oversee and ensure that the Company Directors and the Chief Executive Officer receive the appropriate compensation and benefits package commensurate with the expected duties and responsibilities towards the Company.
6. Determine the performance evaluations process and procedures for Company Directors as well as the Chief Executive Officer that will facilitate the review and required annual compensation increase taking into consideration the required duties and relevant risks as well as giving importance to the long term value added to the overall Shareholders equity in the long term.
7. Review and submit, for consideration and approval by the Shareholders Meeting, the proposed annual compensation package to be adopted for Company Directors.

2.3 Risks Management and Governance Committee

The name of the current members of the Risks Management and Governance Committee are as follows:

- | | |
|---------------------------------|----------|
| 1. Mr. Kanchit Bunajinda | Chairman |
| 2. Mr. Sudhitham Chirathivat | Member |
| 3. Mr. Prin Chirathivat | Member |
| 4. Mr. Thirayuth Chirathivat | Member |
| 5. Dr. Ronnachit Mahattanapruet | Member |

The Corporate Risks Management and Governance Committee

A Risks Management and Governance Committee at the corporate level has been established, with the approval of the Company's Board of Directors, comprising of Independent Directors together with representative of the Management Group and with an Independent Director as the Chairman of this Committee, and having the following responsibilities:

Risks Management Activities

1. Responsible for reviewing the policies, strategies and relevant organisation structure relating to overall management of risks, together with undertaking appropriate activities to ensure that the proposed strategic plans conform to the established acceptable levels of risks (or risks appetite) of the Company as well as to the requirements of all Stakeholders.
2. Support the overall operational activities of the respective risks management committees at the various oper-

ating levels.

3. Monitor and evaluate the effectiveness and efficiency of the overall risks management activities within the Company.
4. Understand and able to assess the various potential risks that may negatively affect the achievement of the established objectives and goals of the organisation, as well as ensure that such risks have been managed in an effective manner so that they are at the level of risks acceptable for the Company.
5. Make recommendations regarding as well as and give concurrence to various risks management measures within the organisation.

Governance Activities

Define as well as review relevant policies, guidelines and operating procedures to conform to the principles and practices of good corporate governance. Determine policies and action plans relating to corporate social responsibilities. Hold meetings to monitor the progress made with regard to planned good corporate governance practices and social responsibilities-related matters; together giving necessary support, as required, to the corporate governance working group, as well as reviewing and evaluating internal activities based on the principles of good governance so that recommendation for improvements to specific issues can be made.

This Committee should also represent the Company, with regard to the Management group, staff and employees, and any external parties, in communicating about as well as the implementation of any activities relating to good corporate governance.

Chief Executive Officer

The Chief Executive Officer is the senior most member of the Management group, who is appointed by the Board of Directors, with responsibility for the overall management and operations of the Company in line with the established vision and mission as well as policies and strategies that are within the scope and framework of the legal requirements, objectives and Articles of Association of the Company as well as the resolutions of the Board of Directors and the Shareholders.

As such, the Chief Executive Officer can also be a Director of other legal entities or Companies so long as this does not interfere or be an hindrance to the discharge of the duties and responsibilities of being the Chief Executive Officer of the Company, as well as so long as those other businesses are not the same as or compete with that of the Company; whereby prior concurrence to becoming a Director in another business is given by the Company's Board of Directors.

The initial performance evaluation process of the Chief Executive Officer is the responsibility of the Nomination and Compensation Committee; thereafter the Committee then will submit its performance evaluation of

the Chief Executive Officer to the Board of Directors for consideration and concurrence; whereby the Chief Executive Officer participates in the initial determination of the various expected performance targets and then the eventual approved performance objectives and goals to be achieved in every year.

The Company Secretary

The Company will assign the following duties to the person appointed as the Company Secretary:

1. Prepare and maintains all documents relating to the Board of Directors and its activities, to the Shareholders — namely: the Directors register, letters of notifications for Board Meetings and Shareholders Meetings, minutes of the Board Meetings and Shareholders Meetings, and Annual Reports together the Quarterly/Annual Financial Statements of the Company.
2. Maintain all reports from the Directors and members of the Management group regarding their vested interests with regard to the Company
3. Give advice on the legal requirements relating to the activities and responsibilities of being a Director of the Company operations of the Company
4. Undertake any other duties as may be assigned by the Board.

The Board of Directors has established various processes to be observed relating to the strict oversight of any transactions involving possible conflict of interests. Clearly defined policies and procedures have been established to approve any connected transactions, which are required to be strictly followed; whereby the Audit Committee will consider, review and give its concurrence to any such significant transactions that are not within the scope of authority of the Executive Committee. Thereafter, the Board of Directors will also carefully consider the appropriateness of such proposed transactions, keeping in mind the best interest of the Company as the prime factor in its decision; whereby the Director(s) having any vested interest will not take part in the consideration and will not have a vote in the matter being considered.

Self Evaluation of the Board of Directors

The Board of Directors have established guidelines and processes for the self evaluation of the Board, whereby both the self evaluation of the entire Board, as a group, in the performance its duties and responsibilities takes place at every Board Meeting and the self evaluation of the Directors, on an individual basis, in performing his/her responsibilities take place once a year, as well as the Board will review these self evaluation outputs amongst themselves in order define ways for making improvements in their required activities for the future.

Determination to Board Compensation

1. The Board of Directors has clearly determined the structure and guidelines for determining the annual compensation package and other benefits for Board Directors, with comparisons being made to those Companies within the same industry sector, which are eventually submitting for approval by the Shareholders Meeting; whereby the Nomination and Compensation Committee will initially review and assess, in a fully transparent and equitable manner, that the total amount of monies to be paid in any year are commensurate with the required duties and responsibilities, as well as appropriate to other surrounding factors and the benefits to be received in return from each individual Director.
2. Those persons who are appointed as new Directors of the Company will receive a handbook that includes detailed information about the Company, its business operations and activities, the applicable legal and regulatory requirements as well as any other relevant regulations, and other business information that are important for the discharge of the responsibilities of a Company Director, as well as Minutes of the previous Board Meetings and Audit Committee Meetings the Shareholders Meetings. These new Directors will also be introduced to the other members of the Board of Directors and senior Management. Additionally, they will be encouraged and receive support in attending various training courses and associated seminars or event that will enhance their abilities to effectively discharge their duties as a Director of the Company.

Internal Controls

The Board of Directors of the Company has arranged to establish an internal controls system covering all aspects of the Company's operations and activities — from financial matters, overall operations, operating with full compliance to all relevant legal and regulatory requirements, and management of risks. This also includes the establishment of various audit procedures and effective balance of powers and responsibilities to fully protect both the investments and the assets of the Company on an a continuing basis, establish various levels of authority of approvals as well as overall authority of members of Management and Staff, and establishment of written business operation procedures. Additionally, an Internal Audit group has been established responsible for the review of activities of both the internal operating and supporting business units within the organisation, to ensure that they all fully comply to the established procedures, as well a to regularly review and assess the effectiveness and adequacy of the applicable existing internal controls for each business unit. As such, the Board of Directors enables the Internal Audit group to be full independent in its audit activities and an effective balance of authorities, reporting directly and regularly as required to the Audit Committee.

The Audit Committee is responsible for assessing the qualifications and appropriateness of the Director of the person to be appointed as the Director of Internal Audit group. The Audit Committee will also appoint this qualified person to be concurrently the Secretary of the Audit Committee, with responsibility for arranging and preparing for meetings of the Audit Committee and for coordinating the submission of all required reports to the Board of Directors, investors, Shareholders, and the SET; whereby the Secretary of the Audit Committee must attend all meeting of the Committee but has not right of vote in any matters being considered, as well as has the right to propose the appointment of an Assistant Secretary. Further, the appointment, transfer or dismissal of the Director of Internal Audit group must have the concurrence of the Audit Committee.

As at 31 December 2013, the Internal Audit Group had a total of 12 people. The biographer and qualifications of the incumbent Director of the Internal Group is as follows:

Name : Mr. Piphit Yenyongsakul
Position : Director, Internal Audit Group
Age : 49 yrs
Academic and relevant : Bachelor of Accountancy, Ramkhamhaeng University,

training & development qualifications : Certified Public Accountant, Federation of Accounting Profession, Tax Auditor, Revenue Department, Qualified Attorney, Lawyers Council, Certified Professional Internal Auditor of Thailand (CPIAT 17) The Institute of Internal Auditors of Thailand.

Professional Experience : 1989 — 2002, Audit Manager Mittr Pracha Audit & Law Office

BUSINESS ETHICS

In undertaking the business operations for the sake of achieving maximum benefits for the Shareholders, the Board of Directors of the Company has established a core policy to give equal and concurrent importance to the actual achievement of corporate success as well as to both the means of and methods used in achieving such successes.

As such, so as to conform to the above mentioned core policy, the Board of Directors has defined a set and standard of behaviour to be strictly observed by all Directors, members of the Management group, and all employees in carrying out their business activities; as

well as have compiled a "Code of Ethics and Good Business Conduct" so as to enable that these standards of expected behavior are clearly and easily understood and followed by Directors, members of Management and all employees in their behaviour towards and treatment of all staff, Shareholders, customers, business partners, competitors, as well as society as a whole together with local communities and the environment

As such, the Board of Directors has put in place processes and procedures to oversee and ensure that these standards of behaviour are strictly adhered to by all parties at all times.

CORPORATE GOVERNANCE

DIRECTOR BIOGRAPHY

As at 31 December 2013, Board of Director composed of 11 persons, details are as follow

01

MR. SUTHIKIATI CHIRATHIVAT

Age : 71

% Shareholding in the Company : 44,728,146 shares (or 3.31% of paid up shares)

CHAIRMAN OF THE BOARD

Education

- Honorary PhD in Business Administration Program, Dhurakij Pundit University
- Honorary PhD in Hotel and Tourism Studies, Kasem Bundit University
- Honorary PhD in Mass Communications, Ramkamhaeng University
- M.A. (Political Science), Ramkamhaeng University
- B.A. (Political Science), Ramkamhaeng University
- Diploma in Mechanical Engineering, South West Essex Technical Collage, U.K.
- National Defense College, The Joint State - Private Sectors Course, Class 1
- National Defense College, The Modern Management Course, Class 1

Completed Program from Thai Institute of Directors (IOD)

- 2008, Director Accreditation Program (DAP)

Experience

- Assistant Manager, Central Trading Co., Ltd.
- Assistant General Manager, Central Department Store Co., Ltd.
- Heads of Political Science Association, Ramkamhaeng University and Committee of Ramkamhaeng University Council
- The Founder and Head of Thai Retails Association, Thai Retails Association
- Advisor to The Minister of Tourism and Sports, Ministry of Tourism and Sports
- One of the Founding Members importer and owner in usage of barcodes in Thailand, Central Ladprao Shopping Complex project

Other Current Positions

Listed Company

- Chairman Executive Committee, Post Publishing Plc.
- Director, Central Pattana Plc.

Non Listed Company

- Vice Chairman, Central Group of Companies Co., Ltd.
- Director, Post International Media Co., Ltd.
- Director, Post — ACP Co., Ltd.
- Director, Post — IM Plus Co., Ltd.
- Director, Thai Tourism Industry Association

Meeting Attendance in 2013

The Board of Director's meetings 4/4

02

MR. SUTHICHAI CHIRATHIVAT

Age : 73

% Shareholding in the Company : 57,764,473 shares (or 4.28% of paid up shares)

VICE CHAIRMAN

Education

- Honorary Doctor of Business Administration Program, Chiangrai Rajphat University
- Diploma in Civil Engineering Kingston College of Technology, U.K.

Completed Program from Thai Institute of Directors (IOD)

- 2006, Director Accreditation Program (DAP)
- 2000, Role of Chairman Program (RCP)

Experience

- Chairman, Chief Financial Officer, Central Group of Companies Co., Ltd.
- Assistant General Manager, Central Department Store Co., Ltd.
- Manager, Central Department Store-Silom Branch
- Assistant Manager, Central Department Store-Silom Branch

Other Current Positions

Listed Company

- Chairman, Central Pattana Plc.

Non Listed Company

- Chairman, Central Group of Companies Co., Ltd.

Meeting Attendance in 2013

The Board of Director's meetings 4/4

03

MR. BHISIT KUSLASAYANON

Age : 72

% Shareholding in the Company : None

INDEPENDENT DIRECTOR
CHAIRMAN OF AUDIT COMMITTEE
MEMBER OF NOMINATION AND COMPENSATION
COMMITTEE

Education

- Master degree of Engineering, New South Wale University, Australia
- Bachelor degree of Engineering, The University of Sydney, Australia
- National Defense College, The Joint State - Private Sectors Course, Class 8

Experience

- Director, Committee of Mahidol University
- Managing Director of Thai Airways International Pcl.
- Chairman of the Board, Royal Orchid Sheraton
- Chairman of the Board, Airport Hotel
- Advisor of Dean, Faculty of Science, Mahidol University

Other Current Positions

Listed Company - None

Non Listed Company

- Chairman, Flying Orange Co., Ltd.
- Vice Chairman, Stang Holding Co., Ltd.
- Director, International Drug Development Co., Ltd.

