

**รายงานประจำปี 2552**  
**2009 ANNUAL REPORT**



**บริษัท เอเชียโฮเต็ล จำกัด (มหาชน)**  
**ASIA HOTEL PUBLIC COMPANY LIMITED**

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## Message from Chairman

In 2009, Thailand tourism was affected by the world economic recession and natural disasters occurred in many countries around the world, the most recent one occurred in Haiti, for example. Not only the tourism business was affected by the world economic crisis, it was also affected by political instability of the country that continued from 2008. The foreign tourists are not confident to come to tour in Thailand although the government has put a hard attempt to promote the tourism both in abroad and domestic but still no significant success.

However, Asia Hotel chose that period for improving the service competency. The Hotel used this period to improve 358 rooms to be more modern, beautiful and ready to provide facilitate and convenience to clients. This important improvement took from June to October 2009 so that the rooms could be opened in High Season. The hotel also has a plan to renovate the remaining rooms on the 2<sup>nd</sup> to 3<sup>rd</sup> quarter of 2010. Closing rooms for this renovation caused reduction of the revenue from hotel business in 2009 of Baht 248.20 million, it was lower than the previous year of Baht 150.07 million. If combine revenues from 2 subsidiaries hotels; Asia Pattaya Hotel and Asia Airport Hotel, the total revenue of the hotel will be of Baht 423.47 million which is much lower than the previous year.

In part of the business of providing shopping center space for rental, this year, Zeer Rangsit Shopping Center earned the revenue from providing space for rental of Baht 464.96 million, it is slightly higher than the previous year. When combining with the revenue from hotel business, the total revenue of Asia Group is Baht 888.43 million. It is lower than the previous year of Baht 189.50 Million or 17.58%.

In addition, in this year the Zeer Property Company Limited, a subsidiary company, has invested in buying land and construction located at Cha-am beach, Petchaburi Province for renovation. It is expected that the operation for renovation will be completed in around 9 month period. The Company will inform the progress of it in the next occasion.

Finally, the Company hopes that in 2010, the Company could go through all obstacles and critical problems and be ready to provide the best service to clients and also would be able to return a good benefit to all shareholders. However, as all things could be done successfully by the cooperation on the operation from employee at every level, clients and shareholders. I on behalf of the board of directors would like to say thank you for your well and continuous cooperation and support



*Kumpol Techaruvichit*  
Chairman

# 1. Company Profile

## 1.1 Company Highlights

Asia Hotel Public Company Limited ("ASIA") is engaged in hotel and restaurant business by operating Asia Hotel which is located on 296 Phayathai Rd., Bangkok 10400, telephone number 022170808, fax number 022152645. Home Page: <http://www.asiahotel.co.th>. The Company registered as Public Limited Company No. 0107535000346 with Baht 500,000,000 authorized share capital consisting of 50,000,000 common shares with par value of Baht10 each while having the issued and paid-up capital of Baht 320,000,000 consisting of 32,000,000 fully paid shares. Asia has listed on the Stock Exchange of Thailand since 29 September 1989.

## 1.2 Details of Juristic Persons Which Company held at least 10% of issued and paid-up capital

	Address	Type of Business	Type of Share	Issued and paid-up (MB)	No. of Shares Held	% of Shares Held
Asia Pattaya Hotel Co., Ltd. "AP" (Subsidiary Company)	352 Moo 2 Kao Pra Tumnuak Road Pattaya Beach Choburi.	Hotel and Restaurant	Ordinary Shares	120.0	1,193	99.42%
Asia Airport Hotel Co., Ltd."AA" (Subsidiary Company)	99/2 Moo 8 Paholyothin Rd. Kukot Lumlukka Pathumthani	Hotel & Service Apartment and Restaurants	Ordinary Shares	495.0	4,949,993	100.00%
Zeer Property Co., Ltd. "ZP" (Subsidiary Company)	99 Moo 8 Paholyothin Rd. Kukot Lumlukka Pathumthani	Area Subcontracting Business	Ordinary Shares	100.0	934,957	93.50%
Zeer Asset Co., Ltd. "ZA" (Subsidiary Company) By ZP	165 Rungsit-Nokornayok Rd. Prachatipat, Pathumthani	Real Estate	Ordinary Shares	1.0	10,000	96.99%

*Remarks: ZP has established a subsidiary, Zeer Asset Co., Ltd., holding the ordinary shares of 96.99% resulting ASIA To hold the shares indirectly.*

## 1.3 Parties of References

### Shares

#### Registrar

Name : Thailand Securities Depository Co.,Ltd.  
Address : The Stock Exchange of Thailand Building, 62 Rachadapisek Road,Klongtoey,Bangkok  
Telephone No. : 02-359-1200-01

#### Auditor

Company's Name : Office of DIA International Auditing  
Auditor's Name : Mrs.Vilairat Rojnuckarin C.P.A (Thailand) No. 3104  
: Mrs.Suvimol Krittayakiern C.P.A (Thailand) No. 2982  
: Mrs. Pornsaran Rungcharoenkitkul C.P.A (Thailand) No. 3255  
Address : 316/32 Sukhumvit Soi 22 Sukhumvit Rd., Klongtoey, Bangkok 10110 Tel. 022601553

#### Legal Advisor

Name/Address : Thupchai Nipatharuji Law Office, 60/217 Pracharoemjai Rd., Saikongdintai, Klongsamva, Bangkok 10500. Tel. 02995-2866

## 2. Summary of Financial Information

### 2.1 Consolidate Performance

#### Summary Status of Asia Hotel Public Company Limited and its subsidiaries

Unit: Million Baht

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Income from hotel business	423.47	638.46	659.66
Rental and Service Income	464.96	439.47	418.94
Total Revenues	888.43	1,077.93	1,078.50
Gross Profit	255.94	421.74	418.99
Other Income	162.62	954.22	55.91
Earning before interest and tax- EBIT	262.28	1,295.90	123.29
Net Profit (Loss)	172.32	1,035.74	(44.68)
Net profit (loss) per shares-EPS	5.75	36.72	(1.58)

#### Summary Status

Total Assets	4,576.40	4,457.56	4,588.19
Total Liabilities	1,976.07	1,990.93	3,099.57
Shareholders' Equity	2,600.33	2,466.63	1,488.62

### 2.2 Financial Ratio

#### Financial Ratios of Asia Hotel Public Company Limited and its Subsidiaries

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Gross Profit Margin(%)	28.81	39.13	38.85
Net Profit (loss) Margin	16.40	50.97	(3.93)
Return on Assets (%)	3.82	22.90	(1.02)
Return on Equities (%)	6.80	52.37	(3.61)
Book Value per share (Baht)	81.26	77.08	46.52

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### **3. Nature of Business**

#### **3.1 Background**

Asia Hotel Public Company Limited (ASIA) was engaged in hotel and restaurant business by operating under the trade name “Asia Hotel” which was founded in 1966. The company has also invested in other two hotel properties, one is Asia Pattaya Hotel , located Pattaya Beach Chonburi and another is Asia Airport Hotel , located at Lumluka district Pathumthani and the area rental business, IT Zeer Center, at Zeer Rangsit ShoppingComplex, located at Lumluka Pathumthani that run by its group of subsidiaries companies.

#### **Types of Services**

##### **1) Asia Hotel Public Company Limited – “Asia Hotel”**

Asia Hotel, operated by Asia Hotel Public Co., Ltd., comprises of 16 stories building and 12 stories car-park building , venders the services pertaining accommodations, food and drinks as well as other related services. Asia Hotel is located on Phyathai Rd. on 5-3-34 Rai plot of land. The hotel is ranked as a four-star hotel which offers hotel services as follows:

- 1.1) Accommodation with total 601 rooms , average room rate is between 1,500-2,700 Baht and occupancy rate is between 32 – 80% in the year 2009
- 1.2) Food and Beverage Services , Available for hotel customers and others in Thai and International Restaurant , bars, lounges and banquet rooms as follows:
  - 4 Restaurants and Coffee Shop, capacity 80-250 persons
  - 11 Banquet Rooms with the different sizes , for service customers such as seminar of government department and the private company , birthday party, wedding party , retirement party and etc. , there are 5 rooms with capacity 20-50 persons, 4 rooms with capacity 100-300 persons , 1 room with capacity 600 persons and 1 room with capacity 1,500 persons
- 1.3) Other services consist of:
  - Health club
  - Two swimming pools on the 5<sup>th</sup> and 12<sup>th</sup> floor
  - Shops for rent
  - Others services such as Calypso Show, Souvenir- Gift Shop, Foot Massage , Fortune Teller, Internet Center, Executive Center

##### **2) Asia Pattaya Hotel Company Limited**

Asia Pattaya Hotel is a seven-storied building, located on 44-0-15.8 rais plot of land, is located in Pattaya, Bang Lamung District, Chonburi Province, providing three types of hotel and restaurant services as follows:

- 2.1) Accommodation with total 320 rooms, average room rate is between 1,400-2,500 Baht and occupancy rate is between 22-80% in the year 2009.
- 2.2) Food and Beverage Service , Available for hotel customers and others in Thai and International Restaurant , bars, lounges and banquet rooms as follows:
  - 5 Restaurants and Coffee Shop, capacity 50 - 200 persons and Poolside Bar
  - 6 Banquet Rooms with the different sizes , for service customers such as seminar of government department and the private company, there are 4 rooms with capacity 50-120 persons, 1 room with capacity 350 persons , 1 room with capacity 700 persons

- 2.3) Other Services consist of
- Shop for rent
  - Beauty Salon
  - Health Club
  - Thai Massage – Foot Massage
  - Nine Hole Golf Course
  - Tennis Court
  - Swimming Pool
  - Internet Center

### **3) Asia Airport Hotel Co., Ltd.**

Asia Airport Hotel is on 9<sup>th</sup> -18<sup>th</sup> floor of Zeer Rangsit Building, total space of 39,380 sq. meters, located on Phaholyothin Rd., Kukot, Lumluka Pathumthani, providing three types of hotel and restaurant services as follows:

- 3.1) Accommodation with total 482 rooms, consist of
- Hotel 394 rooms, average room rate is between Baht 1,300 - 2,200 and Occupancy rate is between 24% - 61% in the year 2009
  - Service Apartment of 84 rooms, Average rental rate is between Baht 20,000 - 25,000 per month Occupancy rate is between 48% - 62% in the year 2009.
- 3.2) Food and Beverage Service, available for hotel customers and others in Thai and International Restaurant, bars, lounges and banquet rooms as follows:
- 1 Restaurant and Coffee Shop, capacity at 50 - 200 persons
  - 6 Banquet Rooms with the different sizes, for service customers such as seminar of government department and the private company, there are 3 rooms with capacity 100-200 persons, 1 room with capacity of 150-300 persons, 1 room with capacity of 300-500 persons, 1 room with capacity of 500-800 persons
- 3.3) Other Services consist of
- Beauty Salon
  - Swimming Pool

### **4) Zeer Property Co., Ltd.**

Zeer Property Co., Ltd. has developed a department complex of Zeer Rangsit Project, situated on Phaholyothin Rd, km. 28-29, Kukot, Lamluka, Pathumthani, total area is 86 rais plot of land. The land is long term rental for 40 years 7 months for September 2007 to March 2048. The building is 17 stories and a basement with total area of 270,000 sq. meters. It offers the area rental for subcontracting business for both long term and short term. The area includes 6 stories of Plaza and 11 stories of office space rental (tower). Part of it has been developed with a fast growing potential to a huge computer and electronic center under the name “IT Zeer Center”.

At present IT Zeer Center on the 6 stories plaza has been fully opened and occupied about 88% of the total area, starting from basement, 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> floor. Most of the shop renters sell computers and accessories. On 4<sup>th</sup> floor is the offices and stores and 5<sup>th</sup> floor is the function rooms of Asia Airport Hotel.

### 3.2 Revenues Structure: Hotel and Restaurant Business

Type of Business	Operated by	% of Share Held	2007		2008		2009	
			MB	%	MB	%	MB	%
- Hotel	Asia Hotel Public	Parent Company	282.79	26.22	271.32	25.17	150.80	16.97
- Restaurant	Company Limited	Listed Company	139.91	12.97	126.95	11.78	97.40	10.96
<b>Total</b>			<b>422.70</b>	<b>39.10</b>	<b>398.27</b>	<b>36.95</b>	<b>248.20</b>	<b>27.93</b>
- Hotel	Asia Pattaya Hotel	99.42%	110.55	10.25	105.39	9.78	<b>67.00</b>	<b>7.54</b>
- Restaurant	(Subsidiary Company)		46.39	4.30	39.81	3.69	26.08	2.94
<b>Total</b>			<b>156.94</b>	<b>14.55</b>	<b>145.20</b>	<b>13.47</b>	<b>93.08</b>	<b>10.48</b>
- Hotel	Asia Airport Hotel	Direct 100%	47.58	4.41	54.46	5.05	47.52	5.35
- Restaurant	(Subsidiary Company)		32.33	3.00	40.53	3.76	34.67	3.90
<b>Total</b>			<b>79.91</b>	<b>7.41</b>	<b>94.99</b>	<b>8.81</b>	<b>82.19</b>	<b>9.25</b>
Area Subcontracting Business	Zeer Property Co., Ltd. (Subsidiary Company)	Direct 93.50%	418.94	38.85	439.46	40.77	464.96	52.34
<b>Total</b>			<b>418.94</b>	<b>38.85</b>	<b>439.46</b>	<b>40.77</b>	<b>464.96</b>	<b>52.34</b>
<b>Grand Total</b>			<b>1,078.49</b>	<b>100.0</b>	<b>1,077.92</b>	<b>100.0</b>	<b>888.43</b>	<b>100.0</b>

### 3.3 Changes in the Past Year

In the 2<sup>nd</sup> to 3<sup>rd</sup> quarter of 2009, as economic recession and political instability affected Hotel business, number of clients stayed in hotel has declined significantly. Therefore, the hotel was convenient to close rooms for renovation. Asia Hotel, Ratchathevee renovated 358 rooms for more beauty and modern. Central units such as lift system, air conditioning system, electrical system and back office such as main kitchen and dinning room for staffs were also renovated. The budget used for this renovation of Million 280 Baht is from cash flow of the company and renovation credit from a financial institution. The rooms renovated for the period of around 6 months and could be opened in High Season. For the remaining of 243 rooms, front lobby of the hotel and dinning rooms, the Company has a plan for renovation during Low Season of the next year.