Meeting Attendance in 2013

The Board of Director's meetings 4/4

Audit Committee's meeting 8/8

Nomination and Compensation

Committee's meeting 1/2

04

DR. CHARNVITAYA SUVARNAPUNYA

Age : 61

% Shareholding in the Company : None

INDEPENDENT DIRECTOR
CHAIRMAN OF NOMINATION AND
COMPENSATION COMMITTEE
MEMBER OF AUDIT COMMITTEE

Education

- Honorary Doctor of Private Law, Ghent University, France
- Diploma in American Laws, Wisconsin University, USA
- Bachelor degree of Law, Thammasat University

Completed Program from Thai Institute of Directors (IOD)

- 2005, Audit Committee Program (ACP), Director Accreditation Program (DAP)

Experience

- Director and Lawyer, Koodare Brothers Co., Ltd.
- Lawyer, Dr. Ukrit Mongkolnavin Law Office
- Dean of faculty of Law, Thai Chamber of Commerce University

Other Current Positions

Listed Company - None

Non Listed Company

- Director, DLA Piper (Thailand) Co., Ltd.
- Director, Kentop (Thailand) Ltd.
- Director, Hyundai Merchant Marine (Thailand) Co., Ltd.
- Director, Fragrant Property Ltd.
- Director of Master of Laws Program, Sripatum University (Phayathai branch)

Meeting Attendance in 2013

The Board of Director's meetings 4/4

Audit Committee's meeting 8/8

Nomination and Compensation

Committee's meeting 2/2

DIRECTOR BIOGRAPHY (Continued)

As at 31 December 2013, Board of Director composed of 11 persons, details are as follow

05

MR. VICHIE TEJAPAIBUL

Age : 74

% Shareholding in the Company : None

INDEPENDENT DIRECTOR
MEMBER OF AUDIT COMMITTEE
MEMBER OF NOMINATION AND COMPENSATION COMMITTEE

Education

- B.A. (Business Administration), Boston University, USA
- National Defense College, The Joint State - Private Sec-tors Course, Class 2
- King Prajadhipok's Institute, Class 1
- Diploma in Capital Market Academy, Class 10

Completed Program from Thai Institute of Directors (IOD)

- 2006, Finance for Non-Finance Directors (FND)
- 2004, Director Accreditation Program (DAP)

Experience

- Vice Chairman, Srinakorn Bank Ltd.
- Senator
- Advisor, Thailand Trade Representative (Dr. kantathi suphamongkhon)
- Advisor, Chairman of Senator (General Teeradej Meep-ien)
- Honorary Advisor, Thai Chamber of Commerce and Con-cil of Thailand Chambers
- Honorary Advisor, Thai Chamber of Commerce University
- Chairman, Funding Management Committee of Huachiew Chalermprakiet University
- Chairman, Tokyo Marine Srimuang Insurance Co., Ltd.

Other Current Positions

Listed Company

- Director, Asia Fiber Plc.

Non Listed Company

- Chairman, Phatra Sathit Co. Ltd.
- Chairman, Film Mania Plus Co., Ltd.
- Director, Tejapaibul Co., Ltd.
- Director, Utah Capital Co., Ltd.
- Director, CB Richard Ellis(Thailand) Co., Ltd.
- Director, Thai Housing Development Co., Ltd.
- Director, Worawat Co., Ltd.
- Director, Sedthakarn Co., Ltd.
- Director, Pracha Nu Khro Co., Ltd.

Meeting Attendance in 2013

The Board of Director's meetings 4/4
Audit Committee's meeting 6/8
Nomination and Compensation
Committee's meeting 1/2

06

MR. KANCHIT BUNAJINDA

Age : 46

% Shareholding in the Company : None

INDEPENDENT DIRECTOR
CHAIRMAN OF RISK MANAGEMENT AND
CORPORATE GOVERNANCE
MEMBER OF AUDIT COMMITTEE

Education

- Kellogg Graduate School Management Northwestern University Exchange Programme, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- MBA (Finance and International Business) Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Bachelor degree of Civil Engineering Chulalongkorn University

Completed Program from Thai Institute of Directors (IOD)

- 2009, Director Luncheon Briefing (DLB), Monitoring of the Quality of Financial Reporting (MFR), Monitoring the Internal Audit Function (MIA), Monitoring the System of Internal Control and Risk Management (MIR)
- 2006, Audit Committee Program (ACP)
- 2005, Director Accreditation Program (DAP)
- 2003, Director Certification Program (DCP)

Experience

- Deputy Managing Director/Private Equity (An affiliate of Lombard Investment Inc.)
- Senior Vice President, Heading the Finance Institutions group and the Mergers and Acquisition practice, Merrill Lynch - Phatara Securities Co., Ltd. (Currently: Phatara Securities Co., Ltd.)
- Alternate Director, Asian Corporate Governance Asso-ciation Limited, Hong Kong

Other Current Positions

Listed Company

- Audit Committee Member, True Vision Plc.
- Director, Central Pattana Plc.

- Director, Robinson Department Store Plc.

Non Listed Company - None

Meeting Attendance in 2013

The Board of Director's meetings 4/4

Audit Committee's meeting 8/8

RISK MANAGEMENT AND

CORPORATE GOVERNANCE'S MEETING 3/3

07

MR. SUDHITHAM CHIRATHIVAT

Age : 66

% Shareholding in the Company : 16,016,654 shares (or 1.19 % of paid up shares)

DIRECTOR

MEMBER OF NOMINATION AND
COMPENSATION COMMITTEE

MEMBER OF RISK MANAGEMENT

AND CORPORATE GOVERNANCE COMMITTEE

Education

- MBA (Operations Research), Lona University, USA
- Bachelor degree of Electrical Engineering, University of Maryland (College Park), USA
- National Defense College, The Joint State - Private Sectors Course, Class 13

Completed Program from Thai Institute of Directors (IOD)

- 2003, Director Certification Program (DCP)

Experience

- Director, The Thai Chamber of Commerce
- President, Rotary Club Bangkhen
- Chairman, Coffee Partners Co., Ltd. (Starbucks-Thailand)
- President and Founder, Thai Shopping Center Association
- Managing Director and Chief Executive Officer, Central Pattana Plc.
- Advisory, The Ministry of Commerce

Other Current Positions

Listed Company

- Director, Central Pattana Plc.
- Director, Robinson Department Store Plc.
- Chairman, Jasmine International Plc.

Non Listed Company

- Executive Chairman, Central Group of Companies

Co., Ltd.

- Chairman, Earth Care (Thailand) Co., Ltd.
- Director, The Vintage Club Co., Ltd.

Meeting Attendance in 2013

The Board of Director's meetings 4/4

NOMINATION AND COMPENSATION

COMMITTEE'S MEETING 2/2

RISK MANAGEMENT AND

CORPORATE GOVERNANCE'S MEETING 3/3

08

MR. PRIN CHIRATHIVAT

Age : 51

% Shareholding in the Company : 29,263,374 shares (or 2.17% of paid up shares)

DIRECTOR

MEMBER OF NOMINATION AND
COMPENSATION COMMITTEE

MEMBER OF RISK MANAGEMENT

AND CORPORATE GOVERNANCE COMMITTEE

Education

- MBA (Business Management) Sasin Graduate Institute of Business Administration, Chulalongkorn University
- B.A. (Accounting) Skidmore College, USA

Completed Program from Thai Institute of Directors (IOD)

- National Defense College, The Joint State - Private Sectors Course, class 22
- 2008, The Program of Senior Executive on Justice Administration (Class 13)
- Diploma in Capital Market Academy, Class 1
- 2010, Advanced Audit Committee Program
- 2009, Monitoring Fraud Risk Management (MFM), Monitoring of Quality of Financial Reporting (MFR)
- 2007, Monitoring the Internal Audit Function (MIA) Monitoring the System of Internal Control and Risk Management (MIR)
- 2006, Chief Financial Officer
- 2005, Director Accreditation Program (DAP), Audit Committee Program (ACP), The Role of Chairman (RCP)
- 2000, Director Certification Program (DCP)

Experience

- Chairman of Audit Committee, Bualuang Securities Plc.
- Director, Malee Sam Pran Plc.
- Director, Thanamitr Factoring Plc.
- Director, Indra Insurance Plc.
- Executive director, Interlife John Hancock Life Insurance Plc.

DIRECTOR BIOGRAPHY (Continued)

As at 31 December 2013, Board of Director composed of 11 persons, details are as follow

- Director, General Guard Service Co., Ltd.
- Executive director, Central Department Store Co., Ltd.
- Investment Banking, Thanachart Securities Plc.

Other Current Positions

Listed Company

- Member of Audit Committee, Bumrungrad Hospital Plc.
- Director, Member of Risk Management Committee and Advisory of Nomination and Remuneration Committee, Central Pattana Plc.
- Director, Robinson Department Store Plc.

Non Listed Company

- Director and Executive Director and Chief Financial Officer, Central Group of Companies Co., Ltd.
- Director and Executive Director, Central Retail Corporation Ltd.
- Advisor, Market For Alternative Investment (MAI)
- Steering Support Committee, Chiangrai Rajabhat University

Meeting Attendance in 2013

The Board of Director's meetings 4/4

NOMINATION AND COMPENSATION

COMMITTEE'S MEETING 2/2

RISK MANAGEMENT AND

CORPORATE GOVERNANCE'S MEETING 3/3

09

MR. SUTHICHART CHIRATHIVAT

Age : 68

% Shareholding in the Company : 19,609,854 shares (or 1.45% of paid up shares)

DIRECTOR

Education

- B.A. (Accounting), St. Joseph's College, USA
- National Defense College, The Joint State - Private Sectors Course, Class 11

Completed Program from Thai Institute of Directors (IOD)

- 2004, Director Accreditation Program (DAP)
- 2003, Finance for Non-Finance Directors (FND), Board and CEO Assessment
- 2000, Role of Chairman Program (RCP)

Experience

- President and Chief Executive Officer, Central Retail

Corporation Ltd.

- Chairman, Big C Super Center Plc.
- President, Thai Retailers Association
- Chairman, Committee of Retail Business, Thai Chamber of Commerce
- Advisor, Board of Trade of Thailand
- Director, Treasurer, Foundation for Environment Preservation

Other Current Positions

Listed Company

- Director, Central Pattana Plc.

Non Listed Company

- Vice Chairman, Central Group of Companies Co., Ltd.
- Director, Central Inter Pattana Co., Ltd.
- Director, Central Department Store Co., Ltd.
- Director, The Vintage Club Co., Ltd.
- Director, Tiang Chirathivat Foundation

Meeting Attendance in 2013

The Board of Director's meetings 4/4

10

MR. SUDHISAK CHIRATHIVAT

Age : 68

% Shareholding in the Company : 22,055,095 shares (or 1.63% of paid up shares)

DIRECTOR

Education

- B.A. (Mathematic), St. John Fisher College, USA

Completed Program from Thai Institute of Directors (IOD)

- 2007, Director Accreditation Program (DAP), Director Certification Program (DCP)

Experience

- President, Central Marketing Group Co., Ltd.
- Managing Director, Central Garment Factory Co., Ltd.
- Managing Director, Prin Inter Trade Co., Ltd.

Other Current Positions

Listed Company

- Chairman, Robinson Department Store Plc.
- Director, Central Pattana Plc.

Non Listed Company

- Director, Central Group of Companies Co., Ltd.
- Director, Central Garment Factory Co., Ltd.
- Director, Central Retail Corporation Ltd.
- Director, Harnng Chiangmai Department Store Ltd.
- Director, Central Trading Co., Ltd.