In addition, at late 2009, Asia Airport Hotel Co., Ltd. (a subsidiary company) has renovated rooms and increased number of hotel rooms to be a total of rooms. Old furniture's are still in good condition from Asia Hotel, Ratchathevee, have been repainted for better looking, making cost and time saving. The rooms would be able to open for service at early of 2010.

During the 4<sup>th</sup> quarter of 2009, Zeer Property Co., Ltd. (a subsidiary company) has invested in real estate project for land and construction of hotel building with 200 rooms located near Cha-am beach, Petchaburi Province. The company bought the hotel from the Thai Asset Management Corporation for expanding investment of the company. The Company extends the lease contract period of 16 years to Asia Airport Hotel Co., Ltd. (Asia Airport Hotel) starting from April 1, 2023 to Mar 31, 2539. The lease contract will be registered in 2010.

In November 2009, ZP established new company, Zeer Assets Co., Ltd. (ZA) with registered capital of Baht 1 million consisting of 10,000 common shares with par value of Baht10 each. ZP held shares 96.99% in ZA which run Real Estate Business, now just begin the operation.

## 4. Risk Factor

### *1. Risk from the Universal Tourism Status Which Resulting from External Factors of the Company*

At present, there are many external factors affected tourism situation at universal level as follows:-

- Political Factor: a long encampment of anti-government group induced un-peace in political situation. It affected the government stability especially the announcement of emergency condition for controlling the situation made tourists are unable to rely on the safety during traveling in Bangkok. It induced negative image to the tourism of Thailand.
- Risk from unpeace in South of Thailand: Now the level of its severity is stable and it is limited only in 3 provinces. Therefore, tourists are not much affected but if the level of severity is increased or the affected areas are extended, it will be a risk factor.
- Economic Factor: since the petroleum price increased rapidly during the first half of the year and the severe financial crisis in the second half of the year, major financial institutions in the United State of America, Europe, Australia faced sub-prime problems. This caused the employees unemployed, the economic recession, consumers unable to buy and the need to travel to Thailand reduced. It was expected that this situation would be continue not less than 6 months.
- Natural Disaster: In the past year, many countries faced the natural disasters such as forest fire, earth quake, tropical storm; these reduced the need of foreigners to come traveling in Thailand
- 2009 Flu pandemic

### *2. Risk from the Government Policy*

Government emphasizes importance of the tourism business because the major income is from tourism activities. Over the past years, the government still cannot solve the problem of low number of tourist, tourism activity promotions are not intense, resulting not confidence to do the business. If there is any change in the tourism policy of the government, it may cause risk.

### *3. Risk from having no approval of offer for Sale of Newly Issued Shares*

As Asia Hotel held shares of Asia Pattaya Hotel, subsidiary in proportion 99% and Asia Pattaya held shares of Asia Hotel of 7% , the cross shareholding between ASIA and other company as Clause 13 of Notification of the Capital Market Supervisory Board No. TorChor.28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares, The cross holding between Applicant and other company shall not be opposed or contrary to the rule prescribed except where it is able to demonstrate that such cross shareholding meet the conditions prescribed. ASIA can solve the cross shareholding structure within the year 2010.

### *4. Risk to dividend for the operating result of 2009 might not be paid*

As from 2009, the operating result from hotel business of the Company has much declined from the previous year because it was affected by the world and country economic crisis. Therefore, on next years, if tourism situation is not better, it may affect to the Company and the Company will have accumulated loss until cannot pay dividend to shareholders.

## 5. The structure of shareholders and management.

### 5.1 Shareholders

#### (A) Details of Top-Tenth Major Shareholders as at the latest closing dated for The Company share transfer (12 May 2009)

No.	Name	No. of Shares Held	% of Share Held
1	A.B.K. Enterprise Groups.	19,488,563	60.90
2	Mrs. Pornpun Tanariyakul	3,572,775	11.16
3.	Mr.Kobsak Jarurungsan.	1,057,594	3.31
4.	Mr.Somsak Komvuthichai	858,900	2.69
5.	Zeer Ice Skate Co., Ltd.	680,000	2.12
6.	Mrs.Suvaluck Kijasukkai	430,000	1.34
7.	Mr. Soh Chee Yong	336,500	1.05
8.	Mr. Supavadee Boonsantisuk	320,000	1.00
9.	Mr. Surapol Techaruvichit	240,633	0.75
10.	Mr. Surapong Techaruvichit	226,666	0.71
	<b>Total</b>	<b>27,211,631</b>	<b>85.03</b>

Remarks : #Details of A.B.K. Enterprise Groups: A.B.K. Enterprise Co.,Ltd., holding company held 46.33%,  
Asia Airport Hotel Co.,Ltd. held 11.84% , Pattaya Hotel Trading Co.,Ltd. held 1.12% and  
Mr. Kumpol Techaruvichit held 1.61%

: Counting the total amount of shares of related shareholders according to the Section 258

During the 4<sup>th</sup> quarter of 2009, Asia Airport Hotel Co., Ltd. sold off 3,790,000 shares of ASIA to the third party and Asia Pattaya Hotel Co., Ltd., which held 2,240,000 shares of ASIA , making A.B.K. group of company (Order No.1) has 17,938,563 shares or 56.06% and Top 10 of main shareholders have a total of 25,661,631 shares or 80.19%.

#### (B) The major shareholder group having behavior influences policy setting or management of company

As at December 31, 2009 Techaruvichit group, who is a current executive of ASIA, holds direct shares of the company of 14.70% and holds indirect shares via the company group of A.B.K. Enterprise Company Limited according to the note in item (a) of 54.45% , It is totally direct and indirect holding of 69.15% as follows:

A.B.K. Enterprise Company Limited is a Holding Company, 33.53% of shares are held by Techaruvichit Group, who is an executive of ASIA.

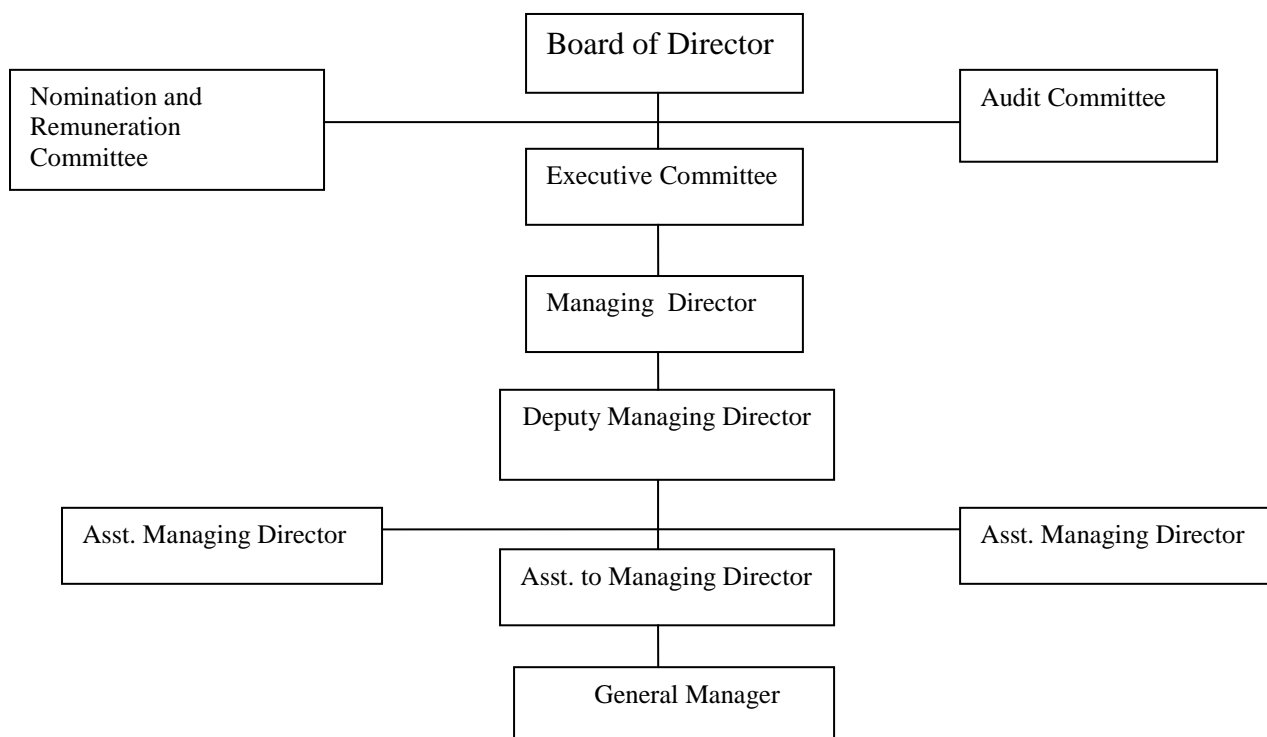
Asia Pattaya Hotel Company Limited (AP) is a company running hotel business, 0.5% of shares in AP are held by Techaruvichit Group, the executive of ASIA.

Pattaya Hotel Company Limited is a Holding Company, 67.78% of shares are held by Techaruvichit Group, the executive of ASIA.

## 5.2 Management

The company consisting with 4 committees, those are the company committee, executive committee, audit committee and the nomination and remuneration committee

### 5.2.1 The management structure.



#### - Board of Directors

Authorities of the company committee are tentatively specified as follows:-

- (1) Consider and approve the organizational structure and management of the Company and its subsidiaries.
- (2) Approve policy, strategy and operational goal proposed by executive committee. To govern and share opinion for making decision in executive for achieving operational goals as established.
- (3) Consider and approve the annual operating budget, capital expenditure budget and investment projects of the Company and its subsidiaries.
- (4) Appoint Independent director, executive committee, sub-committee groups and top executive of company and approve the remuneration proposed by the nomination and remuneration committee.
- (5) Consider and approve the issues of contingent liabilities, commitments and guarantees of the company and its subsidiaries.
- (6) Propose the director whose tenure will end and the new director in the Shareholders' Meeting and propose the meeting attendance remuneration, bonus for the Board members as well as dividend payment to shareholders.
- (7) Propose the appointment of company's auditor and audit fees in the Shareholders' Meeting in accordance with Audit committee's recommendation.
- (8) Consider and agree on Quarterly and Annual Financial Statements, Annual filing Form 56-1 and Form 56-2 according to the regulation of the Stock Exchange of Thailand (SET) and the Security and Exchange Commission (SEC).

- (9) Consider and approve the related transaction and conflict of interest relating to the purchase or disposal of assets according to the SEC.
- (10) Follow up the monthly and quarterly operating results and financial status of the Company and its subsidiaries
- (11) Consider and approve the agreement on purchasing, hiring servicing, renting and leasing with exceeding value of Baht 20 million
- (12) Consider the purchase of the out-of budget items which value more than Baht 20 million, and the over-budget expense exceeding 20% of approved value.
- (13) Consider on renting and leasing assets for period over 6 years.
- (14) Consider and approve on any matters presented by Executive Committee including legally-required matters to be presented to the Board.
- (15) Board may assign a director or any other persons to take action or have authority for the Board within an acceptable period of time under the Board's consideration. The Board may abrogate, change or revise the assigned person as appropriate, except for the acquisition and purchase of asset which shall follow the regulation of the SEC and the SET.
- (16) The Board Meeting shall be at least 1 time per 3 months with at least 50% of attendants
- (17) Any directors whose interest relating to the issue shall not be entitled to vote and shall leave the meeting
- (18) Board prepare the annual report of conflict of interest of director and related person or changing item in the report within 30 days , this report will be kept by the company secretary

**- Audit Committee**

: The Audit Committee was formed on May 14, 2009 by 4 independent directors. At least one member of the Audit Committee should be equipped with experiences sufficient to perform efficient audit on the reliability of the financial statements. The term of office of the committee member is three years. The committee members may be re-appointed for another term. Duties and responsibilities report to the company committee as follows:-

- (1) Review the accuracy and adequacy of the Company's financial statements.
- (2) Review the appropriateness and effectiveness of internal control systems, and internal audit functions and determine the independence of the Internal Audit Office, as well as to approve the appointment, rotation and removal, and performance development and appraisal of the Chief Internal Audit or the Internal Auditor.
- (3) Monitor the Company's compliance with the Securities and Exchange Acts and Regulations of the SET, and any other laws relevant to the Company's business.
- (4) Recommend the Board of Directors an independent person to be the Company's auditor as well as the audit fees for appointment by the shareholders to audit the Company's financial statements.
- (5) Attend a meeting with external auditors without the presence of the Company's Management at least once a year.
- (6) Consider connected transactions or transactions with potential conflict of interests to ensure full compliance with relevant regulations and requirements of the SET for reasonableness and the best interests of the Company.
- (7) Review the Internal Audit Charter prior to submission to the Board of Directors for approval.

- (8) Approve the annual audit plan, scope of audit and internal audit budgeting.
- (9) Review the internal audit reports and follow up the significant issues from the reports.
- (10) Review the Code of Conduct prior to submission to the Board of Directors for approval.
- (11) Review jointly with the Management the risk management policy, the practice compliance with such policy, as well as the Company's risk management guidelines.
- (12) Review jointly with the Management the Management's Discussion and Analysis or MD&A section which is disclosed in the Company's annual report.
- (13) Prepare the Audit Committee's Report, signed by the Chairman of Audit Committee, promulgated in the Company's annual report and contained the information required by the SET.
- (14) Inspect any suspiciousness reported by the company's auditor, that the Chairman, the Management or any person responsible for the company's operation commits an offence under the Securities and Exchange Act (No. 4) B.E. 2551 and report the result of preliminary inspection to the Office of the Securities and Exchange Commission and the auditor within thirty days after being informed by the auditor.
- (15) Any other tasks assigned by the Board of Directors and agreed by Audit Committee.

**- Nomination and Remuneration Committee**

The Company formed the Nomination and Remuneration Committee on January 13, 2010 and approved Nomination and Remuneration Committee Charter, the committee consist of 3 independent directors. The term of office of each Nomination and Remuneration Committee member is 3 years. In order to maintain continuity, members may be re-elected. Responsibilities of the Nomination and Remuneration Committee as follows:

- (1) To recommend the structure and composition of the Board and committee together with the qualification of its members.
- (2) To recommend policy and process to recruit knowledgeable and capable persons suitable to nature of business of the company as directors and executives positions.
- (3) To recommend the list of nominees for the Board of Directors to be proposed to the shareholders' annual general meeting in case of vacancies by rotation and to the board in case of casual vacancies.
- (4) To recommend the list of directors for the committee members of the Company's.
- (5) To scrutinize the list of nominees for the Managing Director, Deputy Managing Director and Assistant Managing Director of the Company in case of vacancy including the establishment of the succession plan for executives.
- (6) To recommend the remuneration structure of the directors and Managing Director of the Company
- (7) To set up the performance evaluation of Management and propose to the Board.
- (8) To evaluate the performance of Managing Director.
- (9) To recommend the remuneration structure of the directors and senior executives of the Company including meeting allowances, bonus, welfare and other benefits both in monetary and non-monetary terms.

- **Duties and Responsibilities of Executive committee as follows:**

- (1) Setting strategy, goal and plan and proposing to Board of Directors. Controlling the operation to be in according to the strategy and goal and appointing individuals at every level to be responsible to the goal and policy approved by the Board of Directors.
- (2) Proposing the operating result and financial status of the group of Company, inspection and summarizing important matters to propose to Board of Directors.
- (3) Administrate and control individuals for operation, set salary and remuneration to all employees.
- (4) Governance to be in accordance with the government law and regulations.
- (5) Approval of procurement, service, rent and leasing with the budget not exceed than Baht 20 million.
- (6) Approve buying assets with no budget valued not exceed than Baht 20 million and expenses that over budget of not more than 20%.
- (7) Approve renting and leasing with the contract period of not more than 6 years.
- (8) Approve any other matters propose by executive directors.
- (9) Do any other task assigned by Board of Directors.

- **Secretary of the Company** appointed since August 2008 has responsibilities to co-ordinate between the Company and Board of Directors, Sub-Committee and the Company's shareholders, facilitate directors and related persons to always receive current information such as announcement and new regulations of the SEC and the SET, prepare and arrange Shareholder Meeting. In addition, Secretary also has to act on behalf of the Company and Board of Directors for the following:

- (1) Prepare and filing the following document:
  - a) Registry record of directors
  - b) Appointment Letter for Board of Directors' Meeting, Minutes of the Board of Directors' Meeting and the Annual Report of the Company.
  - c) Appointment Letter for Shareholders' Meeting and Minutes of Shareholders Meeting
- (2) Keep equity items reported by directors or management
- (3) Operate other task according to the Announcement of Capital Market Committee

In case that the Secretary of the Company resigned or cannot perform the duty, Board of Directors shall appoint a new secretary within 90 days starting from the date of resignation or cannot perform the duty. Board of Directors is authorized to assign any director to act on instead Secretary during that time.

### ***5.2.2 Selection of committees and executives.***

#### **Selection of committees**

In 2009, Nominating Committee has not yet been appointed for selecting Executive Director of the Company directly. At presently, the Company appointed Nominating Committee and set remuneration of January 2010. Nominating Committee will be responsible for supporting the Good Governance Policy, selecting directors and proposing to the Board of Directors Meeting for consideration before proposing to the 2010 General Shareholders Meeting for Approval.

The Company has given a chance to minor shareholders to propose individuals would be considered as director and also propose meeting agenda in advance to the Secretary of Board of Directors for the 2010 Ordinary Shareholder Meeting within January 2010. The Secretary of Board of Directors will compile individual names proposed to Nominating Committee for verifying and proposing to Board of Directors for consideration before proposing to the Shareholder Meeting for appointment approval.

According to Regulations of the company no. 16, the company committee has number of member at least 9 persons but not more than 15 persons. At present there are consist of 11 members of company committee, and 4 qualified independents, who are proportion 1/3 of the committee, to propose the list of persons who are fully qualified as specified by law. At present, the company has not yet set up the committee.

**Qualifications of Independent Directors are as follows:**

1. Hold shares (inclusive of shares held by related persons: spouse, sons or daughters are not reach his/her majority) in total not more than 1.00% of paid-up capital of the Company, subsidiary and related companies
2. No participation in the management or business operation, in present year or in the past 2 years, of the registered Company, subsidiary companies or juristic persons who might cause confliction on the followings:
  - Not being director participates in management of the Company, employee, staff member or advisor who receives a regular salary.
  - No participation in the Company business such as buying and selling assets/services with significance as specified by SEC.
  - Not being auditors or occupational service providers such as Legal Advisor (LA), Financial Advisor (FA) which obtaining significant service fee as specified by SEC and not being related persons having blood relationship or registration according to the law to the any managers, major shareholders or authorized persons of the Company or Subsidiary companies.
3. Not being director appointed as a representative to Company's major shareholders.
4. No any other qualifications to cause director not capable to give opinion independently.
5. Independent Directors may be assigned by Board of Directors to make a collective decision regarding the business operation of the Company, major company, subsidiary companies, affiliated companies and sub-companies at the same level or juristic persons that may have conflictions.
6. Disclose information of being independent director of other group of companies including remuneration obtained.

**Qualifications of Audit Committee include:**

- Is independent, being independent director and not being director assigned by Board of Directors to make a decision relating the business operation of the registered company, major company, subsidiary companies, affiliated companies or juristic persons that may have conflictions.
- Being director of other registered company of other group of companies, audit committee of the company is not allowed to be direct of other registered company of other group of companies (Head Quarter, subsidiary companies or companies who have the same head quarter company)

**Selection of executives**

The staff executive will consider selecting and screening the suitably-qualified persons for appointment to be place in the capacity of the executive, in the manager level and to be approved by the management.

**Executives**

List of names and positions of company committee, executive committee and executives of Asia Hotel Public Company Limited. As of 31 December 2009, as per the following details.

### **Board of Directors**

1. Mr. Kumpol	Techaruvichit	Chairman of the Board
2. Mr. Amorn	Techaruvichit	Vice Chairman
3. Mr. Surapol	Techaruvichit	Director
4. Mr. Surapong	Techaruvichit	Director
5. Mrs.Suvimol	Techaruvichit	Director
6. Major General Serm Ruhsakul		Director (Independent Director)
7. Mr, Piyawudh	Senapoopitaksa	Director(Independent Director)
8. Mr. Sombut	Pupipathirunkul	Director (Independent Director)
9. Mr. Suwat	Dusitrojanawogse	Director (Independent Director)
10.Mrs. Pornpun	Tanariyakul	Director
11.Mrs. Chotima	Puasiri	Director
Mr. Thana	Vongsangnak	Secretary to the Board

### **Authorized Directors**

Mr. Kumpol Techaruvichit sign together with the Company's seal affixed, or Two of Mr. Amorn Techaruvichit or Mrs. Suvimol Techaruvichit or Mr.Surapol Techaruvichit or Mr. Surapong Techaruvichit jointly sign together with the Company's seal affixed, Except in case of legal acts concerning loan agreements must be two of Mr.Kumpol Techaruvichit or Mr. Amorn Techaruvichit or Mrs. Suvimol Techaruvichit or Mr.Surapol Techaruvichit or Mr. Surapong Techaruvichit jointly sign together with the Company's seal affixed, or Any of Mr. Kumpol Techaruvichit or Mr. Amorn Techaruvichit or Mrs. Suvimol Techaruvichit or Mr.Surapol Techaruvichit or Mr. Surapong Techaruvichit jointly sign with another director, totaling two directors together with the Company's seal affixed.

**The Limit of the Authority of Directors:** None

### **Scope of duties and responsibilities of Chairman of Directors**

Chairman of Directors of the Company has to serve as the Chairman of the Board of Directors' Meeting and Chairman of Shareholders' Meeting. Chairman should be able to control the Meeting to comply with the rules and regulations of the Company in respect of the Meeting and to run the Meeting to be in accordance with the Meeting Agendas as specified in the meeting invitation letter.

### **Scope of duties and responsibilities of Board of Directors**

Board of Directors will serve as the Chairman of Executive Director, be responsible for management to comply with the Company's policies as specified in the scope of duties and responsibilities of Board of Directors including not approving related items of his/herself or related persons (as definition mentioned in the announcement of the SEC, section 58 and close relatives) who have benefit or may have any conflict of interests in the Company or subsidiary companies.

**Company Secretary**

Mr. Thana Vongsangnak

### ***Audit Committee***

1. Major General Serm Ruhsakul		Chairman (Independent Director)
2. Mr. Piyawudh	Senapoopitaksa	Member (Independent Director)
3. Mr. Sombut	Pupipathirunkul	Member (Independent Director)
4. Mr. Suwat	Dusitrojanawogse	Member (Independent Director)
Mrs. Pornpun	Tanariyakul	Secretary

*Remark: Mr. Sombut Pupipathirunkul, director, graduated in financial and accounting and holds the expertise in reviewing the Financial Statement*

***Nomination and Remuneration Committee*** (All are independent directors and appointed by the Board of Directors for the first time on 13 January 2010)

1. Mr. Sombut	Pupipathirunkul	Chairman
2. Mr. Piyawudh	Senapoopitaksa	Member
3. Mr. Suwat	Dusitrojanawogse	Member
Mrs. Pornpun	Tanariyakul	Secretary

### ***Executive Committee***

1. Mr. Kumpol	Techaruvichit	Chairman of the Executive Director
2. Mr. Amorn	Techaruvichit	Vice Chairman Executive Director
3. Mr. Surapong	Techaruvichit	Executive Director
4. Mr. Pornpun	Tanariyakul	Executive Director

### ***Management Team***

1. Mr. Kumpol	Techaruvichit	Managing Director
2. Mr. Amorn	Techaruvichit	Deputy Managing Director*1
3. Mr. Surapong	Techaruvichit	Assistant Managing Director*2
4. Mrs. Pornpun	Tanariyakul	Assistant Managing Director*3
5. Mrs. Oyetip	Hayrabut	Assistant to Managing Director*4
6. Mrs. Oyetip	Hayrabut	Acting General Manager
7. Mrs. Navamon	Venuchan	Director of Sales
8. Mr. Somsak	Theerawitpreecha	Director of Sales
9. Mr. Suporn	Srisutunyawong	Food & Beverage Manager
10. Miss. Somsri	Tungstatpongsathorn	Financial & Accounting Manager
11. Mrs. Siriwan	Boonchim	Housekeeping Manager
12. Mr. Pisut	Saekhu	Front Office Manager
13. Mr. Chertpong	Jantawong	Personnel Manager
14. Miss Nutch	Techaruvichit	Public Relation Manager
15. Mr. Chairat	Thamvichit	Engineering Manager
16. Mr. Vaiyawudh	Samakkarn	Security Manager

*Remarks: \*1-\*4 are the persons in the next four executive levels below the chief executive (MD) according to the regulation of the SEC.*

### 5.2.3 Remuneration and Benefits to Board and Management

In 2009, Board of Directors has considered the remuneration to directors by proposing to the Ordinary Shareholders' Meeting for approval as follows:

- Pay Bonus to Board of Directors at a total of 800,000 Baht
- Meeting allowance per meeting time for the Chairman of Board of Directors is at 15,000 Baht, Vice Chairman is at 11,250 Baht and Director is at 7,500 Baht per person. If at any time, director is not available to attend the meeting, the meeting allowance will not be given. The director shall not receive shares, debentures or rights in receipt/purchase of extra shares from the company anymore.

Remuneration of Audit Committee in 2009 approved by the Board of Directors will be a yearly remuneration:

Chairman of Audit Committee	45,000 Baht
Audit Committee member	30,000 Baht per person

At the proportion of the Chairman's remuneration of 1.5 times of director's.

Remuneration of Nomination and Remuneration Committee appointed in January 2010 will be given the remuneration for each meeting as follows:

Chairman of Nomination and Remuneration committee	11,250 Baht per meeting
Nomination and Remuneration Committee member	7,500 Baht per meeting

At the proportion of the Chairman's remuneration of 1.5 times of director's (in 2009, the remuneration of nominating committee is still not available which will be presented in the 2010 Annual report).

Remuneration of Subsidiary Companies; is the remuneration of director who serves as a director in subsidiary companies:

#### ***Asia Pattaya Hotel Co., Ltd. and Asia Airport Hotel Co., Ltd.***

**Meeting Allowance for Directors** per meeting time: Chairman of the meeting is 2,000 Baht, Vice Chairman is 1,500 Baht and Director is 1,000 Baht. If at any time, director is not available to attend the meeting, the meeting allowance and other bonus will not be paid.

#### ***Zeer Property Co., Ltd.***

**Meeting Allowance of Board of Directors** per meeting time: Chairman of Board of Directors is 15,000 Baht, Vice Chairman is 11,250 Baht and Director is 7,500 Baht. If at any time, director is not available to attend the meeting, the meeting allowance will not be given. And bonus for directors will be paid yearly by considering the operating result of the Company, performing the duties of Director. Chairman will get 106,000 Baht, Vice Chairman gets 80,000 Baht and Director will get 53,200 Baht.

As at 31 December, 2009

- a) Total remuneration for 11 directors: Bonus and meeting allowance # Baht 2,979,850.00
- b) Total remuneration for 5 executives and management \*  
Bonus and meeting allowance, salary Baht 4,655,715.00

Remark \*5 Executives are MD and 4 persons in the next four executive levels below Managing Director according to the regulation of the SEC.