Meeting Attendance in 2013

The Board of Director's meetings 4/4

11

MR. THIRAYUTH CHIRATHIVAL

Age : 48

% Shareholding in the Company : 5,875,506 shares (or 0.44% of paid up shares)

Member of Risk Management and
Corporate Governance Committee
CHIEF EXECUTIVE OFFICER

Education

- Master degree of Food, Hotel and Tourism Management, Rochester Institute of Technology, Rochester, USA
- Bachelor degree of Political Science, Chulalongkorn University
- 2011, The Program of Senior Executive on Justice Administration (Class 15)
- 2008, TLCA Executive Development Program (Class 1)
- 2003, Program for Management Development, Executive Education Harvard Business School
- 1997, Finance for Management, Chulalongkorn University
- 1996, Mini MBA Program, Chulalongkorn University
- 1993, Psychology Institute, National Defense College

Completed Program from Thai Institute of Directors (IOD)

- 2002, Directors Certification of Program (DCP)

Experience

- Senior Vice President - Project Management
- Vice President - Project Management
- Director of Project Management and Procurement
- Promotion & New project Manager
- Food and Beverage Coordinator, Centara Hotels & Resorts
- Assistant Manager, Marriott Hotel & Resort, Park Ridge, NJ, USA

Other Current Positions

Listed Company - None

Non Listed Company

- Director of Subsidiary Companies

Meeting Attendance in 2013

The Board of Director's meetings 4/4

Risk Management and Corporate

Governance's meeting 3/3

Note

1. Information regarding to appointed

The relationship in the Company, Subsidiary, Associated Company or other Independent director conflicted business entity in present of during the past 2 years

- *Not being a director who takes part in the management of the Company, employee, staff member, or advisor receiving a regular salary*
- *Not being a professional service provider (i.e. auditor or legal advisory)*
- *Not having business relationship significantly in a way that may impact the performing task independently (i.e. buy - sell materials/ products/ service or financial support)*

2. All Directors have no other companies which materially compete directly or have related business with the Company (possible conflict of interest)

CORPORATE GOVERNANCE

LIST OF SHAREHOLDERS

The majority of Shareholders

The top 10 of majority shareholders as of 31 December 2013, as follows

Shareholder	Number of Shares	%
Tiang Chirathivat Co.,Ltd	67,523,190	5.00
Mr. Suthichai Chirathivat	57,764,473	4.28
Khunying Suchitra Mongkolkiti	45,850,794	3.40
Mr. Suthikiati Chirathivat	44,728,146	3.31
Mr. Suthiluk Chirathivat	37,690,648	2.79
Mr. Niti Ostanukrau	36,129,511	2.68
THE BANK OF NEW YORK MELLON	31,211,100	2.31
Mr. Suthiporn Chirathivat	29,480,726	2.18
Mr. Prin Chirathivat	29,263,374	2.17
Mr.Tos Chirathivat	28,976,874	2.15

Note : The Chirathivat Group holds a total of 71.21% of the paid-up share capital of CENTEL

Directors and executives holding CENTEL shares

Directors and executives holding CENTEL shares as at 31 December 2013, as follows

Shareholder	Number of Shares	%
Mr. Suthichai Chirathivat	57,764,473	4.28
Mr. Suthikiati Chirathivat	44,728,146	3.31
Mr. Prin Chirathivat	29,263,374	2.17
Mr. Sudhisak Chirathivat	22,055,095	1.63
Mr. Suthichart Chirathivat	19,609,854	1.45
Mr. Sudhitham Chirathivat	16,016,654	1.19
Mrs. Supatra Chirathivat	11,819,576	0.88
Mr. Thirakiati Chirathivat	6,261,506	0.46
Mr. Thirayuth Chirathivat	5,875,506	0.44
Mr. Ronnachit Mahattanapreut	158,831	0.01

Dividend payment policy

Dividend payment policy of the Company and its subsidiaries are not less than 60% of net profit unless the company has the business expansion.

CORPORATE GOVERNANCE

REMUNERATION OF THE DIRECTORS AND MANAGEMENT

Central Plaza Hotel Public Company Limited specifies policy for fair and reasonable remuneration of directors, which has been considered by The Nomination and Compensation Committee. The Committee takes into consideration of role and responsibilities, the Company's performance and be comparable to the same or related type of business which is compatible with the Company. The budget for the year 2013 was not exceeding amount of Baht 7,000,000, was approved by the Annual General Meeting of Shareholders, as follows:

Monetary Remuneration

Type of Remuneration	Amount (Baht)
1. Quarterly Retainer (Baht/Quarter)	
- Chairman	55,000
- Director	42,000
2. Meeting Fee for Board of Directors (Baht/Meeting)	
- Chairman	27,500
- Director	23,500
3. Meeting Fee for Audit Committee (Baht/Meeting)	
- Chairman of Audit Committee	27,500
- Member of Audit Committee	25,000
4. Meeting Fee for Nomination and Compensation Committee (Baht/Meeting)	
- Chairman of Nomination and Compensation Committee	25,000
- Member of Nomination and Compensation Committee	20,000
5. Meeting Fee for Risk Management and Corporate Governance Committee (Baht/Meeting)	
- Chairman of Risk Management and Corporate Governance Committee	25,000
- Member of Risk Management and Corporate Governance Committee	20,000

Total remuneration of directors in form of director fees and meeting fees paid by Central Plaza Hotel Public Company Limited was amount of Baht 3,973,500. The details of the meeting attendance and remuneration in 2013 as follows:

Name	Position	Meeting Attendance (Meeting)				Total Remuneration (Baht/annum.)
		Board of Director	Audit Committee	Nomination and Compensation Committee	Risk Management and Corporate Governance Committee	
Mr. Suthikiati Chirathivat	Chairman of The Board	4/4				330,000
Mr. Suthichai Chirathivat	Vice Chairman	4/4				262,000
Mr. Bhisit Kuslasayanon	Independent Director	4/4				262,000
	Chairman of Audit Committee		8/8			192,500
	Member of Nomination and Compensation Committee			1/2		20,000
Mr. Chanvitaya Suvamapunya	Independent Director	4/4				262,000
	Chairman of Nomination and Compensation Committee			2/2		50,000
	Member of Audit Committee		8/8			175,000
Mr. Vichien Tejapaibul	Independent Director	4/4				262,000
	Member of Audit Committee		6/8			150,000
	Member of Nomination and Compensation Committee			1/2		20,000

Name	Position	Meeting Attendance (Meeting)				Total Remuneration (Baht/annum.)
		Board of Director	Audit Committee	Nomination and Compensation Committee	Risk Management and Corporate Governance Committee	
Mr. Kanchit Bunajinda	Independent Director	4/4				262,000
	Chairman of Risk Management and Corporate Governance Committee				3/3	75,000
	Member of Audit Committee		8/8			175,000
Mr. Sudhitham Chirathivat	Director	4/4				262,000
	Member of Nomination and Compensation Committee			2/2		40,000
	Member of Risk Management and Corporate Governance Committee				3/3	60,000
Mr. Prin Chirathivat	Director	4/4				262,000
	Member of Nomination and Compensation Committee			2/2		40,000
	Member of Risk Management and Corporate Governance Committee				3/3	60,000
Mr. Suthichart Chirathivat	Director	4/4				262,000
Mr. Sudhisak Chirathivat	Director	4/4				262,000
Mr. Thirayuth Chirathivat	Chief Executive Officer	4/4				168,000
	Member of Risk Management and Corporate Governance Committee				3/3	60,000
Total						3,973,500

Remark:

The Board of Directors Meeting No.1/2013 which was held on February 21, 2013, passed a resolution to appoint the Risk Management and Corporate Governance Committee. The committee consisted of 5 members as follow:

- | | |
|---------------------------------|--|
| 1. Mr. Kanchit Bunajinda | Chairman of Risk Management and Corporate Governance Committee |
| 2. Mr. Sudhitham Chirathivat | Member of Risk Management and Corporate Governance Committee |
| 3. Mr. Prin Chirathivat | Member of Risk Management and Corporate Governance Committee |
| 4. Mr. Thirayuth Chirathivat | Member of Risk Management and Corporate Governance Committee |
| 5. Mr. Ronnachit Mahattanapreut | Member of Risk Management and Corporate Governance Committee |

Management Remuneration: The remunerations amount of Baht 49,475,317 was paid to 9 managements in term of salaries, bonus and other benefits.

Other Remunerations**(a) Meal allowance**

The company provides meal allowance's restaurant to Board of Director the amount of Baht 40,000. In 2013, The Board of Director consumed at the actual amount of Baht 347,762.

(b) Provident Fund

The Company automatically provides "Provident Fund" to all Thai employees who completed 6 months period of working. By this mean, the Company will deduct from the employee's payroll and the company contributes to the Fund at the same amount.

1. AUDIT FEE

Audit fee of the Company and its subsidiaries in this year had been paid for audit firm that the auditor work for, person or companies who related to the auditor and audit firm amounted to Baht 7,062,500.

2. NON-AUDIT FEE

In 2013, The Company and its subsidiaries did not pay any other service fees to the auditor

GOOD CORPORATE GOVERNANCE

The Board of Directors of the Central Plaza Hotel p.l. is fully committed to manage the organisation through adherence to the principles of good corporate governance, and fully recognises the importance of good corporate governance practices in enhancing the organisation's potential competitiveness - for both the immediate and longer term. Additionally, such practices will create further trust and confidence on the part of investors, financial institutions, business partners, and all our Stakeholders.

In operating a business that will grow and develop towards achieving economic added value for the Shareholders as well as a balance of benefits to be gained by all Stakeholders and the Company, the Board of Directors have determined core management policies and business practices to be implemented in the operations of the businesses; whereby these core policies and practices are based upon the principles of good corporate governance, full transparency, accountability to all Stakeholders and responsibility towards society. These

core policies and business practices will serve as guidelines for Directors, Management, and all Employees of the Company; whereby the Board of Directors have regularly reviewed and updated such policies and practices, so that they are always timely and relevant to the current business environment.

The Board of Directors, Management and all Employees have been made aware of the the required business ethics and abovementioned policies on good governance, so that they can adopt them as part of their working disciplines; whereby the Company has communicated to everyone in the organisation the need to adhere to these ethical and good governance practices through the Company's website (<http://www.centarahotelsresorts.com>), within the orientation programme for all new employees, as well as via internal PR posters.

The core policies and practices relating to the principles of good corporate governance comprises of 5 key components as follows :

POLICIES on GOOD COPORATE GOVERNANCE

1. RIGHTS OF SHAREHOLDERS

The Company recognises the principles of and places great importance to protecting the rights of all Shareholders, ie:

- Support and ensure that every Shareholders - whether they are majority Shareholders, minority Shareholders, institutional investors or foreign shareholders alike — receive the same basic rights, and are all treated in an equal manner. Not act in any way that will violate or deprive Shareholders of their entitled rights. This includes limiting any opportunity for Shareholders to receive any relevant information and communications regarding the Company, or to attend Shareholders Meetings; ie: the right to be registered as a Shareholder of the Company; the right to exchange or transfer the ownership of those shares owned by the Shareholder; the right to receive relevant and accurate

information and news, of any significance, relating to the Company on a regular basis and in a sufficient manner; the right to attend Shareholders Meetings of the Company; the right to appoint or dismiss, and to approve the remuneration of, Directors of the Company; the right to appoint external Auditors of the Company; the right to receive a share of the Company's profits or dividend payments; and the right to participate in the decision making process on, or to be informed about, any important changes to basic operational factors of the Company.

- Inform and communicate details regarding the exercise of any Shareholders rights via the SET's news network or through the Company's website, taking into consideration the right of Shareholders to be informed on an equal basis and ensuring not to act in any way as to restricting full access to any information or news about the Company.

POLICIES on GOOD COPORATE GOVERNANCE

Prior to the Shareholders Meeting

1. Prior to the scheduled Meeting date and in accordance with the regulations defined by the Company, minority Shareholders are able to submit topics to be proposed as agenda items for consideration during the Shareholders Meetings, as well as to submit names of those with the required qualifications to be considered as possible nominees for appointment as Directors of the Company.
2. Send out Letters of Notification to attend Shareholders Meetings together with the proposed agenda items and supporting documents containing relevant and concise important information, the opinions of the Board of Directors relating to the proposed agenda items to be considered, procedures for the Meeting, and a map indicating the location of the Meeting venue — both in Thai and English.
3. Communicate and post on the Company's website (www.centarahotelsresorts.com) as well as through the SET news network, details regarding the abovementioned Letters of Notification to attend the Shareholders Meeting together with the various supporting information, at least 30 days prior to the scheduled Meeting date.
4. Insert copies of the Letters of Notification to attend the Shareholders Meeting, together with the various supporting information, in the local press at least 7 days prior to the scheduled Meeting date, in order to enable Shareholders to have sufficient time to review the information relating to the consideration of the various proposed agenda items.
5. Shareholders can also submit, in advance to the Company Secretary, any questions regarding the proposed agenda items to be considered.

The day of the Shareholders Meeting

6. Determine the date, time and venue of the Shareholders Meeting, keeping in mind the convenience of the Shareholders in attending the Meeting.
7. Make use of appropriate technology for the Shareholders Meeting, in regards to the attendees registration process and counting of votes, so that the Meeting can be conducted efficiently and quickly as well as in a proper and accurate manner.
8. All the Chairmen of the various Board Committees will be present during the course of the Shareholders Meeting, in order to respond to any questions or comments from Shareholders regarding their respective areas of

responsibilities; whereby the Chairman of the Meeting will give an opportunity for all Shareholders, on an equal basis, to review their activities, and to ask questions or make any comments.

9. The Company's Directors, senior Management and the external Auditor will also attend the Shareholders Meeting, to give Shareholders the opportunity to ask questions and make any comments, as well as to request members of senior Management or the external Auditors to clarify any points relevant to the agenda item being considered.
10. Prior to the start of the Meeting, inform Shareholders, in a clear and concise manner, about the procedures to be used in conducting the Meeting as well in exercising and counting their votes; and arrange that, for those agenda items involving multiple decisions, voting should be done separately for each respective decision accordingly.
11. In voting for the appointment of new Company Directors, Shareholders will have the opportunity to exercise their votes for each respective nominee separately and on an individual basis, with Shareholders being encouraged to make use of the voting slips supplied in casting their votes for each agenda item.
12. The Company allows Shareholders to join the Shareholders Meeting after it has started; whereby they have the right to exercise their votes only for those agenda items not yet considered and voted upon as at that point.
13. Those Shareholders not able to attend the Shareholders Meeting in person can exercise their votes by giving a power of attorney to an Independent Director or any other person considered as appropriate by them to attend the Meeting and vote on their behalf.
14. Ensure that the Company arranges to have an independent person be present at the Ordinary or Extraordinary Shareholders Meetings, in order to check and count the votes casted at these Meetings, and to announce the total vote counts in a clear and concise manner, which vote counts are to be recorded in the Minutes of the Meeting.
15. During the Meeting, no additional agenda items should be made to those already proposed and indicated in the Letter of Notification to attend the Shareholders Meeting; or any changes to any important information should be allowed — without informing all Shareholders sufficiently in advance prior to the Meeting.

After the Shareholders Meeting

16. Disclose to the general public, on the next working day, the resolutions of the Shareholders Meeting, together with the respective vote counts, for each agenda item - via the SET news network and the Company's website.
17. Distribute the VDO recording of the Shareholders Meeting via the Company's website.
18. Arrange to have the Minutes of the Shareholders Meeting (that summarises all the key discussions points, the questions submitted, the comments and clarifications made, and the vote exercising and counting process announced at the start of the meeting, together with names of those Directors attending or requesting a leave of absence from the Meeting) be completed and the submitted to the SET as well as posted on the Company's website within 14 days after the date of the Meeting.

2. EQUITABLE TREATMENT OF SHAREHOLDERS

The Company places great importance in each and every Shareholder Shareholders, regardless of sex, age, skin colour or race, nationality, religion, beliefs and opinions, or political convictions; whereby every Shareholder — both majority or minority Shareholders — are to be treated both on an equal basis and in an equitable manner, without showing any bias towards one group over another through disclosing to any one group information that is not yet disclosed to the other or made public.

To protect and ensure that the basic rights are afforded to all Shareholders in a fair manner and on an equal basis, the Company has these core governance policies:

1. Treatment of all Stakeholder Groups

- The Board of Directors oversees and has defined these policies in regards to the sale/purchase of the shares of the Company as well as to the use of inside information, in order to ensure that all Shareholders are treated in a fair manner and on an equal basis, and to prevent Directors or any involved members of Management from purchasing shares of the Company in an illegal manner for their personal gain or for the benefit of others.

1.1 Ownership of the shares of the Company

- Those holding the position as a Director and a member of Management are required to file a report of their ownership of Company shares to the SEC, at the

start of their term of office and also within 3 working days every time they make any purchase/sale of the shares of the Company; whereby all Directors and members of Management also have the responsibility to regularly disclose such equity holdings to the Board of Directors as required by the applicable laws and regulations, and such disclosed information must also be included in the Company's Annual Report.

- In the event that Directors, members of Management and Staff (including their spouses and children not yet of legal age) purchase or sell or transfer ownership of any shares of the Company, they must submit a report and disclose any transactions, relating to any changes in the ownership of the shares of the Company, to the regulatory organisation as required by the applicable laws and regulations.
- In order to prevent any occurrence of situations involving a possible conflict of interests, all Directors, members of Management and Staff (including their spouses and children not yet of legal age) are prohibited from purchasing or selling or transferring ownership of the shares of the Company during a 1 month-period prior to the respective release and disclosure of the Financial Statements of the Company.

1.2 Control Use of Inside Information

- The internal use and communication of any inside confidential information within the organisation for work purposes must be based only on the approved specific requirements of the assigned duties and responsibilities of those persons involved; whereby any other staff, not approved to do so or not directly involved with their work, are prohibited from communicating or disclose confidential Company-related or business information to others on a personal basis.
- Directors, members of Management and all staff are prohibited from making use of any inside information of any significant importance that have not yet been disclosed to the general public for personal gain or for the benefit of others; and are required to strictly observe the established Company regulations relating to both the safe-keeping and use of such information.
- Specific written guidelines and regulations have been established, as well as informed to everyone in the organisation, in regards to the safe-keeping and prevention of the use of inside information; whereby such regulations are required to be strictly observed.

POLICIES on GOOD COPORATE GOVERNANCE (Cont'd)

2. Oversight of Conflicts of Interests

The Company has as a core policy to operate its business in an honest, open and equitable manner as well as with integrity and full transparency, through requiring that all Directors, members of Management and Staff to strictly observe and adhere to these regulations:

- Not allowed to undertake or be involved any business that is in direct competition with that of the Company. Avoid undertaking any connected transactions in which they are directly involved or that is related to other individuals/legal entities that may then result in a possible conflict of interests with the Company.
- The Board of Directors is responsible for overseeing and ensuring that the Company operates its business strictly according to required procedures relating to undertaking connected transactions and associated information disclosures, and in full compliance with the relevant applicable laws and regulations by the regulatory organisations.
- In the event that any connected transactions need to be undertaken, it must be based on the applicable normal business conditions, as well as be in accordance with the established and approved conditions of the Board of Directors, and in a transparent and equitable manner as if the transaction is made with an outside party, keeping in mind the best interests of the Company.
- Directors are not allowed to participate in the consideration and approval of a proposed transaction in which they have a conflict of interests.
- In the event that a proposed connected transaction is not in accordance with the established and approved conditions of the Board of Directors and which will result in a conflict of interest, then it must be reviewed and concurred to by the Audit Committee before being submitted for consideration and approval by the Board of Directors and/or the Shareholders Meeting (as applicable).

3. Role of Stakeholders

The Company has defined its policies relating to corporate social responsibility, especially with regards to matters that will have an adverse impact on the Company's business operations, so that all persons involved and all Stakeholders can feel confident that the business activities of the Company always takes into considera-

tion any factors involving the development of both the environment and society as a whole.

As such, the Company has determined a set of regulations to be observed, as shown below, in regards to the required code of ethics and business conduct of the Board of Directors, the Management group and all Staff, so that all those involved can use them as a guideline for carrying out the business-related duties and activities, that involve the Company and all Stakeholders, in an honest and equitable manner; whereby the Company has placed great importance on all Stakeholder groups.

- **Shareholders:** The Company is committed to being a good representative of its Shareholders, in growing a business organisation in a stable manner, as well as in increasing the overall economic value added on a sustainable basis, together with disclosing any relevant information to its Shareholders in an accurate and transparent manner. Additionally, the Company encourages and supports its Shareholders to exercise their basic Shareholders rights, as well as take note of the various comments, opinions and suggestions related to the operation of the business received from the Shareholders.
- **Staff :** The Company considers its staff to be a valuable resource and a key factor in driving the Company forward and in achieving its success. Thus, the Company is committed to taking good care of and treating its employees in an appropriate and equitable manner in regards to their career opportunities, compensation plans, development of their potential, and their working environment, without taking advantage in the execution of the employment contracts. The Company also ensures that it determines and offers appropriate compensation, training and skills development opportunities, and further education to develop their full potential; as well as that all staff are well looked after.
- **Creditors :** The Company has defined measures and procedures to not infringe on the rights of its creditors; to act in strict accordance with all the requirements and conditions of the loans agreements made with its creditors; and to ensure that all required debt repayments (for both the principal amount and interest due) to creditors are made in full and on time. Moreover, the Company will not act in any unlawful or illegal manner towards all its creditors.

- **Customers and Clients** : The Company is committed to meeting the requirements of, to fully satisfying and taking good care of, and to being accountable to all its customers and clients. The Company also ensures that it provides services in accordance with the established standards, and treat all customer information as being confidential and not to disclose such information without prior approval. The Company has a specific group responsible for receiving and effectively dealing with customer complaints within established guidelines and procedures, so that they are resolved equitably and satisfactorily in a timely manner.
- **Competitors** : The Company operates its business within a positive, open and normal competitive business environment, through maintaining the required normal competitive business practices, and refraining from making use of any illegal or fraudulent means to access any confidential business information about its competitors and from destroying the reputation of its competitors through use of untrue accusations or malicious information.
- **Society, Communities, and the Environment** : The Company is committed to operating its businesses in an ethical and legal manner as well as through full compliance with all the relevant and applicable regulations. The Company is also committed to ensuring that its various business activities in no way causes any harm to the quality of life of society, the communities and the environment; to creating positive relationships and connection with the local communities in which it operates; and to regularly supporting all activities that are beneficial for local communities and the environment.
- **Public/Government Sector** : The Company cooperates with and supports all Government policies and initiatives that are beneficial for the country and conform to the applicable laws and regulations. The Company also agrees with the guidelines and participates in various projects relating to anti-corruption initiatives, as well as fully supports all activities that aim to instill in all staff and employees the need to always act in accordance with all relevant and applicable laws and regulations.

Policies Regarding Information Technology Security

- The use of information technology must primarily be for the purpose of efficient business operations; whereby all staff are required to comply to the need for achieving information technology security,

as well as to all relevant applicable laws and regulations, and to only use legally licensed software programmes. Additionally, all staff must not use the internet to search for any unlawful or immoral contents or those that violate any relevant applicable laws or regulations.

Policies on Respecting the Laws on Basic Human Rights

- The Company respects and supports the protection of basic human rights; as well as also respects and acts in accordance with the need to treat all Stakeholder groups in an equitable manner and without any prejudice or bias in regards to nationality, age or sex.

Policies Regarding Society, Communities and the Environment.

- The Company has policies to reinforce, in a positive manner, the full appreciation and recognition, throughout the organisation, of the need for showing responsibility towards society, communities and the environment. The Company has undertaken activities, targeted at those outside the organisation, to publically promote its policies and guidelines relating to its responsibility towards society, communities and the environment. This is in order to create both positive relations and attitudes towards, and to support the Company's various social activities; such as, accepting students of hotels business or operations from various schools and colleges as trainees to work in many hotels and resorts properties within the Centara Group, so as to give them learning opportunities. Additionally, the Company also supports the development of various projects aimed at assisting local communities, in an integrated manner, in regards to creating jobs that will enable its residents to be more self-reliant and to better take care of their families.

Moreover, the Company is fully committed to operating its businesses that fully conform to the applicable laws and other regulations in regards to issues concerning the surrounding environment. The Company reviews, closely monitors and assesses the environmental issues and impacts resulting from services provided by the Company's operations, with the aim of minimising such impacts and burdens to the surrounding environment; whereby various

POLICIES on GOOD COPORATE GOVERNANCE (Cont'd)

activities are undertaken to create full awareness of such issues on the part of all our staff, so that they will better understand their respective role and responsibilities in being directly responsible for and committed to both protecting and preserving the surrounding environment as well as the valuable natural resources on a sustainable basis.

Policies Relating to Anti-Corruption Guidelines

- The Company gives importance to the policies on anti-corruption and corrupt practices, whereby, in 2012, the Company joined as part of the Collective Action Coalition on Anti-Corruption Initiatives, including sending our officers to join in anti-corruption training seminars so as to regularly develop our knowledge and insights into these issues.
- The Company has established a system of internal controls together with a system of risks assessment and management that are effective and appropriate, that are aimed at preventing any possible fraudulent or irregular and inappropriate activities — both internally by our staff or externally by those outside the Company involved with the its operations.
- The Company promotes the values of being honest and accountable; it also encourages that these traits be integrated as part of the corporate culture of the Company, together with raising the level of awareness, on then part of the people within the organisation, that fraudulent actions are not desirable and should be avoided.
- The Company has established a system of reporting and disclosing the financial status of the Company, in a fully transparent and accurate manner as well as in full accordance with the generally accepted accounting standards.
- The Company has established channels of communications for use any staff or Stakeholders to act as informants in submitting any information, complaints, and suggestions on any suspicious or apparent possible fraudulent activities; whereby there are also measures in place to protect the rights and safety of such informants or 'whistle-blowers'.
- The Company has established measures to prevent the giving and/or receieving of any gratuities and

gifts, or any benefits and goods, or any entertainment or expenses, that are of an abnormal nature or in an irregular manner or against the law in specific countries and markets - as defined by the regulations of the Company.

- The Company has established measures to prevent the giving of any bribes in any form and in a direct or indirect manner, regardless of whether it is to facilitate the smooth implementation of a transaction or to enhance a business relationship.
- Any procurement or sourcing/supply of services and goods with a Government organisation must be carried out in a fully transparent and equitable manner, as well as in accordance with the established procurement procedures and all applicable laws and regulations.

Receiving Confidential Information and Complaints from Informants (or 'Whistle-Blowers')

The Company has established a channel to receive confidential information and/or complaints about any illegal or suspicious activities (that may result in internal fraud or irregularity on the part of the Company's staff) from informants, who may be a staff member or a Stakeholder, so as to facilitate more effective actions to be taken by those involved in overseeing and protecting the best interests of the Company.

In the event that any Stakeholder has any suspicions or witnesses any possible and suspicious actions that may violate any relevant and applicable laws and regulations or the established business ethics of the Company, he/she can submit such information together with any supporting information or documents in a fully confidential manner to:

The Audit Committee
Central Plaza Hotel pcl.
999/99 Rama 1 Road, Pathumwan,
Bangkok 10330.

The informant's rights will be fully protected in accordance with the law.

As such, during 2013, the Company has NOT had any disputes of any significance with any Stakeholders.