**Table shows the remuneration received by each director in fiscal year 2009**

Name	Meeting Allowance	Meeting allowance for subsidiary*	Director Bonus	Bonus for Audit Committee Director	Total Remuneration
1.Mr.Kumpol Techaruvichit	180,000	153,700	114,000	-	447,700
2.Mr.Amorn Techaruvichit	135,000	194,750	85,500	-	415,250
3.Mrs.Suvimol Techaruvichit	90,000	24,000	57,000	-	171,000
4.Mr.Surapol Techaruvichit	75,000	125,700	57,000	-	257,700
5.Mr.Surapong Techaruvichit	90,000	129,700	57,000	-	276,700
6.Mrs.Pornpun Tanariyakul	90,000	24,000	57,000	-	171,000
7.Mr.Piyawudh Senapoopitaksa	90,000	24,000	57,000	30,000	201,000
8.Mr.Sombut Pupipathirunkul	90,000	12,000	57,000	30,000	189,000
9.Mr. Suwat Dusitrojanawongs	90,000	12,000	57,000	30,000	189,000
10.Major General Serm Ruhsakul	90,000	235,000	57,000	45,000	427,000
11.Mrs.Chotima Puasiri	90,000	-	57,000		147,000

\* Meeting allowance for subsidiary companies is a remuneration to be provided to committees who are in charge as directors of subsidiary companies

#### **5.2.4 Governance**

Board of directors of the Company consists of persons with knowledge, competence and experience in business relating to the Company's operations. They are not persons who are in the list and not considered by the Stock Exchange of Thailand (SET) to be the management executives and acting as the directors according to the Code of Best Practice. In 2007, the Company has classified the Governance into 5 groups by using the information of the previous 15 items of the Code of Best Practice as recommended by the Corporate Governance Center of the SET as follows:

##### **1. Rights of shareholders and Equitable treatment of shareholders**

The Company has taken into account on the importance of the good governance for benefiting the management to be more efficiency and reliability to shareholders. In the year 2004 The Company has established of the policy of such governance by covering the Right and equality of shareholders. Shareholders will be acted equally and have fundamental rights according to the law, for example:

1. To obtain shared profit and have right to sell and transfer shares of the company etc.
2. To be provided business disclosure information. The Company has taken into account on shareholders and investors that they should be quarterly provided information regarding the business status, liability progress and operational result of all activities of the Company through ELCID system. These will be included in daily news on website of SET ([www.set.or.th](http://www.set.or.th)) for equally and transparently distributing to all investors (shareholders) The quarterly report and minute of shareholder's meeting starting 2009 will be added to the company's website.
3. The shareholder's meeting in 2009, The meeting documents were sent to shareholders not less than 14 days in advance and before the meeting not less than 10 days, the meeting information were also presented on the Company's website; [www.asiahotel.co.th](http://www.asiahotel.co.th). For the next years, the Company has a target to complete the meeting information 30 days before the meeting according to the corporate governance principle so that shareholders can use these meeting information for voting, appointing or removing, defining remuneration,

selecting auditor, setting auditing fee and preparing to express opinion on connected transaction of the Company and Subsidiaries which will be affected to the business operation of the Company. In each session, board of directors will express opinion on related matters and report the minute of the meeting correctly so that it can be verified by shareholders.

4. The Company gave right to shareholders to study the company's information that wanted to be disclosed according to the rule and regulations. Annual Report was made in CD Rom for the shareholders and made in documents if they request. When the meeting needed to be held suddenly, no additional document distributed to shareholders, no meeting agenda added or no important information changed without prior notice. The Company gave shareholders right to have questions in the meeting and did not limit shareholders right to attend the meeting when they came late. The Company informed how to attend the meeting in advance by sending meeting invitation letter.
5. In case of appointing the proxy to attend the meeting, The Company has prepared 3 Proxy Forms according to the rule and regulation of the Ministry of Commerce and they are available on the Company's website. The Company recommends shareholders to use the Proxy Form (Form B) as it can put opinion for voting. This Form is attached with invitation letter. Moreover, the Company provides an additional option to shareholders to give the proxy to the Chairman of the audit committee and independent committee to attend the meeting.
6. In December 2009 Company considered giving chance to the minor shareholders to propose the meeting agenda in advance including nominating qualified persons to be director according to specified criteria. Forms can be downloaded from the company website under topic Investor Relation. Complete forms to be submitted at the end of fiscal year, but since this is the first year the deadline was extended to the end of January 2010 to allow enough time for the Board of Directors to consider before proposing in the shareholders meeting 2010.
7. The Company provided sufficient information of each meeting agenda in invitation letter for considering the followings:
  - 1) To consider and approve appointment of directors  
 As in 2009, the former directors were appointed, the Company enclosed personal information of persons proposed for appointment such as Title Name, Name, Age, Type of Director, Education, Experience, Number of years appointed, performance while on duty, number of meeting participation of the last year and opinion given to shareholders for voting. At present, the Company has nominating committee. The nomination method will be in accordance with *Item 5.2.2*
  - 2) To consider and approve director's remuneration  
 Directors have remuneration by way of meeting allowance and pension at the fix rate. Sometime, the rate changes but with a very small amount when compared with same type of industry. Management Executives have remuneration by way of salary and other benefits. Amount and type of remuneration will depend on position and duty of directors. This will be considered together with the operating result of the Company of the last year and the directors should give clear and sufficient opinion for resolution of shareholders. The company has presently appointed the nomination and remuneration committee to consider the matter next year. Remuneration information of director is shown in *Item 5.2.3: Remuneration*.
  - 3) To consider and approve the appointment of auditor and auditor fee  
 In year 2009 a new auditor and audit firm were appointed under consideration of audit committee before proposing to the Board of Directors. Audit fees of the previous and new auditors were compared; also the committee opinions were clear and sufficient enough for the resolution of shareholders.
  - 4) To consider and approve dividend payment

As in year 2009, the Company paid dividend twice. First for December 2008 and second time paid the rest of the dividend which were approved in the shareholders meeting 2009. Details were clarified in the letter of invitation sent earlier.

5) To consider and approve other business

In 2009, there was no special agenda proposed into the meeting for consideration.

8. All directors participate the meeting every time, unless they have any other important business. In case of absent, they inform the chairman before the meeting. Auditor and legal consultant also participate the meeting so that when they have any questions, they can get explanation.
9. Chairman of the meeting provide opportunity to shareholders to give their opinion and have questions regarding activities and operating result of in the past year and that the Company and subsidiaries expected in the future. Time is provided sufficiently and equally for example shareholder offers tourism's sale promotion for consideration of directors.
10. The Company uses card for voting in the meeting. Before starting the meeting, the secretary informs the meeting how to use the voting card. It depends on opinion of the quorum that "Agree" or "Not Agree" or "No Vote" with the opinion of directors. If any shareholders not agree or no vote, use this card and inform to the Company for deducting the vote from the total number of quorum then get the total "Agree" or "Not Agree" or "No Vote", summarize and inform the meeting. This method agreed by the meeting and the Company has applied it for 4-5 years, especially, for the important agenda such as continuing connected transaction, acquisition and sale of asset. After getting the explanation, before voting, the secretary will inform the meeting again how to vote and if any member of the committee should conflict of interest from any agenda he will not be allowed to participate in that agenda.
11. The Company takes minute of shareholder meeting and record information and important matters such as name of directors participated, company information, name of independent financial consultants (if any) as well as summarizes the opinion and questions from shareholders, how to vote and count the vote and the meeting resolution separately by "Agree", "Not Agree" and "No Vote" for each agenda and send information to the Stock Exchange of Thailand and the registrar of Ministry of Commerce according to the law within 14 days after the meeting completed. The minute of meeting is planed to present to shareholders for giving opinion and verify through the Company's Website within 30 days after the meeting completed.
12. The Company has the control on the use of inside information. Especially, board of directors and management executives established a policy to examine and supervise the operational results regularly.
13. The Company discloses information of stakeholders who related with directors, management executives and related persons to directors such as security holding, change of security holding, resigning and commencing from the date of appointment so that the Securities and Exchange Commission (SEC) Office and the SET distribute information to shareholders and investors.

## 2. The Role of Stakeholders

The Board of Directors defines the governance policy, is aware on the right of stakeholders according to the law and supervises to ensure that their rights will be protected and well treated. For example:

- **Shareholders:** The Company should provide information to shareholders and treat to shareholders equally. For the shareholders meeting 2010 Company opens a chance for the minor shareholders to propose the meeting agenda and nominate qualified person to be directors in advance according to the specified criteria. Company distributes the gift vouchers for

accommodations and restaurants to the shareholders to express appreciation for attending the annual meeting. Quarterly promotion brochures are sent to all shareholders listed in the latest registration book on the closing day.

- **Employees:** The Company treats all employees equally. Yearly assessment has been done fairly. Opinion box is provided should there be any complaints or information to notify the management. Besides that the company provided the yearly physical examination which is beyond the requirement by law and also supports the employees saving project by approving the Asia Hotel Saving and Credit Cooperative Limited to be founded more than 10 years and operated by their own committee.

During year 2009 due to economy crisis and caused occupancy rate to drop enormously the management has set up a project to benefit the employees and extended to their relatives and friends to book accommodations in all 3 hotels: ASIA Bangkok, Asia Airport and Asia Pattaya at special prices. The booking needs to be verified by Personnel Department. Company also renovated the staff canteen to look nice and clean. There was also a joining in merit making to celebrate 43 anniversary of the hotel.

- **Clients:** There are regulations to follow. Employees will be trained how to treat the clients fairly, wonder the best services, keep the client's secret and follow up with the complaints immediately.
- **Competitors:** Company supports the free trade competition policy and against destroying the competitors unethically.
- **Debtors:** The Company has performed according to the condition of loan contract of every financial institute.
- **Communities:** The Company would not do any thing to damage the communities especially at the area nearby the business establishment of the Company. Year 2009 invited neighbors to join food offering to 108 monks.
- **Environment:** The Company realizes the important of environment and engaged in many environmental projects such as producing microorganism water from the fruit skin and use it to clean fat residue in the kitchen, use as fertilizer for plants and spray to keep away insects. Those help reduce the chemical and environmental friendly. For energy conservation the light bulbs have been changed to energy saving bulbs. Monitor the usage of air conditioners, computers and electric appliances to be turned off when not in use for more than half an hour and promote 5s activities in all departments.
- **Society:** Company has some assets that can be utilized such as bed and its accessories, dish, bowl, restaurant accessories, office accessories (Table, Chair) donated to Wat Suan Kaew.

In 2009, the Company has a project to donate blood by employees to patients at Sirirat Hospital at least once a year.

Company and its subsidiaries organized "Royal kathin" robe presenting ceremony at different temples yearly and invited outside people to join to help promote the Buddhism.

### 3. Disclosure and Transparency

The Company discloses important information of the Company including financial and non-financial information correctly, completely, timely, and transparently and in accordance with the regulation of the SEC Office and the SET both in Thai and English language through ELCID and SETSMART System or in news title, [www.set.or.th](http://www.set.or.th) of the SET. In year 2009 company added one more website to obtain information through [www.asiahotel.co.th](http://www.asiahotel.co.th) under section Investor Relation

The information is also disclosed in form of the annual report (Form 56-1) and the annual report (Form 56-2) for example:

- The performance of Board of Directors and Audit Committee in the past year.
- The annual remuneration that directors received from the Company and Its subsidiaries.
- The report of audit committee.

- The report of the board of directors' responsibilities to the annual financial report that has been performed in accordance with the certified accounting principle, suitable with the business and contain correct, complete and real information.

## 4. Board Responsibilities

❖ The Company's structure of directors comprises of 11 members:

- Management executives 4 members
- Non-management executives 7 members

The Chairman and executive director is the same person. He is the representative of the major shareholders that held 46.33% of shares. He is the founder of the company who has been managing the business for more than 43 years and with his notable abilities he has been entrusted to occupy the post continuously. However, to balance and to inspect the execution of the Company, structure of board of directors consists of 7 members of non-management executives that more than a half of total members of directors and the Company also appointed 4 members of independent audit committee. (36% of 11 members of board of directors). The Company also appointed nominating committee, committee for considering remuneration fee and committee for managing risks. It is expected that in the near future, the new structure of directors of the Company will be considered.

Therefore, the Company's structure comprises of 11 members of directors, 4 members of subcommittee of subsidiaries; audit committee and 16 members of managements.

Selection of directors as well as defining qualification of directors and independent directors, duties and responsibilities of board of directors referred in **Item 5.2 Management; Item 5.2.1 Authorities in the Management Structure**. Regarding the biography, education, work experience, share holding and term commencing from the date of appointment to be directors in other companies of each directors are showed in enclosed document of Form 56-1 and annual report.

### ❖ Remuneration for Directors And Management Executives

The company has policy on defining the remuneration as well as the operation result of the company and performance of each management executive. Defining the remuneration of committee shall be approved from the shareholders' meeting and depending on the operation result of the company. The company has disclosed the remuneration of committee and high level of management executive in *item 5.2 Shareholding Structure and Management, item 5.2.3 the remuneration of management executive*.

### ❖ Committee's Meeting

Company arranges the meeting monthly on the date of 13<sup>th</sup>. In case of having the special case that the meeting has to be done, the letter of invitation of a meeting will be sent to notify the committees at least 7 days in advance so that they can make a carefully discretion and arrange the time for making decision of the matter or subject proposed by the management team and discussing major problem carefully.

The committees well concern that they have to participate the meeting every time except in case of having a special reason the chairman will be informed. In 2009, there are totally 12 committees' meeting and the participants are as follows:

Name	Tenure	Participate/Number of meeting	
		Committee Meeting	Audit Committee Meeting
1.Mr.Kumpol Techaruvichit	24/4/2007-23/4/2010	12/12	-
2.Mr.Amorn Techaruvichit	24/4/2007-23/4/2010	12/12	-
3.Mrs.Suvimol Techaruvichit	28/4/2009-27/4/2012	12/12	-
4.Mr.Surapol Techaruvichit	24/4/2007-23/4/2010	10/12	-
5.Mr.Surapong Techaruvichit	24/4/2007-23/4/2010	12/12	-
6.Mrs.Pornpun Tanariyakul	27/4/2008-26/4/2011	12/12	-
7.Mr.Piyawudh Senapoopitaksa	27/4/2008-26/4/2011	12/12	10/10

8.Mr.Sombut Pupipathirunkul	28/4/2009-27/4/2012	12/12	10/10
9.Mr. Suwat Dusitrojanawongs	27/4/2008-26/4/2011	12/12	10/10
10.Major General Serm Ruhsakul	28/4/2009-27/4/2012	12/12	10/10
11.Mrs.Chotima Puasiri	28/4/2009-27/4/2012	12/12	-

All this, the approved meeting will be record in writing and the meeting report which approved by the committee will be kept and audit by the related committee.

The meeting of audit committee according to its charter shall be arranged at least twice a month. In 2009, there are 10 meetings arranged by audit committee and the result of the meeting and auditing including the consideration of financial statement of the company and subsidiaries every quarterly have been reported to the board of director for making conclusion and proposing to the committees' meeting of the company.

Committee who made the report of the committee have gave opinion to the financial report of auditor and already specified in the annual report. They also evaluated the sufficient of the internal control every year as well as financial control and operation, performance control, execution, risk management, emphasizing importance on the warning signal and any abnormal sign and having internal control department of the Company as shown in *Item 5.2.6 Internal Control*.

#### **5.2.5. Control on the use of inside information**

From the regulation of assets holding of company's management executive, the Office of the Security and Exchange Commission and Stock Exchange should assign management executive to report when amount of assets changed. Policy of company is to supervise, take care and prevent management executives, their spouses and children who are minor from using inside information for self benefit, stock transaction or accept transfers of securities issued by the company before disclosing the information to the public for 1 month. Audit committee and management executive are required to report to the company within 3 days counted from the date of stock transaction, transfer or accept transfer of securities. Copy of document should also be sent to the office of management for it to file reports further.

In practice, all committees are the same understanding that if one of them transacts the company securities, committees or management executive will use the means of telephone to inform the authorities at office of management informally and in the next morning day it will be informed in written immediately.

#### **5.2.6 Internal Control**

Audit Committee consists of Independent Committee who has the duty to consider the adequacy for the internal control of the Company including the inspection for the operational control to be in accordance with the related law, rule regulation and policy. The performance result of Internal Auditor and Independent Auditor of the Company will be reviewed continuously and the Auditor's report on the internal control will be proposed to the board of directors of the Company for consideration. The Audit Committee is appointed as per the objective set by SEC of Thailand for good governance and as the auditor for the adequacy for the internal control of the company according to the evaluation form of the SEC of Thailand and SET.

The Company hired Audit House Co., Ltd. who is an external auditor to perform the duty as Internal Auditor of the Company. The Audit House Co., Ltd. is not an auditor of the Company but has the duty as consultant and to audit, evaluate the internal control system, and follow up the risk management and governance of the Company to be arranged sufficiently and efficiently according to the objective established. Internal Auditor of the Company is independent and has sufficient and

suitable resource and budget for auditing the operational result, operations to be in compliance with laws and regulations as well as the financial matters. The audit and operational result will be reported to the Audit Committee every time.

Audit Committee has audited according to the audit form of adequacy and suitability for internal control of the SEC of Thailand and SET by considering 5 aspects for internal control and proposed to the meeting of board of directors No. 2/2553 that held on 25 February 2010. The conclusion was that the Company has adequacy and suitability for internal control of the existing operation according to 5 aspects for the internal control as follows:

1. Organization and Environment: The Company has established the organization suitably and management executives were supported to operate effectively. Policy and working rules and regulations were also set clearly as well as ethical provision was conducted in writing.
2. Risk Management: The Company lends significance to the risk management by conducting the assessment on risks might affect on the Company's operation significantly from both internal and external risk factors. The Company has assessed risk factors that whether they are controllable or not to find out measures for preventing or reducing the risk and also follow up situations are causes of risk factors for evaluating the situation and tendency of the effect on the Company.
3. Operational Control of Management Executives: The Company has clearly defined the scope of duty and amount shall be authorized by each level of management executives in writing. Duties are separated to protect racketeering activities. Follow up measure was set to related transactions. all transactions must be approved according to the regulation of the SEC and SET by considering the way that best benefits the Company is always important. The Company continuously monitors the operations of subsidiaries and set the direction to the person has been appointed by the Company to be directors or management executives to follow. Moreover, Audit Committee has placed great emphasis on assessing the compliance to the rules and regulations relating to the business activities of the Company to diminish the risk in the business and maintain the fame of the Company.
4. Information System and Communication: The Company provided effective internal and external communication, accounting and financial information system as well as the accounting policy of the Company is most suitable to the business type.
5. Follow-up System: The Company provided the measure to follow up internal control system continuously by hiring external auditor to be as internal auditor of the Company. The auditing result will be reported to the Audit Committee and its copy will be proposed to the management executives and inspectors for acknowledgement and taking the opinion of internal auditor to improve defects or weakness found from auditing as well as reporting the follow-up result for improvement of each department to Audit Committee.

From the auditing result of internal control of the Company in many aspects above, board of directors has opinion that the Company has follows the direction set by the SEC of Thailand and SET sufficiently and suitably. Moreover, board of directors has opinion that the Company has sufficient internal control system for any transaction relating to major shareholders, directors, management executives or related persons as mentioned above.

Audit Committee views the opinions that there are adequacy and suitability for internal control of the Asia Hotel Public Co., Ltd. to ensure the assets of the Company are well protected and secured, the accounting items are recorded suitably and the resources are utilized efficiently.

### 5.3 Payment of Cash Dividend

#### *- Asia Hotel Public Company Limited*

: The company has a policy to pay the dividend to shareholders around 60% of the net profit.

#### **Payment of Cash Dividend of Subsidiary Companies**

#### *- Asia Pattaya Hotel Company Limited*

: The policy for paying the dividend is in accordance with the company regulation. The company should reserve the money by not less than 5% until the reserved money is totally up to 10% of the company fund. There is not other regulation.

The company has a policy to pay the dividend not less than 60% of the net profit.

#### *- Asia Airport Hotel Company Limited*

: The policy for paying the dividend is in accordance with the company regulation. The company should reserve the money by not less than 5% until the reserved money is totally up to 10% of the company fund. There is not other regulation.

The company has a policy to pay the dividend not less than 60% of the net profit.

#### *- Zeer Property Company Limited*

: The policy for paying the dividend is in accordance with the company regulation. The company should reserve the money by not less than 5% until the reserved money is totally up to 10% of the company fund. There is not other regulation.

The company has a policy to pay the dividend not less than 60% of the net profit.

## 6. Related Parties and Transactions

<b>Name and Relationship</b>	ASIA, a registered company and AA, a subsidiary of ASIA (in proportion of shares of 100%)
<b>Description</b>	Inter-transaction of loan and accrued interest
<b>Value (Million Baht)</b>	-0-
<b>Importance and Reasons</b>	ASIA had granted loan to AA for supporting the operation. The interest was Calculated and the current interest rate is at 6%.and AA has paid total amount to ASIA in 3 <sup>rd</sup> quarter of 2009

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<b>Name and Relationship</b>	AA, a subsidiary (in the proportion of shares of 100%) and ASIA, the registered company
<b>Description</b>	Inter-transaction of loan and accrued interest payable
<b>Value (Million Baht)</b>	Baht 260 Million
<b>Importance and Reasons</b>	AA had granted loan to the ASIA for supporting the operation. The interest was calculated and the current interest rate is at 6%.

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<b>Name and Relationship</b>	AP, a subsidiary (in the proportion of shares of 100%) and ASIA, the registered company
<b>Description</b>	Inter-transaction of loan and accrued interest payable
<b>Value (Million Baht)</b>	Baht 173.61 Million
<b>Importance and Reasons</b>	AP had granted loan to the ASIA for supporting the operation. The interest was calculated and the current interest rate is at 6%.

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<b>Name and Relationship</b>	ASIA, a registered company and AP, a subsidiary of ASIA held share in proportion 99.42%
<b>Description</b>	Income from rental
<b>Value (Million Baht)</b>	Baht 1.20 Million
<b>Importance and Reasons</b>	AP rented the ASIA area for setting the office at the rental rate of Baht100,000/month.

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<b>Name and Relationship</b>	ASIA, a registered company and ZP a subsidiary company (in the proportion of shares of 93.50% )
<b>Description</b>	Inter-transaction of loan and accrued interest receivable
<b>Value (Million Baht)</b>	Baht 25.80 Million
<b>Importance and Reasons</b>	ASIA had granted the loan to ZP since year 1997 for enabling AA use the area for servicing at the early period. Until year 2005, ASIA had adjusted the structure of granting loan to ZP. The interest was calculated and the current interest rate is at 6.75%.

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<b>Name and Relationship</b>	ASIA, a registered company and ZP a subsidiary company (in the proportion of shares of 93.50% )
<b>Description</b>	Inter-transaction of loan and accrued interest receivable
<b>Value (Million Baht)</b>	Baht 306 Million
<b>Importance and Reasons</b>	In year 2009 ASIA had granted the loan to ZP to settle debt and pay the compensation of ZP by issuing at call promissory notes of Baht 452 Million with the interest rate at 6.75% the repayment of loan principal : In July 2010 pay the debt of Baht 24 Million and In July 2014 pay the debt of Baht 452 Million.

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<b>Name and Relationship</b>	ASIA, a registered company and ABK, a holding company. Some members of board of directors (Mr. Kumpol Techaruvichit, Mr. Amorn Techaruvichit, Mr.Surapol Techaruvichit, Mr. Surapong Techaruvichit) hold shares in these two companies.
<b>Description</b>	It was the accrued interest receivable from debt restructuring of loan
<b>Value (Million Baht)</b>	Baht 433.84 Million
<b>Importance and Reasons</b>	It was the item that the ASIA provided financial support to the ABK since 1995-2000

with the total capital of Baht998.62 million. The debt structure had been adjusted since the year 2000. It was the fund that used by the ASIA for holding the ZP shares indirectly in the proportion of 74%. And for the accrued interest payable of Baht472 million, it had to be paid within 15 years. This item was approved by the resolution of the extraordinary meeting of the shareholders No. 1/2543.

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<b>Name and Relationship</b>	ASIA, a registered company, AA, AP, ZP, a subsidiary company and Namseng Insurance Public Company Limited “NSI” has 1 member are of board of directors of ASIA, AA, AP and hold shares in the ASIA, NSI (Mr.Kumpol Techaruvichit and Mrs. Chotima Puasiri)
<b>Description</b>	Made property risk insurance with the third party insurance. The period of insurance was 1 year. NSI- The insurer and ASIA, AA, AP, ZP - The insured
<b>Value (Million Baht)</b>	ASIA= Baht 0.46 Million for ASIA premium Baht 585 million AA = Baht 0.16 Million for AA, premium: Baht130 million AP = Baht 0.27 Million for AP, premium: Baht450 million ZP = Baht 0.68 Million for ZP, premium: Baht780 million
<b>Importance and Reasons</b>	It was the insurance made for supporting normal business with the general trading conditions and the remuneration can be calculated from the assets and referred values.

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<b>Name and Relationship</b>	AA (a subsidiary of the ASIA, held shares in the proportion of 100%) and ABK, a holding company. Some members of board of directors hold shares of these two companies. (Mr. Kumpol Techaruvichit, Mr. Amorn Techaruvichit, Mr.Surapol Techaruvichit, Mr. Surapong Techaruvichit, Mrs. Suvimol Techaruvichit and Mrs. Pornpun Tanariyakul)
<b>Description</b>	It is a fine of accrued interest from the delay of land transfer.
<b>Value (Million Baht)</b>	Baht 22.63 Million
<b>Importance and Reasons</b>	It was the item that AA, the purchaser, made the contract for purchasing the land from ABK, the seller. It was agreed that the land had to be transferred to the purchaser within March 1993. after paying off for the land, the seller did not transfer it on time, therefore the additional contract was made and the ABK had to pay for the solatium as the interest at the rate of 12% (of the total amount Baht105 million) per year to the AA. At the meeting of board of directors of the ASIA company No. 6/2549, the AA was approved to be paid for the debt by ABK. The payment would be by installments within 5 years, at 500,000 Baht quarterly. For the last installment, the balance of Baht22.8 million and the constant interest rate at 8% would start to be paid at the end of September 2006.

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<b>Name and Relationship</b>	AA, a subsidiary of ASIA held share in the proportion 100% and ZP subsidiary of ASIA (in the proportion of shares of 93.50% )
<b>Description</b>	Item that AA settled the debt on behalf of ZP
<b>Value (Million Baht)</b>	-0-
<b>Importance and Reasons</b>	AA settled the debt on behalf of ZP to a financial institution and made a debt restructuring. ZP will pay debts within 5 years and 5 months, end on November 2013 with the current interest rate at 6.75%. and AA received full payment from ZP in Quarter 3/2009

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<b>Name and Relationship</b>	AA, a subsidiary of ASIA held share in the proportion 100% and ZP subsidiary of ASIA (in the proportion of shares of 93.50% )
<b>Description</b>	It is a transaction that ZP compensated the different amount of money to AA from collecting utility service fees instead of collecting common service fees.
<b>Value (Million Baht)</b>	Baht 0.77 Million
<b>Importance and Reasons</b>	AA leased 39,380 square meters of area from ZP but could not pay the service fee of 100,000 Baht/month. ZP agreed to collect utility service fee from AA at the rate that government office collected from general sub leases instead of collecting the said service fee. When comparing the different amount from utility fee that ZP collected from AA and that the government office collected since 1999-2008 it is Baht 17.77 Million while the service fees were not collected by ZP is Baht 17.00 Million. Therefore, ZP pays the different amount of Baht 0.77 Million to AA

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<b>Name and Relationship</b>	AA, a subsidiary of ASIA held share in the proportion 100% and ZP subsidiary of ASIA (in the proportion of shares of 93.50% )
<b>Description</b>	It is a transaction that ZP earned revenue sharing from management of function room area together with AA.
<b>Value (Million Baht)</b>	Baht 12.95 Million
<b>Importance and Reasons</b>	ZP has managed function room on the 5 <sup>th</sup> floor with an area of 9,072 square meters together with AA. It is agreed that the revenue will be shared at a proportion of 50:50 for a period of 3 years from July 15, 2007 to July 14, 2010. ZP is an operator for investing in construction of function room and preparing related equipment and area including utilities. AA is an administrator for preparing personnel, raw materials and tools for providing services. As ZP has no expertise on function room business and ZP has a plan to collect revenue inform of rental fee instead of revenue sharing after the contract expired. On July 15, 2009, ZP canceled the contract of revenue sharing with AA and is finding suitable rental rate. Therefore, it was allowed to collect revenue sharing amount until Dec 31, 2009 and will start collecting rental fee from Jan 1, 2010 onward.