4. Information Disclosures and Transparency

1. Information Disclosures

The Company places great importance to regular, open, accurate, comprehensive, and timely communications, regardless of the fact that the information being communicated is positive or negative by nature. Thus, the disclosure of information by the Company is in full accordance with the established and applicable information disclosure procedures, regulations and requirements as specified by the SEC and SET

The processes for the disclosure of both important financial and non-financial information by the Company are as follows:

- Importance is given to the disclosure of both financial and non-financial information that is accurate, and comprehensive, as well as in a transparent and timely manner and with maximum coverage, so that all interested investors and Stakeholders can have regular access to credible and sufficient information to make investment decisions.
- Disclosure of Company-related information and news that will be of value and interest to minority Shareholders, institutional investors, securities analysts and the general public -both in Thailand and overseas - on an equal and equitable basis, as well as through various channels of communications. In order to achieve widespread coverage, such disclosure is done via the Company's website, the SET news network, quarterly reports on the operating performance of the Company and also in the Company's Annual Report.
- Disclosures of important information to the general public includes: The Annual Statement of the Company (Form 56-1); the Company's Annual Report (Form 56-2), financial reports, details of majority Shareholders; Shareholders rights in exercising their votes; details relating to the Company Directors and various Board Committees; required information disclosures to the SET; policy on dividend payments; the Company's report on good corporate governance policies and practices; business ethics and good busi-

ness conducts in the operations of the Company's business; and various activities undertaken by the Company and its business plans.

2. Persons Responsible for Disclosing Information

- The Chief Executive Officer (CEO), or person assigned by the CEO, is responsible for disclosing Company-related information to the general public, based on the established policies relating to the accuracy, comprehensiveness and timeliness of the information as well as to disclosing information in an equitable manner.
- The Company Secretary is responsible for the required disclosures of information to the SET and the SEC, as well as to Shareholders and investors.
- The member of the Senior Management responsible for financial and investor relations matters is responsible for giving information, as well as for responding to the questions or comments made by Shareholders, investors, securities analysts and the general public that involve financial information, operating performance results, business structure, corporate policies and strategies, business and investment plans, new projects in progress, Shareholders structure, as well as any key factors that may have an impact on the business operations of the Company.
- The member of Senior Management responsible for marketing and public relations matters is responsible for giving information and responding to questions from the press and media and the general public that involve marketing plans and activities of the Company. Additionally, in any major event involving the Company, the PR Group must coordinate with the involved business unit to obtain relevant and accurate information, so that such information can be released, within the specific scope assigned, to the press and media for clarification,
- Those persons not responsible for or assigned by the Chairman of the Company in disclosing information about the Company must not disclose any information which may adversely impact the image and reputation of the Company, as well as any information that may

POLICIES on GOOD COPORATE GOVERNANCE (Cont'd)

also have an impact on the share price of the Company.

3. EXTERNAL AUDITOR AND PREPARATION OF FINANCIAL REPORTS

The company has been audited by external Auditors, who are fully independent and possess the required qualifications, knowledge, expertise and experiences as specified, so that both the Board of Directors and the Shareholders can be confident that the audited Financial Statements of Company's and its Subsidiaries accurately reflect the true financial status and financial performance results.

The Board of Directors places great importance on and is responsible for the Financial Statements of the Company and its Subsidiaries, that are prepared, with all due care and in a comprehensive manner, in accordance with generally accepted accounting principles and standards, as well as are based on appropriate and correct accounting policies, so as to accurately reflect the actual operating results of the Company.

The Board of Directors has arranged for reporting and adequate disclosure of important operating results and financial information of the Company in a transparent manner to the involved parties, as required and on a regular basis; namely : SEC and SET. This is so that the information is of value and interest to all Shareholders and investors.

Additionally, the Board of Directors has established the Audit Committee to be responsible for reviewing the accuracy and creditability of the financial reports. The Audit Committee is also responsible for reviewing and ensuring that the existing system of internal controls is both appropriate and adequate, so that the Board can be confident that the Financial Statements are correct and credible.

4. IMPORTANT INFORMATION

- The Company will not disclose or give out important information that has not been made public to members of its staff, who are not authorised to have access to such information, nor to any investors, securities analysts and the press and media till such time as such information has been released to the general public. In the event that any such information, that should not yet have been disclosed, is mistakenly disclosed, then the Company will ensure that the same information is released to the general public immediately and without delay.

- The Company's staff is responsible for the secure and safe-keeping of any confidential inside Company-related information, together with confidential information relating to business partners, customers and Shareholders and Stakeholders; whereby he/she is prohibited from disclose and make use for personal gains any such confidential information that is part of carrying out his/her duties, as well as to exercise all due care in giving out such information or express an opinion about such information without being authorised or assigned to do so.

Investor Relations (IR)

The Board of Directors is fully aware that both important financial and non-financial information of the Company will have an impact on the decision of investors and Stakeholders; it has therefore ordered that the members of Management must ensure that any required information disclosures must be done in a comprehensive, credible, regular and timely manner; whereby the Management group has always given great importance to this matter and adhered to these requirements.

In regards to Investor Relations activities, the Company has established a special IR unit responsible and has assigned the SVP - Finance and Administration together with the staff of the IR unit to be responsible for contacting institutional investors, Shareholders, securities analysts, as well as any involved Government/Public Sector organisations. Additionally, interested investors can also contact and request relevant information directly from the IR Unit at the following contact number/email — *Tel. 66(0) 2769-1234 extn.6640; or e-mail address siwichayali@chr.co.th*

During 2013, members of the Company's Senior Management together with the IR Unit undertook various investor relations-related activities as follows:

1. SET Opportunity Day events for listed companies, meeting with interest investors to present the Company's Quarterly operating performance results,
2. Company visits by securities analysts and investors, to meet Senior Management of the Company and the IR Unit as well as to discuss and obtain investors-related information; with these visits being arranged in advance by appointment. (70 visits)
3. Meetings with small groups of securities analysts (4 times)
4. Face-to-face interviews and conference calls (469 times)

5. Investor Road Shows — locally and overseas (15 trips)

5. DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS OF THE COMPANY

Structure and Composition of the Board of Directors

The Board of Directors of the Company comprises of 11 Directors

- Executive Directors 2 persons
- Non-Executive Directors 5 persons
- Independent Directors 4 persons

Board Committees

The Company has established both the Board of Directors and various Board Committees to assist the Board in overseeing the business operations as follows:

1. **The Audit Committee** : Comprising of 4 Directors who are Independent Directors, whereby Mr. Kanchit Bunajinda is an Independent Director possessing knowledge about accounting and finance; thus he is appointed as a member of the Audit Committee.
2. **Nomination and Compensation Committee** : Comprising of 5 Directors, responsible for defining the criteria and policies regarding the proposed remuneration, as necessary and appropriate, for the Board of Directors and the various Board Committees as well as members of the Senior Management group, which are submitted to the Board of Directors for review/approval and/or proposing the Shareholders Meeting for final approval (as applicable)
3. **Risks Management and Governance Committee** : Comprising of 5 Directors, with the following duties and responsibilities;

3.1 Risks Management

1. Review the policies, strategies and organisation structure relating to the management of risks; and undertake activities to ensure that proposed strategies conform to the established acceptable level of risks (risk appetite) of the Company as well as comply with the requirements of the Stakeholders.
2. Support the activities of the respective Risks Management Committees at the operations level.
3. Monitor and assess the results and adequacy of the overall risks management activities within the

organisation.

4. Understand and able to effectively assess any potential risks factors that may adversely affect the achievement of the established objectives of the Company ; and ensure that such risks can be managed to be at the established acceptable level of risks.
5. Proposed recommendations and concur to any proposed risks management measures and activities to be implemented within the organisation.

3.2 Governance

Define and review policies relating to that any proposed policies, practices and procedures conform to the principles of good corporate governance.

Determine policies and activities plans relating to corporate social responsibility.

Meet and monitor the progress of planned good governance activities and social responsibility; make recommendations, as required, to the governance working group and undertake internal assessments so as to make any recommendation for further improvements.

Represent the Company in the dissemination of information— to the Management, Staff and external parties - relating to any Company activities relating to good governance

Separation of the Positions of the Chairman of the Board of Directors and the Chief Executive Officer

The Company has determined that the positions of the Chairman of the Board of Directors and the Chief Executive Officer positions are always vested in 2 separate and different persons; whereby there is a clear separation between the responsibilities in defining policies and monitoring the implementation of established policies and associated performance results from the responsibilities of management and implementation of the established policies.

The Chairman of the Board of Directors has the leadership role in ensuring that the Board of Directors discharges its responsibilities fully independent from any influence of the Management group; in determining agenda items to be considered at Board Meetings that are within the scope of responsibilities of the Board of Directors; as well as in chairing Board Meetings and Shareholders Meetings with the active support of all the Directors of the Board during such meetings.

POLICIES on GOOD COPORATE GOVERNANCE (Cont'd)

Company Secretary

The Company has assigned that the Company Secretary with the following duties:

1. Prepare and maintain for safe-keeping all documents relating to the Board of Directors and Shareholders, namely: Directors register, Letters of Notifications for Board Meetings and Shareholders Meetings; Minutes of Board Meetings and Shareholders Meetings, as well as the Annual Reports and Quarterly Financial Statements of the Company.
2. Maintain reports relating to declarations of vested interests submitted by Directors and members of Management of the Company.
3. Advise Directors on the relevant applicable laws and regulations relating to the required activities and responsibilities of Directors.
4. Undertake other activities as assigned by the Board of Directors

As at 31 December 2013, the Company Secretary is Dr. Ronnachit Mahattanapruet, who is well-experienced and possesses all the required qualifications to be appointed to this position, with details as follows:

Name	Dr. Ronnachit Mahattanapruet
Position	<ul style="list-style-type: none"> • SVP , Finance and Administration and Corporate Secretary
Age	<ul style="list-style-type: none"> • 57 yrs
Academic qualifications	<ul style="list-style-type: none"> • Ph. D Business Administration, Suan Dusit Rajaphat Univeristy • Masters of Business Administration, Thammasart University • Bachelor of Accountancy, Thammasart University
Attended Courses and programmes at the Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> • Certificates from courses attended from the Thai IOD
Professional experience	<ul style="list-style-type: none"> • Director for Finance and Strategic Planning, Prasit Pattana plc.
Other positions	<ul style="list-style-type: none"> • Activities Promotions Committee Member, Chandrakasem Rajabhat University

The Board of Directors has defined clear measures for the strict oversight and proper management of any transactions involving situations of possible conflict of interests, through establishing policies and procdures to be used and strictly observed in approving such transactions. The Audit Committee is required to initially review any proposed connected transactions of any significant importance that is beyond the scope of authority of the Executive Committee and to submit its recommendations to the Board of Directors, who will then carefully consider the appropriateness of undertaking such transactions based on the best interests of the Company as a whole. Those Directors having vested interests will not participate in the Meeting and discussions on any such transactions, as well as will not be entitled to vote on the matter.

The Board of Directors has also defined measures and procedures for disclosures of information and declarations by any Directors, members of Management and any other involved parties who have vested interests in any proposed transactions, which disclosures are to be submitted by the 31st of December of every year; whereby the Company Secretary is responsible for collecting such information and submitting a summary report to the Board of Directors accordingly.

CORPORATE GOVERNANCE

CONNECTED TRANSACTIONS

As of December 31, 2013 the Company and its Subsidiaries undertook various “connected” transactions with related companies and/or other parties who may have potential conflict of interests, whereby these are considered normal commercial transactions and have been approved as “connected transactions” within the normal operational authorization procedures of the Company. Details are as shown on the attached document.

PROCEDURES AND PROCESS IN APPROVING CONNECTED TRANSACTIONS

As a listed company on the Stock Exchange of Thailand (SET) since 1990 (BE 2533), we have always been appreciative and aware of the need for full and transparent disclosure of any information as well as activities regarding any connected transactions. Therefore, the Board of Directors and Audit Committee ensure that the transaction is in compliance with the relevant law, regulations, and rules. A clear policy of connected business is set, price and condition are deliberated in accordance with normal business practice, the related transaction is occasionally summarized for the Audit Committee, the approval is sought under the regulations of Securities and Exchange Commission (“SEC”) and the information is disclosed to Stock Exchange of Thailand (“SET”).

As for any connected transactions that may take place in the future, the Company has instructed that the Audit Committee undertake a review and approve all such transactions, which must be undertaken only as necessary and with all reasonableness, whereby any payments received from or o related parties must be accordance with standard market practices as well as must be equitable to all parties concerned and fully transparent.

POLICIES AND GUIDELINES FOR UNDERTAKING CONNECTED TRANSACTIONS

The Company has a policy to undertake commercial transactions with related parties who may be a potential conflict of interest that are only part of the normal business activities of the Company, whereby it is required that all such transactions be undertaken within normal accepted business practices and at commercial terms that are no different than those transactions undertaken with outside third parties.

At the Board Meeting (No 4/2003) on November 13, 2003 the Company established specific policies and procedures for the approval of such connected transactions, whereby the must follow the normal approval process as used for any other business transactions — except that those Directors or Executives who themselves (or who are related to those who) are involved in the transaction being considered for approval must not approve such transactions.

Further, in the event that such the transaction comes up for consideration, full disclosure of their involvement must be made to the Board for review; and such Directors or Executives will have no right to exercise their approval accordingly. The Board must also comply with all the legal requirements of the Securities Laws and the SET as well as with the regulations, announcements and instructions or procedures of SET.