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<b>Name and Relationship</b>	AA, a subsidiary of ASIA held share in the proportion 100% and ZP subsidiary of ASIA (in the proportion of shares of 93.50% )
<b>Description</b>	AA renewed the contract with ZP for the leased area of 39,380 square meters
<b>Value (Million Baht)</b>	Baht 390 Million
<b>Importance and Reasons</b>	AA has leased some areas of G floor, the 6 <sup>th</sup> floor and the 9 <sup>th</sup> floor and entire area of the 10 <sup>th</sup> -17 <sup>th</sup> floor, with a total area of 39,380 square meters from ZP. The contract period will be expired on Mar 31, 2023 or 13 years remaining. On Dec 18, 2009, AA renewed the lease contract for getting more contract period of 16 years that is from April 1, 2023 to Mar 31, 2039 or 29 years remaining. ZP charges the lease rate at Baht 390 Million, it will be paid in 3 installments; Baht 170 Million in December 2009, Baht 180 Million in February 2010 and Baht 40 Million in June 2010. These lease rate included the service fee of Baht 0.59 Million, the rate will be adjusted of 10% increasingly at every 3 years. The value of lease rate is concordant with the value evaluated by valuers approved by the Thai Valuers Association (TVA) and the Valuers Association of Thailand (VAT) that is Agency for Real Estate Affairs Co., Ltd. valued at Baht 425 Million.

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<b>Name and Relationship</b>	AA, a subsidiary of ASIA held share in the proportion 100% and ZP subsidiary of ASIA (in the proportion of shares of 93.50 %)
<b>Description</b>	AA allowed ZP to utilize the area of 158.5 square meters to exchange with utilization of an area of 53 square meters and car park area of ZP by AA.
<b>Value (Million Baht)</b>	-0-
<b>Importance and Reasons</b>	On September 3, 2007, AA allowed ZP to utilize the G floor with an area of around 158.5 square meters to exchange with ZP allowed AA to utilize the G floor with an area of around 53 square meters for lift lobby. ZP also allowed AA to utilize car park outside the building with an area of around 2,939 square meters because as in the previous contract that ZP made with AA on October 1, 1996, ZP shall arrange car park area to AA and AA's clients sufficiently by without collecting car park fee. By this operation, AA has more liquidity and convenience to provide the service to hotel and function room's clients and also consumers could come to Zeer IT Center increasingly in the future. Therefore, ZP can earn more revenue from management of area of 158.5 square meters.

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<b>Name and Relationship</b>	-ZP, a subsidiary of ASIA, held share in proportion 93.5%. And DM, a related company. Some members of board of directors held shares in ZP and DM. These directors are Mr. Kumpol Techaruvichit, Mr. Amorn Techaruvichit, Mr. Surapol Techaruvichit and Mr. Surapong Techaruvichit.
<b>Description</b>	ZP rented the land from DM, there was a rental right fee, waiting to pay on
<b>Value (Million Baht)</b>	Baht 153.45 Million
<b>Importance and Reasons</b>	It was that ZP had made subleasing the land from DM, which was the location of the ZEER project. The leasing contract period is 30 years, from year 1993-2023. The resolution of EGM no.1/2007 approved the extension the lease agreement for another land for 39 years 3 months period.

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**Name and Relationship** -ZP, a subsidiary of ASIA, held share in proportion 93.5%. And DM, a related company. Some members of board of directors (Mr. Kumpol Techaruvichit, Mr. Amorn Techaruvichit, Mr.Surapol Techaruvichit and Mr. Surapong Techaruvichit) held shares in ZP and DM.

**Description** Debt guarantee transaction of ZP secured by DM

**Value (Million Baht)** Loan = Baht 280 Million, OD = Baht 20 Million

**Importance and Reasons** It is a condition of Financial Institution that ZP is given a credit with DM security because ZP sub-leased the land and construction from DM and without any payment used as a guarantee.

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**Name and Relationship** -Smile Land of Asia Co., Ltd. (SML) (a normal business partner of ZP, it was the unrelated company) and ZP, a subsidiary of ASIA, held share in proportion 93.5%.

**Description** It was the accrued rental fee

**Value (Million Baht)** -0-

**Importance and Reasons** - Because it was an area rental debtor and that debt was a normal trade. The rental contract had been terminated since 2004 and the debt had been sold to the third party amounting to 175 million Baht on December 25, 2006. Later, the selling and buying of that debt was canceled because some information was incorrect. However, the allowance for doubtful debt from the accrued rental debt had already been set. In year 2009 was sued by ZP and reached the final verdict in June 2009 and seized property. Later request to terminate seizure of property was made to court and put in the bad debt in quarter 3/2009.

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**Name and Relationship** -Zeer Ice Skate Co., Ltd. (ZI) (a normal business partner of ZP, it was the unrelated company) and ZP, a subsidiary of ASIA, held share in proportion 93.5%.

**Description** Debt guarantee transaction of ZI secured by ZP

**Value (Million Baht)** Baht 129.37 Million

**Importance and Reasons** It is a condition of Financial Institution that ZI is given a credit with ZP security

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**Name and Relationship** -Nice Vision Enterprise Co., Ltd. (NV) (a normal business partner of ZP, it was the unrelated company) and ZP, a subsidiary of ASIA, held share in proportion 93.5%.

**Description** Debt guarantee transaction of NV secured by ZP

**Value (Million Baht)** Baht 3.27 Million

**Importance and Reasons** It is a condition of Financial Institution that NV is given a credit with ZP security

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**Name and Relationship** - T & W Partnership Ltd. (TW) (a normal business partner of ZP, it was the unrelated company) and ZP, a subsidiary of ASIA, held share in proportion 93.5%.

**Description** Debt guarantee transaction of TW secured by ZP

**Value (Million Baht)** Baht 9.11 Million

**Importance and Reasons** It is a condition of Financial Institution that TW is given a credit with ZP security

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## **7. Management Analysis**

### **1. Operating Results**

#### **Net Profit**

According to the consolidated financial statements, ASIA and its subsidiaries had net profit for the year 2009 at the amount of Baht 172.33 million, which was Baht 862.41 million lower than last year (ASIA and its subsidiaries had net profit of Baht 1,035.74 million in the year 2008). The result of the year 2009 came from ASIA and its subsidiaries net profit which was lower from 2008 and the significant items summarized as follows:

- Income from hotel business in 2009 was Baht 423.47 million which was lower than last year Baht 214.99 million or 33.67%. These were due to global economic crisis and unstable political situation which effected tourism industry in general.
- Rental and services income in 2009 was Baht 464.96 million which was higher than 2008 in the amount of Baht 25.49 million. ASIA and its subsidiaries managed to maintain the growth rate of rental and services income from shopping complex.
- Other revenue in 2009 was Baht 162.62 million which was much less than income in the same period of 2008. In 2008 gained from loan settle before maturity and income from the purchase of debt in the amount of Baht 896.14 million which occurred in 2008 only.
- Cost of sales and services in 2009 was Baht 632.49 million and cost- revenue ratio from hotel business and services at 71.19% which was increased from last year at 10.32% (Cost of sale and services in 2008 was Baht 656.19 million or 60.87%) resulting from the decrease of hotel business while some partial costs remained stable which higher cost- revenue ratio.

#### **Income from sales and services**

In the past 3 years (2007-2009) Revenue from renting and services increased continually from Baht 418.94 million in 2007 to Baht 464.96 million in 2009 from 38.85% of hotel business and services revenue in 2007 to 52.33% of business and services revenue in 2009, which can be analysed as follows:

##### **A. Income from hotel business:**

In 2009, the revenue from room and services was Baht 265.33 million, decreased Baht 165.84 million or 38.46% from last year and revenue from restaurant was Baht 158.15 million, declined Baht 49.15 million or 23.71% from last year, due to economic recession in the country, higher oil price, global economic recession from financial problem in USA., which effected Europe and Asia.

Other factor that had a baneful effect on the hotel and tourism business was political situation in the country, resulting in a decrease number of tourist arrivals which had an impact revenue to company and its subsidiaries.

##### **B. Revenue from renting and services:**

In 2009, the revenue was Baht 464.96 million, increased Baht 25.49 million or 5.80% from last year. Due to renovation and expansion of the building space, the company received more income from renting, services and parking.

#### **Cost and expense from sale and service**

Cost and expense from hotel business and shopping complex consisted of direct cost concerning accommodations such as expense of rooms, maintenance, energy, staff salary, welfare and food and beverage cost, cost of sale and service in 2009 was Baht 295.86 million, declined Baht 44.14 million or 12.98%, the consequence from the economic slowdown and lower number of customers at the hotel.

In part of subleasing business at Zeer Rangsit Shopping Center, the cost of renting and service in 2009 was Baht 336.63 million, increased Baht 20.44 million or 6.47%, resulting from renovation of the building for the renting.

Sales and management expenses in 2009, was Baht 152.02 million, decline from last year Baht 20.68 million or 13.97% which increased the expenses from last year Baht 2.66 Million or 10.05% due to the increasing inventory expenses of hotel and restaurant and administrative expense decline from last year Baht 27.34 million or 18.2%.

## 2. Financial Status of ASIA and its subsidiaries

### 2.1 Assets

Company and its subsidiaries have total assets at the end of year 2009 of Baht4,566.41 million. When compared with the total assets at the end of year 2008, amount of Baht4,457.56 million, representing the increasing of Baht118.85 million or equivalent to 2.67%, most due to expansion and development hotel business consistently by closing guest room for improvement and Zeer Property Co., Ltd bought new hotel, located at Cha-um beach, Petchaburi.

Assets of company and its subsidiaries as at 31 December 2009 was Baht 4,576.41 Million which comprised as follows :

	<u>MB</u>	<u>% of</u> <u>Total Assets</u>	<u>Increase/</u> <u>Decrease</u>
Cash and equivalents	85.57	1.87	(16.40%)
Trade Account receivable	84.38	1.85	0.30%
Inventories	29.96	0.66	10.76%
Other current assets	13.32	0.29	129.26%
Investments and loans	109.55	2.38	1.09%
Property, Plant and Equipment-Net	4,033.87	88.14	2.40%
Intangible assets-Net	1.67	0.04	(26.75%)
Prepayment for rental expense	166.02	3.63	(7.47%)
Deposit for real estate	32.01	0.70	0.00%
Other non-current assets	<u>20.07</u>	<u>0.44</u>	<u>118.63%</u>
Total	<u>4,576.41</u>	<u>100.00</u>	<u>2.67%</u>

## Asset Quality

### ➤ Trade Accounts and note receivable

Debtor of company and 2 subsidiaries of hotel business

(unit: million baht)

Accounts Receivable	December 31, 2009	Total
Hotel and Restaurant Business For ASIA and AP,AA		
Not overdue account	17.743	
Overdue account (1-30 days)	8.822	
Overdue account (31-60 days)	2.718	
Overdue account (61-90 days)	1.440	
Overdue account (91-365 days)	9.492	
Overdue account (over 1 year)	3.161	
Total	43.376	
<b>Less</b> Allowance for doubtful account	(4.847)	38.529

Debtor of Zeer Property Co., Ltd. , of shopping complex

Accounts Receivable	December 31, 2009	Total
ZP Subsidiary Company Account Receivable		
Not overdue account	6.302	
Overdue account (1-30 days)	15.782	
Overdue account (31-60 days)	7.901	
Overdue account (61-90 days)	4.412	
Overdue account (91-365 days)	6.903	
Overdue account (over 1 year)	6.319	
total	47.619	
<b>Less</b> Allowance for doubtful account	( 7.220)	
	40.399	
Post dated cheques	5.457	45.856
<b>Trade accounts and notes receivable net</b>		<b>84.385</b>

. The Company and subsidiary companies have a policy on setting the allowance for doubtful accounts that the history of the payment and expectation about the payment of debtors in the future will be analyzed. In 2009, the Company and subsidiary companies have duration for collecting debts averagely 43 days (it was 39 days last year) . The Accounts Receivable of the Company and 2 subsidiaries companies that were overdue for payment more than 3 months amounting Baht 12.65 million. Most of debtors are Agents. The allowance for doubtful account was provided at a total of Baht 4.85 million. It was expected that adequate for the amount of debts could not be collected from debtors.

As at December 31, 2009, accounts receivable of the Zeer Property Co., Ltd. who run the business for providing space for rent had the debts that are not due amounting Baht 6.3 million and had the debt that are overdue more than 3 months amounting Baht 13.22 million. For setting the allowance for bad debts at Baht 7.22 Million. It was expected that adequate for the amount of debts could not be collected from debtors.

## 2.2 Liquidity

### Liquidity Ratio

		2009	2008	2007
Liquidity Ratio	times	0.83	1.06	0.59
Quick Liquidity Ratio	times	0.66	0.90	0.50

Liquidity Ratio of the Company decreased to 0.83 times when comparing to 1.06 times of the last year and the Quick Liquidity Ratio decreased to 0.66 times when comparing to 0.90 times of the last year. This was due to the decrease in cash of the company which was more than decreased liabilities, even though there was less liquidity the company was able to pay the loan. But if the company renovate the hotel, it would have insufficient cash flow, but it would be possible to take loan if we needed loan for improvement of the hotel because of lower debt on equity ratio.

### Ratio shows the ability to debt management

		2009	2008	2007
Debt to Equity Ratio	times	0.76	0.81	2.08
Interest Coverage Ratio	times	4.17	4.72	4.50

As at December 31, 2009 and 2008, the Company and its subsidiaries had the Debt to Equity Ratio of 0.76 times and 0.81 times respectively. This was due to a decreased ratio which the company and its subsidiaries had taken loan to improve the hotel and used in operating capital, made payments during the year 2009. The Interest Coverage Ratio in 2009 of 4.17 times which was slightly lower than 2008 due to liquidity of debt payment.