Thus, in undertaking a connected transaction by the Company with a party who may have a potential conflict of interest or who may have some other vested or possible conflict of interest in the future, then the Company requires that the Audit Committee must give its opinion as to the necessity and appropriateness of such transaction. Should the Audit Committee not have the specific expertise in reviewing any such possible connect transaction, then the Audit Committee must get an independent expert or the external auditor of the Company to give their opinion that transaction, which will then be used as part of the decision process (of the Audit Committee or the Shareholders) in approving that connected transaction accordingly.

Further, in disclosing a connected transaction the Company must comply with all the legal requirements of the Securities Laws and the SET as well as with the regulations, announcements and instructions or procedures of the SET together with the required general accounting practices with regards to the disclosure of details concerning any related parties or businesses.

CORPORATE GOVERNANCE

CONNECTED TRANSACTIONS (Cont'd)

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
1. Thai Business Fund 4			
<p>Relationship:</p> <p>1. Common Majority Shareholders : Chirathivat Group</p> <p>2. Thai Business Fund 4 has Central Pattana plc. & Subsidiary Companies owning 50% of the total investment Units (or 100% of the Investment Units Type C (owner type); whereby the Chirathivat Group is the majority shareholders in Central Pattana plc.</p>	<p>A Subsidiary Company, Central World Hotel Co., Ltd. (CGCW), subleased land and buildings relating to the hotels facilities from Thai Business Fund 4 in order to operate its hotel and associated business activities, with CGCW paying the leasehold rights fees in advance as well as annual rental fees payable to the Thai Business Fund throughout the term of the lease.</p>	15.75	At the AGM 1/2004 considered the matter, with the opinion that the proposed transaction was reasonable and for the best benefit of the Company; whereby the proposed charges are in line with market rates as well as normal terms and conditions.
	<p>A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) rents retail space within the Central World from the Central World Co. Ltd. for use in its restaurants and retail food services businesses with rental fees paid in advance and the monthly services fees (calculated on a sq.m basis) payable. The rental fees, payable in advance to the Thai Business Fund 4 are based on rental rates that are clearly defined.</p>	23.90	
2. Central Department Store Co., Ltd.			
<p>Relationship:</p> <p>1. Common Majority Shareholders : Chirathivat Group</p> <p>2. Common Directors</p>	<p>A Subsidiary Company, Central Sukhontha Hotel Co.,Ltd. (CSH), has executed a space rental and services agreement with the Central Department Store Co., Ltd. (Hat Yai branch) with a 30 year term; whereby the Central Department Store Co., Ltd. (Hat Yai branch) rents part of the CSH facilities and buildings to operate a shopping complex with CSH receiving both rental and service fees in advance.</p>	41.02	At the AGM 1/2004 considered the matter, with the opinion that the proposed transaction was reasonable and for the best benefit of the Company; whereby the proposed charges are in line with market rates as well as normal terms and conditions.
	<p>Central Plaza Hotel plc. and subsidiary companies purchases goods from the Central Department Store Co., Ltd. in providing services to its hotel guests.</p>	0.56	The opinion that the seller is selling quality goods with the agreed prices being in line with market rates and that the proposed transaction is reasonable.
	<p>A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) rents retail space within the Central World from the Central Department Store Co. Ltd. for use in its restaurants and retail food services businesses The rate of rental and service charge are calculated on a sq.m basis per month (Or as a percentage of sales) which have a clearly defined rental fees and agreement term.</p>	25.01	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company.
	<p>The Central Plaza Hotel plc. provides F & B services to the Central Department Store Co., Ltd.</p>	0.64	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company.

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
3. Tiang Chirathivat Co., Ltd.			
Relationship:	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) rents retail space in the Central Silom Building from Tiang Chirathivat Co., Ltd. for use as its Head Office.	24.37	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			
	The Central Plaza Hotel plc. provides F & B services to Tiang Chirathivat Co., Ltd.	0.87	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
4. Central Pattana Plc.			
Relationship:	A Subsidiary Company, Central World Hotel Co., Ltd. rents space and parking facilities in the Office Building, from Central Pattana plc., for use by its clients in holding various meetings and promotional exhibitions events.	66.92	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			
	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents space in the Central World commercial complex to sell food and drinks.	245.14	
	The Central Plaza Hotel plc. sells hotel rooms and provides F & B services to Central Pattana plc.	2.25	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
5. Central Online Co., Ltd.			
Relationship:	These Group Companies purchase IT/computer products and accessories from Central Online Co., Ltd.		The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with the normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for the Company.
1. Common Majority Shareholders : Chirathivat Group	- Central Plaza Hotel plc.	2.29	
2. Common Directors	- Central Restaurants Group Co., Ltd. (CRG)	10.28	

CONNECTED TRANSACTIONS (Cont'd)

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
6. Central Trading Co., Ltd.			
Relationship:	Central Plaza Hotel plc. and Subsidiary Companies purchase electronic equipment/machines (ie: cash registers, calculators and related accessories) for use in its business operations from Central Trading Co., Ltd.	1.20	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with the normal procurement regulations and procedures.
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			
	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space space from Central Trading Co., Ltd. to sell food and drinks.	11.47	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates and that the purchase is in accordance with the normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for the Company.
	The Central Plaza Hotel plc. provides F & B services to Central Trading Co., Ltd.	0.48	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
7. Power Buy Co.,Ltd.			
Relationship:	Central Plaza Hotel plc. and Subsidiary Companies purchase electrical products (eg: audio systems speakers, digital cameras, DVD players) from Power Buy Co.,Ltd.	1.35	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with the normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for the Company.
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			
8. Harg Central Department Store Co., Ltd.			
Relationship:	These Group Companies purchase electronic equipment, office equipment, as well as legal and business information consulting services, and rent retail space from HARG Central Department Store Co., Ltd.		The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices as well as services and rental charges being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable with maximum benefits for the Company.
1. Common Majority Shareholders : Chirathivat Group	- Central Plaza Hotel plc.	12.55	
2. Common Directors	- Central Restaurants Group Co., Ltd.	6.55	
	The Central Plaza Hotel plc. provides banquet rooms and services to the Harg Central Department Store Co., Ltd.	0.44	

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
9. Office Club (Thailand) Co., Ltd.			
Relationship:	These Group Companies purchase office equipment and stationery from Office Club (Thailand) Co., Ltd.		The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable with maximum benefits for the Company.
1. Common Majority Shareholders : Chirathivat Group	- Central Plaza Hotel plc.	0.95	
2. Common Directors	- Central Restaurants Group Co., Ltd.	3.02	
10. Post Publishing Plc.			
Relationship:	These Group Companies purchase newspaper and print advertising space from Post Publishing Plc. for use by its hotel guests and food services clients		The Audit Committee reviewed the matter and is of the opinion that the agreed process are in line with market rates, and that the purchase is in accordance with the normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for the Company.
1. Common Majority Shareholders : Chirathivat Group	- Central Plaza Hotel plc.	7.61	
2. Common Directors	- Central Restaurants Group Co., Ltd.	8.42	
	The Central Plaza Hotel plc. sells hotel rooms and provides F & B services to the Post Publishing Plc.	0.25	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
11. Central Food Retail Co., Ltd.			
Relationship:	Central Plaza Hotel plc. and Subsidiary Companies purchase goods from Central Food Retail Co., Ltd. for use by its hotel guests and customers.	5.54	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates and that the purchase is in accordance with the normal procurement regulations and procedures.
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			
	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in TOPS Supermarket from Central Food Retail Co., Ltd. to sell food and drinks.	2.57	Both the rental and services charges are in line with market rates as well as appropriate to the location and proposed services, and that transaction is reasonable.
	Central Plaza Hotel plc. and Subsidiary Companies sells hotel rooms and rents meeting facilities as well as provides F & B services to Central Food Retail Co., Ltd.	0.02	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.

CORPORATE GOVERNANCE

CONNECTED TRANSACTIONS (Cont'd)

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
12. Central Realty Service Co., Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	Central Plaza Hotel plc. uses public utilities services provided by Central Realty Service Co., Ltd. Central Restaurants Group Co., Ltd. (CRG), rents commercial space from Central Realty Service Co., Ltd. to sell food and drinks.	0.14 1.34	The Audit Committee reviewed the matter and is of the opinion that both the aged rental and services charges are in line with market rates as well as appropriate for the location and the proposed services, and that the proposed transactions are reasonable.
13. Central World Co., Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in Central World Complex from Central World Co., Ltd. to sell food and drinks, with rental fees paid in advance and also monthly service fees (calculated on per sq.m basis) payable. The Central Plaza Hotel plc. provides F & B services to Central World Co., Ltd.	23.12 0.10	The Audit Committee reviewed the matter and is of the opinion that both the rental and services charges are in line with market rates as well as appropriate for the location and the proposed services, with the rental agreement terms and charges clearly defined, and that the proposed transaction is reasonable with maximum benefits for the Company. The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
14. Bangna Central Property Co., Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in Central Bangna Complex from Bangna Central Property Co., Ltd. to sell food and drinks.	17.06	The Audit Committee reviewed the matter and is of the opinion that both the rental and services charges are in line with market rates as well as appropriate for the location and the proposed services, with the rental agreement terms and charges clearly defined, and that the proposed transaction is reasonable with maximum benefits for the Company.
15. Robinson Department Store Plc.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in the Robinson shopping complex from Robinson Department Store Plc. to sell food and drinks	47.87	The Audit Committee reviewed the matter and is of the opinion that both the rental and services charges are in line with market rates as well as appropriate for the location and the proposed services, with the rental agreement terms and charges clearly defined, and that the proposed transaction is reasonable with maximum benefits for the Company.

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
15. Robinson Department Store Plc.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	Central Plaza Hotel plc. and Subsidiary Companies sells hotel rooms and rents meeting facilities as well as provides F & B services to Robinson Department Store Plc.	0.00	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
16. Royal Porcelain Co., Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	The Central Plaza Hotel plc. purchase products from Royal Porcelain Co., Ltd. from B2S Co., Ltd.	0.02	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable.
17. Central Retail Corporation Co., Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	Central Retail Corporation Co., Ltd. provides business planning consulting and warehousing services to a Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG).	1.11	The Audit Committee reviewed the matter and is of the opinion that the services provider is both capable and well-experienced in warehousing management, the services fees charged are in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for Company.
18. CRC Power Retail Co., Ltd.			
Relationship: 1. Common Directors	These Group Companies purchase equipments and various components parts (eg: aluminum ladders, carts and trolleys, and hand dryers) for use in its F&B/food services outlets from CRC Power Retail Co., Ltd. - Central Plaza Hotel plc. - Central Restaurants Group Co., Ltd.	0.26 2.31	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for the Company.

CORPORATE GOVERNANCE

CONNECTED TRANSACTIONS (Cont'd)

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
19. Big C Supercenter plc.			
Relationship: 1. Common Directors	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in BIG C shopping centers from Big C Supercenter plc. to sell food and drinks	451.98	The Audit Committee reviewed the matter and is of the opinion that both the rental and services charges are in line with market rates as well as appropriate for the location and the proposed services, with the rental agreement terms and charges clearly defined; and that the proposed transaction is reasonable with maximum benefits for the Company.
	The Central Plaza Hotel plc. and Subsidiary Companies provide F & B services to Big C Supercenter plc.	1.40	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
20. TT & T plc.			
Relationship: 1. Common Directors	The Central Plaza Hotel plc. uses telecommunications and related services provided by TT&T Plc.	0.19	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
21. B2S Co., Ltd.			
Relationship: 1. Common Directors	The Central Plaza Hotel plc. purchase writing and stationery products from B2S Co., Ltd.	0.03	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures; and that the proposed transaction is reasonable.
22. CRC Sport Co., Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	Central Plaza Hotel plc. and subsidiary companies purchases goods from the CRC Sport Co., Ltd. in providing services to its hotel guests.	0.03	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for the Company.
	Central Plaza Hotel plc. and Subsidiary Companies sells hotel rooms to CRC Sport Co., Ltd.	0.01	

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
23. Central Marketing Group Intertrade Co. Ltd.			
Relationship:	The Central Plaza Hotel plc. and Subsidiary Companies purchase merchandise from Central Marketing Group Co. Ltd.		The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures; and that the proposed transaction is reasonable.
1. Common Majority Shareholders : Chirathivat Group		0.06	
2. Common Directors	- Central Plaza Hotel plc. - Central Restaurants Group Co., Ltd.	0.91	
24. Central Food Avenue Co., Ltd.			
Relationship:	Central Plaza Hotel plc. purchases food and drinks from Central Food Avenue Co., Ltd.	0.04	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable.
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			
25. CG Training Center Co., Ltd.			
Relationship:	The Central Plaza Hotel plc. and Subsidiary Companies provide F & B services to CG Training Center Co., Ltd.	0.01	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			
26. Central Embassy Hotel Co., Ltd.			
Relationship:	The Central Plaza Hotel plc. and Subsidiary Companies sell hotel rooms and provide F & B services, at market prices, to Central Embassy Hotel Co., Ltd.	0.21	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			
27. Officemate PCL.			
Relationship:	The Central Plaza Hotel plc. purchase products from Officemate plc.	0.21	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable.
1. Common Majority Shareholders : Chirathivat Group			
2. Common Directors			

CORPORATE GOVERNANCE

CONNECTED TRANSACTIONS (Cont'd)

RELATED COMPANIES	TRANSACTION DETAILS	FOR THE YEAR 2013 (BAHT MILLION)	FACTS AND REASONS
28. CRG Manufacturing Co.,Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	The Central Plaza Hotel plc. purchase products from CRG Manufacturing Co.,Ltd.	0.32	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable.
29. CRC Thai Watsadu Co, Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	The Central Plaza Hotel plc. purchase products from CRC Thai Watsadu Co, Ltd.	1.03	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable.
30. CPN Pattaya Beach Hotel Co., Ltd			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	Central Plaza Hotel pcl. and its subsidiaries rent consignment area from CPN Pattaya Beach Hotel Co., Ltd for selling food and beverage. The rate of rental and service charge are calculated on a sq.m basis per month (Or as a percentage of sales) which have a clearly defined rental fees and agreement term.	3.43	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
31. Central Life Broker Co., Ltd.			
Relationship: 1. Common Majority Shareholders : Chirathivat Group 2. Common Directors	Central Plaza Hotel pcl. and its subsidiaries purchase group insurance for employees from Central Life Broker Co., Ltd. The premium rate is calculated based on the value of insurance premiums and coverage received.	0.82	The Audit Committee have reviewed the matter and is of the opinion that the proposed insurance premiums are the same as for normal clients; and that the proposed transactions are reasonable.

Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
1. Central Hua Hin Beach Resort Co., Ltd. 1 Damnernkasem Road, Hua Hin, Prachuab-Khirikhan Tel. : (032) 512-021 Fax : (032) 511-099	Centara Grand Beach Resort & Villas Hua Hin (248 rooms)	1,850,000 shares, at par 100 Baht each	1,183,104 shares	63.9%
2. Central Samui Hotel Management Co., Ltd. 38/2 Moo 3 Tambon Bophut, Koh Samui, Suratthani Tel. : (077) 230-500 Fax : (077) 230-522	Centara Grand Beach Resort Samui (203 rooms)	12,500 shares at par 100 Baht each	12,493 shares	100.0%
3. Central Samui Beach Resort Co., Ltd. 38/2 Moo 3 Tambon Bophut, Koh Samui, Suratthani Tel. : (077) 230-500 Fax : (077) 230-522	Centara Grand Beach Resort Phuket (262 rooms)	2,500,000 shares at par 100 Baht each	2,499,994 shares	100.0%
4. Central Samui Village Co., Ltd. 111 Moo 2 Tambon Maret, Koh Samui, Suratthani Tel. : (077) 424-020 Fax : (077) 424-022	Centara Villas Samui (102 rooms)	550,000 shares at par 100 Baht each	549,994 shares (Owned by Central Samui Beach Resort Co., Ltd.)	100.0%
5. Central Hotel Management Co., Ltd. 1695 Paholyothin Road, Chatuchak, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Holding Company	2,500,000 shares at par 100 Baht each	2,499,993 shares	100.0%
6. Central Sukhontha Hotel Co., Ltd. 3 Sanehanusorn Road, Had Yai, Songkla Tel. : (074) 352-222 Fax : (074) 352-223	Centara Hotel Hat Yai (Formerly is Novotel Centara Hat Yai) (248 rooms)	1,450,000 shares at par 100 Baht each	1,449,994 shares (Owned by Central Hotel Management Co., Ltd.)	100.0%
7. Central Karon Village Co., Ltd. 701 Patak Road, Tambon Karon, Muang, Phuket Tel. : (076) 286-300 Fax : (076) 286-316	Centara Villas Phuket (72 rooms)	375,000 shares at par 100 Baht each	374,994 shares	100.0%
8. Central Mae Sot Hill Hotel Co., Ltd. 100 Asia Road, Mae Sot, Tak Tel. : (055) 532-601 Fax : (055) 532-600	Centara Mae Sot Hill Resort (120 rooms)	190,000 shares at par 1,000 Baht each	186,996 shares (Owned by Central Hotel Management Co., Ltd.)	98.4%

GENERAL INFORMATION OF BUSINESS HELD

BY THE COMPANY 10% UPWARD

Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
9. Central Krabi Bay Resort Co., Ltd. 396-396/1 Moo 2 Tambon Ao Nang Muang, Krabi Tel. : (075) 637-789 Fax : (075) 637-800	Centara Grand Beach Resort & Villas Krabi (193 rooms)	5,000,000 shares at par 100 Baht each	4,999,993 shares	100.0%
10. Karon Phuket Hotel Co., Ltd. 502/3 Patak Road, Tambon Karon, Muang, Phuket Tel. : (076) 396-200-5 Fax : (076) 396-491	Centara Karon Resort Phuket (335 rooms)	5,200,000 shares at par 100 Baht each	5,164,000 shares	99.3%
11. Kata Phuket Hotel Co., Ltd. 54 Kedkwan Road, Tambon Karon, Muang, Phuket Tel. : (076) 370-300 Fax : (076) 333-462	Centara Kata Resort Phuket (158 rooms)	1,200,000 shares at par 100 Baht each	600,000 shares	50.0%
12. Central World Hotel Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 100-1234 Fax : (02) 100-1235	Centara Grand & Bangkok Convention Centre at CentralWorld (512 rooms)	20,000,000 shares at par 100 Baht each Paid up of 100 Baht and 80 Baht per share for 10,000,000 shares each	19,999,993 shares	100.0%
13. Central Laundry Services Co., Ltd. 1695 Paholyothin Road, Chatuchak, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Dormant Company	15,000 shares at par 100 Baht each	14,994 shares (Owned by Central Hotel Management Co., Ltd.)	100.0%
14. Central Koh Kood Hotel Co., Ltd. 1695 Paholyothin Road, Chatuchak, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Dormant Company	1,200,000 shares at par 100 Baht each	1,199,993 shares	100.0%
15. Triplenine Decor Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Dormant Company	800,000 shares at par 100 Baht each	799,994 shares	100.0%
16. S.P. Realty Lanta Beach Co.,Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	360,000 shares at par 100 Baht each	359,994 shares (Owned by Central Krabi Bay Resort Co., Ltd.)	100.0%

Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
17. S.P. Realty Pattaya Beach Co.,Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	800,000 shares at par 100 Baht each	799,993 shares	100.0%
18. S.P. Realty Hadfarang Resort Co.,Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	885,000 shares at par 100 Baht each	884,994 shares	100.0%
19. Centara International Management Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Holding Company and Hotel Management	1,500,000 shares at par 100 Baht each	1,499,996 shares	100.0%
20. R.M.L. LEISURE Pvt. Ltd. (Formerly is Regent Maldives Pvt. Ltd.) 4 th Floor Rowville, Fareedhi Magu Maafannu, Republic of Maldives Tel : + 960 330 6566 Fax : + 960 330 9796	Centara Grand Island Resort & Spa Maldives (112 Suites & Villas)	17,990 shares at par of US\$ 778.21 per share	13,312 shares (Owned by Centara International Management Co., Ltd.)	74.0%
21. Cenvaree Healthy Spa Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	10,000 shares at par 100 Baht each	9,994 shares	100.0%
22. Central Bangkok Convention & Exhibition Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	10,000 shares at par 100 Baht each	9,994 shares	100.0%
23. Centara International Management (Thailand) Co., Ltd. (Formerly is Centara Thai Hotel Management Co., Ltd.) 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Hotel Management	1,000,000 shares at par 100 Baht each Paid up of 25 Baht per share	999,997 shares	100.0%
24. Centara Maldives Pvt. Ltd. 2 nd Floor (Eastwing), AAGE Henveiru, Male 20094 Republic of Maldives Tel : + 960 333 3644 Fax : + 960 331 5453	Centara Ras Fushi Resort & Spa Maldives (140 Suites & Villas)	20,000,000 shares at par of US\$ 1 per share	15,000,000 shares (Owned by Centara International Management Co., Ltd.)	75.0%

GENERAL INFORMATION OF BUSINESS HELD

BY THE COMPANY 10% UPWARD (CONTINUED)

Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
25. Central Restaurants Group Co., Ltd. 306 Silom Road, Suriyawong Bangrak, Bangkok Tel. : (02) 635-7930-9 Fax : (02) 635-7940-1	Franchisee of "KFC", Mister Donut, Auntie Anne's, Pepper Lunch, Beard Papa, Chabuton, Cold Stone Creamery, Ryu Shabu Shabu, Yoshinoya, The Terrace and Tenya	6,200,000 shares at par 100 Baht each	6,199,991 shares	100.0%
26. CRG Manufacturing Co., Ltd. 55/18 Moo 13 Paholyothin Road, Tambon Klong Neung, Klong Luang, Pathumthani Tel. : (02) 909-2277-9 Fax : (02) 529-4900	Manufacturer of ice cream	16,000,000 shares at par 10 Baht each	15,999,994 shares (Owned by Central Restaurants Group Co., Ltd.)	100.0%
27. CRG International Food Co., Ltd. 240/35 Ayothaya Tower Building, Soi Ratchadaphisek 18, Ratchadaphisek Rd, Huaykwang, Bangkok Tel. : (02) 274-1724-27 Fax : (02) 692-6634	Japanese Restaurant "Ootoya"	1,797,600 shares at par 100 Baht each	1,797,591 shares	100.0%
28. Centara Import-Export Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	100,000 shares at par 10 Baht each	99,997 shares	100.0%
29. Cosi Hotels Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	300,000 shares at par 100 Baht each Paid up of 25 Baht per share	299,997 shares	100.0%
30. Cosi Hotel Management Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	50,000 shares at par 100 Baht each Paid up of 25 Baht per share	49,997 shares	100.0%

Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
<p>31. Centara Loyalty Marketing Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232</p>	Offer privileges for customer	50,000 shares at par 100 Baht each Paid up of 25 Baht per share	49,997 shares	100.0%
<p>32. Centara Learning Centre Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232</p>	Learning Centre	1,000,000 shares at par 10 Baht each Paid up of 2.5 Baht per share	999,996 shares	100.0%
<p>33. Thai Pattana Fund 2 21st -23rd Floor, Column Tower 199 Ratchadaphisek Road, Klongtoey, Bangkok 10110 Tel. : (02) 649-2000 Fax : (02) 649-2100</p>	Property Fund	81,500,000 units at par 10 Baht each	19,500,000 units (19,420,000 units owned by the Company and 80,000 units owned by subsidiaries)	23.9%
<p>34. Centara Hotels & Resorts Leasehold Property Fund 400/22 6th Floor, Kasikornbank Building Paholyothin Road, Samsen Nai, Phaya Thai, Bangkok Tel. : (02) 673-3999 Fax : (02) 673-3900</p>	Property Fund	320,000,000 units at par 10 Baht each	81,093,500 units	25.3%

CORPORATE GOVERNANCE

COMPANY'S GENERAL INFORMATION

Name	Central Plaza Hotel Public Company Limited
Type of Business	Service business — hotel, restaurants, food and beverages, etc.
Company registration no.	0107536001389 (Previously, Bor. Mor. Jor. 212)
Home Page	http://www.centarahotelsresorts.com

Share capital as at 31 December 2013

Registered:	Baht 1,350,000,000, comprising of 1,350,000,000 ordinary shares at par value of Baht 1 per share
Issued and fully paid:	Baht 1,350,000,000, comprising of 1,350,000,000 ordinary shares at par value of Baht 1 per share

Centara Hotels & Resorts Office

Address	999/99 Rama 1 Road, Pathumwan, Bangkok
Telephone	(02) 769-1234
Fax	(02) 769-1235

Centara Grand at Central Plaza Ladprao Bangkok Office

Address	1695 Paholyothin Road, Chatuchak, Bangkok
Telephone	(02) 541-1234
Fax	(02) 541-1087



CORPORATE GOVERNANCE INFORMATION OF DEBENTURES

Debenture	Credit Rating	Amount (M)	Issuance Date	Tenor (year)	Interest Rate	Collateral	Interest Payment Cycle	Maturity Date	Balance as at 31 December 2013
CENT176A	A	500	23/06/2553	7 years	4.65%	-	Quarterly	23/06/2560	500
CENT176B	A	500	05/07/2553	6 years 11 months 24 days	6 mFDR + 1.9%	-	6 months	29/06/2560	500
CENT163A	A	500	29/07/2554	4 Years 8 months	6 mFDR + 1.9%	-	6 months	29/03/2559	500
CENT163B	A	300	09/08/2554	4 Years 7 months	4.75%	-	Quarterly	09/03/2559	300
CENT169A	A	1,000	30/09/2556	3 years	4.02%	-	6 months	30/09/2559	1,000

Conditions of debentures issuance

1. The Company has to maintain interest - bearing debt to equity ratio of not more than 2 : 1 as at the ending period of each year, calculated from the consolidated financial statements.
2. The Company may not pay dividend to the shareholders of the company in the amount exceeding 60% of net profit in the year.

CORPORATE GOVERNANCE

OTHER REFERENCE FIRMS

Securities Registrar

Thailand Securities Depository Co., Ltd.
4th,6th - 7th Floor, 62 Stock Exchange of Thailand Building, Ratchadaphisek Road,
Klongtoey, Bangkok 10110
Tel. : (02) 359-1200-01
Fax : (02) 359-1259

Debenture Registrar

Siam Commercial Bank Public Co., Ltd.
Head Office 9 Rachadapisek Road, Chatuchak, Bangkok 10900
Tel. : (02) 544-1000

- "Debentures of Central Plaza Hotel Public Company Limited No. 2/2010 Due B.E. 2560" (CENTEL176A)
- "Debentures of Central Plaza Hotel Public Company Limited No. 3/2010 Due B.E. 2560" (CENTEL176B)

Bank of Ayudhaya Public Co., Ltd.
Head Office 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120
Tel. : (02) 296-3582

- "Debentures of Central Plaza Hotel Public Company Limited No. 1/2011 Due B.E. 2559" (CENTEL163A)
- "Debentures of Central Plaza Hotel Public Company Limited No. 2/2011 Due B.E. 2559" (CENTEL163B)

UOB Public Co., Ltd.
Head Office 191 South Sathorn Road, Sathorn Bangkok 10120
Tel. : (02) 343-3000

- "Debentures of Central Plaza Hotel Public Company Limited No. 1/2013 Due B.E. 2559" (CENTEL169A)

Auditor

PricewaterhouseCoopers ABAS Ltd.
By Khun Nattaporn Phun-Udom (Registration No. 3430)
15th Floor, Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120
Tel. : (02) 344-1000
Fax : (02) 286-5050

Legal Counselors

Weerawong, Chinnavat & Peangpanor Ltd.
22nd Floor, Mercury Tower, 540 Ploenchit Road,
Lumpini, Pathumwan, Bangkok 10330
Tel. : (02) 264-8000, (02) 657-2121
Fax : (02) 657-2222

Business Advisory (Thailand) Ltd.
15th Floor, Maneeya Center Building, 518/5 Ploenchit Road,
Pathumwan, Bangkok 10330
Tel. : (02) 255-8977-8, (02) 251-2285
Fax : (02) 254-4576

Credit Rating Company

Tris Rating Co., Ltd.
24th Floor, Silom Complex Building, 191 Silom Road, Bangkok 10500
Tel. : (02) 231-3011

Centara Hotels & Resorts

Corporate Management

Executive Advisor
Executive Advisor
Advisor to Chairman of the Board
Honorary Advisor to the Board

Maj. Gen. Krawee Sudasna Na Ayudhya
Prof. Viroj Lowhaphandu
Mr. Dan Chinsupakul
Mr. Gerd K. Steeb

HOTELS BUSINESS GROUP

Operations

Chief Executive Officer — CEO
Vice President — Operations
Vice President — Operations

Mr. Thirayuth Chirathivat
Mr. David R. Good
Mr. Michel Horn

Corporate Affairs & Social Responsibilities

Senior Vice President

Mrs. Supatra Chirathivat

Centara International Management

Vice President - Development

Mr. Suparat Chirathivat

Finance & Administration

Senior Vice President - Finance & Administration
Vice President - Procurement

Dr. Ronnachit Mahattanapreut
Mr. Thirakiati Chirathivat

Sales & Marketing

Senior Vice President

Mr. Chris Bailey

Human Resources

Vice President

Ms. Pattara Jongcharoenkulchai

General Manager

Centara Grand & Bangkok Convention Centre at CentralWorld
Centara Grand at Central Plaza Ladprao Bangkok
Centara Grand Beach Resort & Villas Krabi
Centara Grand Beach Resort Samui
Centara Grand Beach Resort & Villas Hua Hin
Centara Grand Mirage Beach Resort Pattaya
Centara Grand Beach Resort Phuket
Centara Grand West Sands Resort & Villas Phuket
Centara Grand Island Resort & Spa Maldives
Centara Grand Nusa Dua Resort & Villas
Centara Villas Samui
Centara Kata Resort Phuket
Centara Karon Resort Phuket
Centara Mae Sot Hill Resort
Centara Chaan Talay Resort & Villas Trat
Centara Hotel Hat Yai
Centara Duangtawan Hotel Chiang Mai
Centara Hotel & Convention Centre Udon Thani
Centara Hotel & Convention Centre Khonkaen
Centara Anda Dhevi Resort & Spa Krabi
Centara Watergate Pavillion Hotel & Spa Bangkok

Mr. Robert F. Maurer-Loeffler
Mr. Andre Brulhart
Mr. David Martens
Mr. Martin Heiniger
Mr. Jacques A.Mury
Mr. Robert Lohrmann
Mr. Darren Shaw
Mr. Andreas Korf
Mr. Voytek Klasicki
Mr. Pierre Lang
Mr. Timothy Rawlinson
Ms. Regina Salzmann
Mr. Austin Robinson
Mr. Pattavee Pongnontakul
Mr. Kris Vanitchnont
Mr. Opas Damrongkul
Mr. Boonchai Suwatsakulsawad
Mr. Chaiphun Thongsuthum
Mr. Patrick Tan
Mr. Sven Walter
Mr. Wim N.M. Fagel

CORPORATE GOVERNANCE CORPORATE MANAGEMENT

HOTELS BUSINESS GROUP (continued)

General Manager

Centara Pattaya Hotel
Centara Ras Fushi Resort & Spa Maldives
Khum Phaya Resort & Spa, Centara Boutique Collection
Nova Hotel & Spa Pattaya, Centara Boutique Collection
Chen Sea Resort & Spa Phu Quoc, Centara Boutique Collection
Centra Ashlee Hotel Patong
Centra Government Complex Hotel & Convention Centre Cheang Watthana
Waterfront Suites Phuket by Centara
Centara Ceysands Resort & Spa, Sri Lanka
Centara Passikudah Resort & Spa Sri Lanka
Centara Koh Chang Tropicana Resort
Centara Poste Lafayette Resort & Spa Mauritius
Centara Grand Azuri Resort & Spa Mauritius
Centara Grand Phratamnak Resort Pattaya
Sandy Beach Non Nuoc Resort Da Nang Vietnam, Managed by Centara
Centara Wuku Resort & Spa Bali
Centra Central Station Bangkok
The Blue Marine Resort & Spa Phuket, Managed by Centara
Centra Coconut Beach Resort Samui
Centara Grand Modus Resort & Spa Pattaya
Centara Seaview Resort Khao Lak

Mr. Jonas Sjostedt
Ms. Prapaijit Thongma
Mr. Jerome Sim
Mr. Jonas Sjostedt
Mr. Olivier Petit
Ms. Wilawan Chiammanasombut
Ms. Temsiri Kidchob
Mr. Austin Robinson
Mr. Alexandre Glauser
Mr. Alexandre Glauser
Mr. Pius Luechinger
Mr. John Dimon Bendtsen
Mr. John Dimon Bendtsen
Mr. Dominique Ronge'
Mr. Vatthanachai Phipatthongpanta
Mr. Dermot Gale
Mr. Asdang Sukwises
Mr. Scott Bowen
Mr. Khajohn Wimolcharoensuk
Mr. Panus (Alex) Jureeratana
Mr. Wayne Duberly

Resort Manager

Centara Grand Azuri Resort & Spa Mauritius
Centara Poste Lafayette Resort & Spa Mauritius

Mr. Ivan Catherine
Mr. Kevin Govinden

Hotel Manager

Centara Villas Phuket
Centara Grand Beach Resort Phuket
Centara Ceysands Resort & Spa, Sri Lanka
Centara Passikudah Resort & Spa Sri Lanka
Centra Taum Seminyak Bali

Ms. Chailai Khumsawad
Mr. Michael Gaarde — Nielsen
Mr. Sisira Senaratne
Mr. Michael Armstrong
Mr. Agus Suananda

*as of 17 February 2014

Centara Grand Azuri Resort & Spa Mauritius



Central Restaurant Group

Chief Executive Officer
Chief Operations Officer
VP Human Resources
VP Marketing Group
VP Business Development
VP Supply Chain Management
Director of Finance and Accounting

General Manager / Mister Donut
General Manager / KFC
General Manager / Auntie Anne's
President / Ootoya
General Manager / Pepper Lunch
General Manager / Chabuton
General Manager / Cold Stone Creamery
General Manager / The Terrace
General Manager / Yoshinoya
General Manager / Tenya
General Manager / CRG Manufacturing

Mr. Thiradej Chirathivat
Mr. Sucheep Tamacheepjareon
Mrs. Premhatai Phungbun na Ayuthaya
Mr. Takrit Sanitprachakorn
Mr. Nathapol Montolsophon
Mrs. Ampaipan Chirathivat
Mrs. Kalya Subhakornpichan

Mr. Kantapol Srisuwan
Mr. Chainarong Lerlertvanich
Mrs. Nongnapas Rumpuey
Mr. Wichai Charoenthanmanon
Mrs. Orawan Komolphanporn
Mr. Yasuto Togashi
Mrs. Wachiraporn Wanitchai
Ms. Charuedee Suktrakul
Mr. Pol Sridaeng
Ms. Ganoporn Pirawatanakul
Mr. Rastam Benraheem



CENTARA HOTELS & RESORTS

OVERSEA



CHIANG MAI

MAE SOT

UDON THANI

KHON KAEN

BANGKOK

PATTAYA

RAYONG

TRAT

HUA HIN

SAMUI

KRABI

PHUKET

HAT YAI

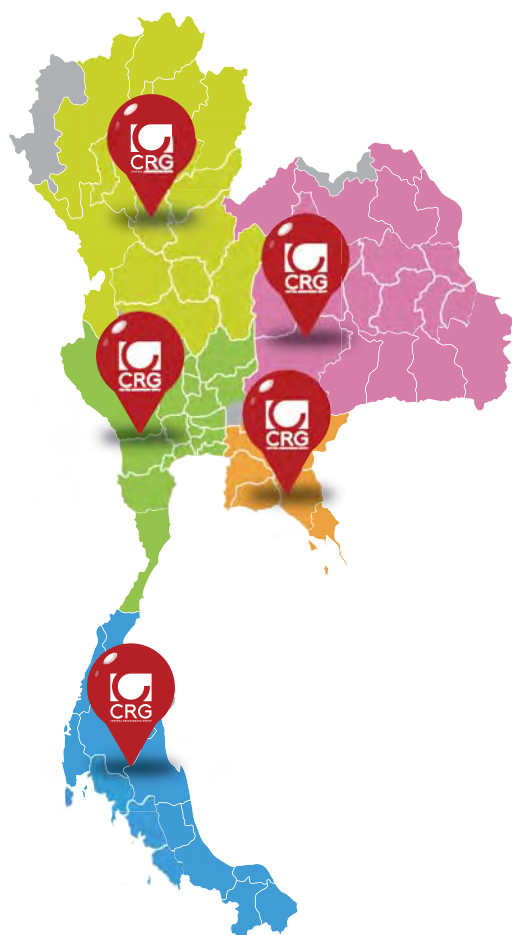
CENTARA
HOTELS & RESORTS
here for you

THAILAND

CENTRAL RESTAURANT GROUP (CRG)



Central Restaurant Group (CRG)
Operate restaurants in 68 provinces



NORTH 15 PROVINCES

Kamphaeng Phet	Phichit	Uttaradit
Tak	Phitsanulok	Chiang Rai
Nakhon Sawan	Lampang	Chiang Mai
Nan	Lamphun	Phetchabun
Phayao	Sukhothai	Phare

CENTRAL 18 PROVINCES

Bangkok	Ratchaburi	Angthong
Kanchanaburi	Lopburi	Saraburi
Chai Nat	Samut Prakan	
Nakhon Pathom	Samut Songkhram	
Nonthaburi	Samut Sakhon	
Pathum Thani	Singburi	
Prachuap Khiri Khan	Suphanburi	
Phra Nakhon Si Ayutthaya	Phetchaburi	

EAST 7 PROVINCES

Chanthaburi	Trat	Sa Kaeo
Chachoengsao	Prachinburi	
Chonburi	Rayong	

NORTHEAST 19 PROVINCES

Kalasin	Bungkan	Si Sa Ket	Udon Thani
Khon Kaen	Buri Ram	Sakon Nakhon	Ubon Ratchathani
Chaiyaphum	Maha Sarakham	Surin	Loei
Nakhon Phanom	Mukdahan	Nong Khai	Roi Et
Nakhon Ratchasima	Yasothon	Amnat Charoen	

SOUTH 14 PROVINCES

Krabi	Phatthalung	Ranong
Chumphon	Phuket	Narathiwat
Trang	Yala	
Nakhon Si Thammarat	Songkhla	
Pattani	Satun	
Phangnga	Surat Thani	

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Mister Donut



Auntie Anne's
PRETZEL PERFECTION

大塚
ごんぱん
OOTOYA

Pepper Lunch

しゃぶ屋とんかつ&焼
—CHABUTON—

YOSHINOYA
吉野家

COLD STONE
CREAMERY

The Terrace
restaurant

Ryu
SHARI SHARI

天ぷら
TEMPURA TENDON TENYA
—AMAGASA TOKYO—

かつや

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