### Cash Flow

The Company and subsidiary companies have the details of cash flow from activities during the past 3 years as follows:

(Unite : Million Baht)

	2009	2008	2007
Net Cash Flow provided by operating activities	259.30	391.72	440.65
Net Cash Flow used for investing activities	(303.97)	(99.91)	(203.04)
Net Cash Flow used for financial activities	31.87	(275.57)	(249.61)
Net Cash Flow increased (decreased) net	(12.80)	16.23	(12.00)

Cash flow of Company and its subsidiaries was compared in 2009 and 2008

In 2009, the Company had the Net Cash Flow provided by the operating activities of Baht 259.30 million, declined Baht 132.42 million. Cash Flow used for investing activities amounting Baht 303.97 million increased Baht 204.06 million due to cash payment in hotel improvement of hotel and its subsidiaries which increased Baht 94.45 million from last year. Cash Flow used for financial activities amounting Baht 31.87 million, increased Baht 307.44 million. This was due to additional loan taken in 2009 for hotel renovation and some payments made before due date. However, the company also paid dividend to shareholders.

### Rate shows the ability to earn profit

		2009	2008	2007
Net Profit Margin	Percentage	16.40	50.97	-3.93
Return on Equity	Percentage	6.80	52.37	-3.61
Return on Asset	Percentage	3.82	22.90	-1.02

From the above ratio in 2009, the Company had an ability to earn less profit with the Net Profit Margin of 16.40% of revenue, the Rate of Return on Equity of 6.8% and the Rate of Return on Assets of 3.82%. This was due to less profit from the operation result in 2009 and increased investment such as hotel and restaurant renovation from 2008 to 2009. The renovation of these assets generated higher income later on.

### 2.3 Capital Expenditures

In 2009, the Company had invested in assets, intangible assets and equipment for the company operation of Baht 277.85 million, the equipments are for decorating, installing, renovating the building including accessories for hotel and restaurant and etc. as well as the deposit for Cha-um project of Baht 32.01 million.

### 2.4 Source of Investment Capital

#### (1) Suitability of Capital Structure

Ratio of liabilities to shareholders' equity of the Company and its subsidiaries in 2009 was 0.76 times which 0.81 times decreased from the ratio of the previous year. This was because in 2009, the Company has decreased liabilities of Baht 14.86 million from the previous year whereas the shareholders' equity of Baht 133.7 million increased.

#### (2) Shareholders' Equities

Shareholders' equity of the Company and its subsidiaries as at the end of year 2009 was amount of Baht 2,600.34 million. When compared with the equity amount of Baht 2,466.64 million as at the end of the previous year, it is found that the amount increased of Baht 133.7 million. This resulted from the operation of the year 2009 which has net profit amount of Baht 172.32 million.

On November 17, 2009 the extra ordinary shareholders' meeting no.1/2009 of a subsidiary, Asia Airport Hotel, approved the dividend payments of Baht 14.25 per share, 4,950,000 shares amounting to Baht 70.54 million and paid on December 8, 2009. The Company hold 4,949,993 shares, amounting to Baht 70.54 million

#### (3) Liabilities

The total liabilities of the Company and subsidiaries as at the end of year 2009 was Baht 1,976.07 million when compared with the previous year was Baht 1,990.93 million, the total liabilities decreased Baht 14.86 million. In 2008, Corporate income tax provision in the consolidated financial statements was calculated, based on the recognition of income from the purchase of debt in the consolidated financial statements. The subsidiary, Asia Airport Hotel Co., Ltd. purchased the debt which Zeer Property Co., Ltd., another subsidiary, had payable to Thai Asset Management Corporation (TAMC). This caused the balance of deferred income – leasehold rights amount of Baht 383 million in the book of Zeer Property Co., Ltd. to be recognized in consolidated financial statement because there was no further obligation to third party. So the corporate income tax provision was provided against such income in the consolidated financial statement.

The total liability in hard cash of the company and subsidiary companies as at the end of year 2009 such as overdrafts and loans from banks and accrued expense (excluding deferred financial income amounting Baht 45.05 million) totaling Baht 1,931.02 million which lower than the previous year of Baht 11.39 million.

Loan and long-term liabilities totaling Baht1,645.44 million as shown in the financial statement as at the end of year 2009 consist of:

(unit : million baht)

	Current portion of long-term liabilities	Long- term liabilities	Total Long-term liabilities
Loans from banks - ASIA	52.50	1,088.01	1,140.51
Loans from banks - AP	10.00	178.00	188.00
Loans from bank - AA	8.00	117.50	125.50
Loans from bank - ZP	25.20	166.23	191.43
<b>Total</b>	<b>95.70</b>	<b>1,549.74</b>	<b>1,645.44</b>

These debts are long-term liabilities of Baht 1,549.74 million. For long term debt that reach the due of payment in 2010 is totally Baht95.70 million. The company and its subsidiaries can pay by installment according to the conditions of the contract.

***The main factors and influences that may affect the operation or financial status in the future***

Main Income profile of the companies : Income from rooms, food and beverage for Thai and foreigners. Risk factors might affect the company business are tourist arrival rate, exchange rate, business competition and government support for the impact of those mentioned risk factors. The company made standard improvement in hotel and services constantly including propaganda and sales promotion at the same time and always look for new markets domestically and internationally.

Risk Factors might affect the shopping center business in the future: Economic condition has tended to fall slightly and the need for renting space of shopping center is lower. From the lack of confidence of consumers for the economic condition and political instability resulting lower need for renting the space of shopping center. This might affect the revenue of the Company. Risk from inability to pay the rental fee that may cause bad debts in the future. However, the Company has organized sales promotion activities periodically and renovated the area for attracting leasee to lease the space and stimulated consumers to get the service at the shopping center of the Company.

Although there are many risk factors that might affect the operation of the Company and subsidiary companies but it is expected that the operating result of the hotel business and shopping center business of the company and subsidiary companies in overall 2009 and for the future still have a good tendency. The Company will use the policy for the operation carefully and emphasize on the quality of the service to customers as well as control the operating capital, develop the operational procedures to be efficient and spend shorter time for the operation. Moreover, the Company also study and research on the need of customers for getting the targeted customer group of the Company.

### **3. Auditor Remuneration**

#### **3.1 Audit Fee**

The company and subsidiary companies pay the audit fee to:

- The auditor of the company in last fiscal year with the total amount of .....-..... Baht.
- Audit and Consultant Office that auditor occupied, person or business related to the auditor and audit and consultant office that the auditor occupied in last fiscal with total amount of ...3,040,000.00.... Baht.

#### **3.2 Other Service Fees (Non-Audit Fee)      -No-**

## ***Report of the Audit Committee***

Audit Committee of the Asia Hotel Public Co., Ltd. comprises of 4 members of independent directors. They have duty and responsibility independently , in 2009 Audit Committee had a total of 10 meetings and all members of Audit Committee attended the meeting every time for auditing and taking care of the Company according to the scope of duties and responsibilities that can be summarized as follows:

- Audit Committee verified the quarterly, annually and consolidated financial statement of the company and its subsidiaries before proposing to board of directors of the company, Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. From the results of auditing financial statement, the audit committees believe that the financial statement was made in accordance with the accounting standard and it was correct and disclose sufficient information.
- Audit Committee has the opportunity to discuss with Auditor of the Company regarding audit result and opinion of auditor and to consult regarding accounting system every quarter. Any matters recommended to improve by Auditor, the audit committee will closely monitor them and report into the next meeting.
- Audit Committee considered the internal control audit report and monitor the operation of the internal auditors of the company and 2 subsidiaries: Asia Pattaya Hotel Co., Ltd., Asia Airport Hotel Co., Ltd. From auditing results, there were no significant faults or errors. The audit committees regularly propose the internal audit report to the board of directors and supervise to be in accordance with the regulation of the Stock Exchange, laws or rules related the company business.
- Audit committees follow up the report of inter-transactions, control and check the inter-transactions of related person or business to be in proper way and will disclose that information into the note to the financial statement, annual information report (Form 56-1) and annual report (Form 56-2) continuously for the efficiency and transparency.
- Audit committee proposes the director of the company to propose to the shareholders' meeting for considering the election of Mrs. Vilairat Rojnuckarin or Miss.Somjintana Pholhirunrat or Mr. Wisut Petpanitkul the certified auditor of the Office of DIA International Auditing to be an auditor of the company for the year ended as at December 31, 2010.

Audit committee believed that the company manages the business according to the principles of good corporate governance as the Stock Exchange of Thailand have asked for the cooperation from the registered company to transparently, cautiously and correctly operate the business according to the law and related regulation and adequately and suitably set the internal control system and also openly and correctly report reliable financial statement of the company.



**Major General Serm Ruhsakul**  
**Chairman of the Audit Committee**  
5 March 2010

## **Statement of Directors Responsibilities**

The Board of Directors of Asia Hotel Public Company Limited reviewed the company financial statements for the year ended 31 December 2009 in coordination with the management and the external auditor and concluded that the company's financial report has conformed in accordance with generally accepted accounting standards including use of appropriated accounting policies applied on a consistent basis. In addition, the report is supported by reasonable judgement and estimates.

The Board of Directors is also responsible for the presentation of accurate and appropriate financial position and performance by having correct and adequate financial information. In addition, it ensures the company has relevant policy to maintain the company's net asset value and internal control system to prevent any fraud of mismanagement.



*Mr. Kumpol Techaruvichit*  
*Chairman*



## AUDITOR'S REPORT

To The Shareholders of

ASIA HOTEL PUBLIC COMPANY LIMITED

I have audited the consolidated balance sheet of ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES and the separate balance sheet of ASIA HOTEL PUBLIC COMPANY LIMITED as at December 31, 2009, the related consolidated statement of income and separate statement of income, consolidated statement of changes in shareholders' equity and separate statement of changes in shareholders' equity, and consolidated statement of cash flows and separate statement of cash flows for the year then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated financial statement (before restatement) of ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES and the separate financial statements of ASIA HOTEL PUBLIC COMPANY LIMITED for the year ended December 31, 2008, were audited by the other auditor that expressed an unqualified opinion in the report dated February 26, 2009.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the consolidated financial statements and separate financial statements referred to above present fairly, in all material respects, the consolidated financial position of ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES and the separate financial position of ASIA HOTEL PUBLIC COMPANY LIMITED as at December 31, 2009 the results of their operations and its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

Without qualifying financial statements, I draw attention to the notes 39 to financial statements pertaining to the prior year errors correction subject to minority interest presentation. The Company has presented the understated of minority interest. In 2009, the Company, therefore, has corrected such errors by adjusted the beginning retained earning (deficit) and made retroactive adjustment the restated 2008 financial statements by using cumulative effect. I also reviewed the adjustments that were applied in the restated 2008 financial statements. I found that the restatement is appropriate and properly applied to the financial statements.

Office of D I A International Auditing



(Mrs. Viliarat Rojnuckarin)

C.P.A. (Thailand)

Registration No. 3104

February 25, 2010

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2009 AND 2008

(Unit: Baht)

ASSETS	Notes	Consolidated		Separate	
		2009	2008	2009	2008
Current Assets			(Restated)		
Cash and cash equivalents	6	85,559,382.28	98,362,257.83	9,262,523.82	20,583,948.28
Current investment	7	-	3,545,000.00	-	3,545,000.00
Trade accounts and notes receivable-net	8	84,385,622.49	84,125,507.98	13,460,760.40	27,840,237.11
Short - term loans and interest receivable					
- related parties	27	-	-	10,000,000.00	-
Inventories	9	29,956,739.93	27,050,675.39	18,000,721.45	17,888,470.93
Other current assets	10	13,319,934.62	5,810,473.54	7,798,755.03	2,947,010.14
Total current assets		213,221,679.32	218,893,914.74	58,522,760.70	72,804,666.46
Non - current assets					
Loans to employees	11	217,900.00	269,240.00	200.00	39,840.00
Long - term investments in subsidiaries	12	-	-	1,020,677,200.00	1,020,677,200.00
Long-term investments in related parties - net	13	-	-	-	-
Restricted deposit with financial institution	14	2,930,569.70	1,700,000.00	-	-
Long-term loans - accounts receivable and interest					
receivable - related parties - net	27	106,396,492.14	106,401,718.66	427,439,902.90	256,495,936.84
Property, plant and equipment - net	15	4,033,871,014.21	3,939,420,421.75	1,528,625,997.47	1,339,828,403.29
Intangible assets - net	17	1,666,391.55	2,276,503.83	842,326.22	1,285,370.16
Prepaid rental	18	166,021,481.09	179,425,318.17	12,566,666.27	13,533,332.98
Deposits for real estate	19	32,006,400.00	-	-	-
Other non - current assets					
Deposits and guarantee		1,305,605.82	1,286,099.25	441,361.35	502,387.40
Withholding corporate income tax receivable		18,767,890.10	7,889,420.16	7,448,862.01	6,180,223.48
Total non - current assets		4,363,183,744.61	4,238,668,721.82	2,998,042,516.22	2,638,542,694.15
Total assets		4,576,405,423.93	4,457,562,636.56	3,056,565,276.92	2,711,347,360.61

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT DECEMBER 31, 2009 AND 2008

(Unit: Baht)

LIABILITIES AND SHAREHOLDER'S EQUITY	Notes	Consolidated		Separate	
		2009	2008	2009	2008
Current liabilities			(Restated)		
Bank overdrafts	20	46,438,820.23	11,400,899.28	22,561,968.26	4,982,164.04
Trade accounts and notes payable		19,515,062.54	26,804,527.15	11,288,344.07	14,494,714.92
Current portion of long - term loans	22	95,700,000.00	86,800,000.00	52,500,000.00	46,000,000.00
Current portion of liability under financial lease agreement		937,990.16	2,708,303.16	-	-
Short - term loan and interest payable - related party	27	-	-	434,180,533.86	232,480,491.07
Asset payable		29,759,848.33	4,615,550.37	7,733,111.25	-
Corporate income tax payable		-	6,552,701.32	-	-
Other current liabilities	21	63,450,698.67	68,089,426.02	17,035,591.68	19,030,216.38
Total current liabilities		255,802,419.93	206,971,407.30	545,299,549.12	316,987,586.41
Non - current liabilities					
Long-term loans - net	22	1,549,738,598.62	1,498,938,790.38	1,088,005,677.80	994,000,000.00
Liability under financial lease agreement - net		3,270,700.36	4,629,048.54	-	-
Provision for corporate income tax of income from the purchase of debt	23	-	111,144,454.82	-	-
Guarantee for rental	24	119,367,699.17	117,957,598.36	5,888,738.00	5,777,150.00
Deferred income - leasehold right on leased area - net	25	45,050,147.76	48,519,250.57	-	-
Guarantee for employee		2,840,443.47	2,766,641.00	1,169,000.00	1,374,000.00
Total non - current liabilities		1,720,267,589.38	1,783,955,783.67	1,095,063,415.80	1,001,151,150.00
Total liabilities		1,976,070,009.31	1,990,927,190.97	1,640,362,964.92	1,318,138,736.41

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (Cont.)

AS AT DECEMBER 31, 2009 AND 2008

(Unit: Baht)

LIABILITIES AND SHAREHOLDER'S EQUITY (Cont.)	Notes	Consolidated		Separate	
		2009	2008	2009	2008
Shareholders' equity			(Restated)		
Share capital					
Authorized share capital					
Common shares, Baht 10 par value, 50,000,000 shares		500,000,000.00	500,000,000.00	500,000,000.00	500,000,000.00
Issued and paid-up shares capital					
Common shares, Baht 10 par value, 32,000,000 shares, fully paid		320,000,000.00	320,000,000.00	320,000,000.00	320,000,000.00
Parent's common share held by subsidiaries	26	(10,304,000.00)	(17,434,000.00)	-	-
Capital surplus					
Premium on share - sale of parent's common share held by subsidiaries	26	52,881,500.00	7,591,500.00	-	-
Revaluation surplus of property, plant and equipment - net	16	2,073,838,908.62	2,123,445,992.17	991,981,374.57	999,509,199.67
Retained earnings (Deficit)					
Appropriated - legal reserve	31	7,905,555.85	4,705,555.85	8,500,000.00	5,300,000.00
Unappropriated		105,560,652.71	(35,352,584.30)	95,720,937.43	68,399,424.53
Total the parent shareholders' equity		2,549,882,617.18	2,402,956,463.72	1,416,202,312.00	1,393,208,624.20
Minority interest		50,452,797.44	63,678,981.87	-	-
Total shareholders' equity		2,600,335,414.62	2,466,635,445.59	1,416,202,312.00	1,393,208,624.20
Total liabilities and shareholders' equity		4,576,405,423.93	4,457,562,636.56	3,056,565,276.92	2,711,347,360.61

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Unit: Baht)

	Notes	Consolidated		Separate	
		2009	2008	2009	2008
			(Restated)		
<b>REVENUES</b>					
Income from hotel business		423,470,460.14	638,464,277.19	248,202,453.98	398,270,445.82
Rental and services income		464,959,433.65	439,467,654.29	-	-
Total revenues		888,429,893.79	1,077,931,931.48	248,202,453.98	398,270,445.82
<b>COST OF SALES AND SERVICES</b>					
Cost of hotel business		(295,858,414.34)	(339,998,351.46)	(170,156,259.04)	(199,276,678.04)
Cost of rental and service		(336,633,456.25)	(316,191,185.41)	-	-
Total cost of sales and service		(632,491,870.59)	(656,189,536.87)	(170,156,259.04)	(199,276,678.04)
GROSS PROFIT		255,938,023.20	421,742,394.61	78,046,194.94	198,993,767.78
<b>OTHER INCOME</b>					
Interest income		2,483,091.56	2,436,434.62	19,645,308.57	8,698,786.45
Gain on loan settlement before maturity		-	512,677,678.48	-	512,677,678.48
Dividend received from subsidiaries		-	-	70,537,400.25	102,598,000.00
Income from the purchase of debt	25	-	383,461,279.12	-	-
Reversal provision for corporate income tax of					
income from the purchase of debt	23	106,926,031.83	-	-	-
Others		53,206,926.74	55,643,026.46	34,467,460.72	42,087,035.62
Total other income		162,616,050.13	954,218,418.68	124,650,169.54	666,061,500.55
Profit before expenses		418,554,073.33	1,375,960,813.29	202,696,364.48	865,055,268.33
Selling expenses		(29,147,256.04)	(26,485,700.10)	(13,675,300.17)	(14,296,080.86)
Administrative expenses		(122,874,508.86)	(150,216,027.36)	(56,576,549.43)	(76,168,744.87)
Directors' remuneration		(3,872,950.00)	(2,458,275.00)	(1,987,500.04)	(2,180,000.00)
Management benefit expenses		(14,928,975.00)	(13,830,640.00)	(5,176,600.00)	(5,123,750.00)
Bad debts		(55,392,471.71)	-	(501,074.77)	-
Reversal provision for doubtful debt		69,942,249.78	112,931,839.37	10,702,862.46	114,994,006.13
Total expenses		(156,273,911.83)	(80,058,803.09)	(67,214,161.95)	17,225,430.40

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME (Cont.)

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Unit: Baht)

Notes	Consolidated		Separate	
	2009	2008	2009	2008
	(Restated)			
Profit before financial cost and corporate income tax	262,280,161.50	1,295,902,010.20	135,482,202.53	882,280,698.73
Financial cost	(81,909,195.90)	(105,228,023.07)	(72,960,789.63)	(76,613,500.24)
Profit (Loss) before corporate income tax	180,370,965.60	1,190,673,987.13	62,521,412.90	805,667,198.49
Corporate income tax	(18,894,405.37)	(20,667,944.88)	-	-
Provision for corporate income tax of income from the purchase of debt	-	(111,144,454.82)	-	-
Net profit (loss)	161,476,560.23	1,058,861,587.43	62,521,412.90	805,667,198.49
Attributable to:				
Equity holders of the parent	172,323,137.01	1,035,742,050.51	62,521,412.90	805,667,198.49
Minority interest	(10,846,576.78)	23,119,536.92	-	-
Net profit (loss)	161,476,560.23	1,058,861,587.43	62,521,412.90	805,667,198.49
Basic earnings (loss) per share :	5.75	36.72	1.96	28.56

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Unit: Baht)

		Consolidated							
		Common shares		Capital surplus		Retained earnings (Deficit)			
		Share capital	of parent	Treasury	Revaluation of	Appropriated		Minority	
Notes		issues and fully paid	held by subsidiaries	common shares	property, plant and equipment	legal reserve	Unappropriated	interest	
								Total	
		320,000,000.00	(17,434,000.00)	7,591,500.00	2,127,225,786.40	4,705,555.85	5,707,059.46	18,839,543.88	2,466,635,445.59
The errors correction	39				(3,779,794.23)		(41,059,643.76)	44,839,437.99	-
Beginning balance as at January 1, 2009 - After restatement		320,000,000.00	(17,434,000.00)	7,591,500.00	2,123,445,992.17	4,705,555.85	(35,352,584.30)	63,678,981.87	2,466,635,445.59
Revaluation surplus of assets - Written off	16				(49,607,083.55)			(2,409,707.65)	(52,016,791.20)
Subsidiary sold investments in the parent			17,434,000.00	45,290,000.00					62,724,000.00
Subsidiary bought investments in the parent			(10,304,000.00)						(10,304,000.00)
Legal reserve						3,200,000.00	(3,200,000.00)		-
Dividend paid							(28,209,900.00)		(28,209,900.00)
Net profit (loss)							172,323,137.01	(10,846,576.78)	161,476,560.23
Minority interest of subsidiary from additional investment								30,100.00	30,100.00
Ending balance as at December 31, 2009		320,000,000.00	(10,304,000.00)	52,881,500.00	2,073,838,908.62	7,905,555.85	105,560,652.71	50,452,797.44	2,600,335,414.62
Beginning balance as at January 1, 2008 - Before restatement		320,000,000.00	(17,434,000.00)	7,591,500.00	2,176,855,050.48	-	(1,037,220,298.00)	38,832,606.81	1,488,624,859.29
The errors correction	39				(3,779,794.23)		(958,880.96)	4,738,675.19	-
Beginning balance as at January 1, 2008 - After restatement		320,000,000.00	(17,434,000.00)	7,591,500.00	2,173,075,256.25	-	(1,038,179,178.96)	43,571,282.00	1,488,624,859.29
Revaluation surplus of assets - Written off	16				(49,629,264.08)			(2,409,837.05)	(52,039,101.13)
Legal reserve						4,705,555.85	(4,705,555.85)		-
Dividend paid							(28,209,900.00)	(602,000.00)	(28,811,900.00)
Net profit							1,035,742,050.51	23,119,536.92	1,058,861,587.43
Ending balance as at December 31, 2008		320,000,000.00	(17,434,000.00)	7,591,500.00	2,123,445,992.17	4,705,555.85	(35,352,584.30)	63,678,981.87	2,466,635,445.59

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Unit: Baht)

		Separate			
		Capital surplus	Retained earnings (Deficit)		
		revaluation of			
		property, plant	Appropriated		
Notes	Share capital	and equipment	legal reserve	Unappropriated	Total
	issues and fully paid				
Beginning balance as at January 1, 2009	320,000,000.00	999,509,199.67	5,300,000.00	68,399,424.53	1,393,208,624.20
Revaluation surplus of assets - Written off	16	(7,527,825.10)			(7,527,825.10)
Legal reserve			3,200,000.00	(3,200,000.00)	-
Dividend paid	32			(31,999,900.00)	(31,999,900.00)
Net profit				62,521,412.90	62,521,412.90
Ending balance as at December 31, 2009	320,000,000.00	991,981,374.57	8,500,000.00	95,720,937.43	1,416,202,312.00
Beginning balance as at January 1, 2008	320,000,000.00	1,007,037,024.74	-	(699,967,873.96)	627,069,150.78
Revaluation surplus of assets - Written off	16	(7,527,825.07)			(7,527,825.07)
Legal reserve			5,300,000.00	(5,300,000.00)	-
Dividend paid				(31,999,900.00)	(31,999,900.00)
Net profit				805,667,198.49	805,667,198.49
Ending balance as at December 31, 2008	320,000,000.00	999,509,199.67	5,300,000.00	68,399,424.53	1,393,208,624.20

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Unit: Baht)

	Consolidated		Separate	
	2009	2008	2009	2008
Cash flows from operating activities :		(Restated)		
Net profit (loss) before corporate income tax	191,217,542.38	1,167,554,450.21	62,521,412.90	805,667,198.49
Adjustment to reconcile net profit to cash provided by (used in) operating activities				
Depreciation	164,154,078.35	158,435,481.30	17,646,450.17	15,163,506.65
Amortized computer software	783,802.18	790,200.97	443,043.94	438,073.00
Amortized prepaid rental	22,580,679.11	22,588,679.07	966,666.71	966,666.67
Amortized interest on hire purchase agreement	385,394.82	718,702.16	-	28,142.03
(Reversal provision for doubtful debt) Bad debt	(14,549,778.07)	(112,931,839.37)	(10,201,787.69)	(114,994,006.13)
Amortized withholding corporate income tax	-	6,890,617.95	-	1,066,328.52
Gain on sale of fixed assets	(1,285,295.26)	(859,592.64)	(1,208,565.81)	(4,122,327.78)
Gain on loan settlement before maturity	-	(512,677,678.48)	-	(512,677,678.48)
Net profit of minority interest	(10,846,576.78)	23,119,536.92	-	-
Income on leasehold rights	(3,469,102.81)	(16,448,865.84)	-	-
Income from purchase of debt	-	(383,461,279.12)	-	-
Reversal provision for corporate income tax of income from purchase of debt	(106,926,031.83)	-	-	-
Loan interest expenses	81,523,801.07	87,367,358.72	72,960,789.63	76,585,358.21
Interest income	(1,815,537.93)	-	(19,516,734.24)	(8,596,690.14)
Profit from operations before changes in operating assets and liabilities	321,752,975.23	441,085,771.85	123,611,275.61	259,524,571.04
Operating assets (increase) decrease				
Trade accounts and notes receivable	115,447.61	898,537.69	10,581,264.40	6,278,507.79
Inventories	(2,906,064.54)	(42,332.78)	(112,250.52)	574,228.56
Other current assets	(8,702,498.46)	(2,461,652.66)	(6,046,744.89)	(1,908,272.81)
Loan to employees	51,340.00	154,500.00	39,640.00	133,400.00
Long - term receivables - other company	-	15,154.21	-	-
Other non - current assets	(19,506.61)	(1,303,007.33)	61,026.05	(1,367,493.53)

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont.)

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Unit: Baht)

	Consolidated		Separate	
	2009	2008	2009	2008
Operating liabilities increase (decrease)		(Restated)		
Trade accounts and notes payable	(7,289,464.61)	(288,820.97)	(3,206,370.85)	(4,006,233.26)
Other current assets	(4,638,727.35)	(16,461,863.45)	(1,994,624.70)	(2,293,289.77)
Guarantee for rental	1,410,100.81	6,746,518.73	111,588.00	(882,600.00)
Guarantee for employee	73,802.47	(145,700.00)	(205,000.00)	(157,600.00)
Cash received from operating activities	299,847,404.55	428,197,105.29	122,839,803.10	255,895,218.02
Corporate income tax paid	(40,543,999.62)	(36,480,688.80)	(1,268,638.53)	149,382.80
Net cash provided by (used in) operating activities	259,303,404.93	391,716,416.49	121,571,164.57	256,044,600.82
Cash flow from investing activities :				
Cash received from (paid for) fixed deposit at bank	2,314,430.30	(1,057,217.85)	3,545,000.00	(3,545,000.00)
Cash received from (paid for) short-term loan and accrued interest income - related parties	-	-	(10,000,000.00)	-
Cash received from (paid for) long-term loan - receivable and accrued interest income - related parties	15,994,980.43	8,170,448.67	(137,427,231.82)	7,607,810.03
Cash received from sale of fixed assets	1,367,120.10	5,738,284.55	1,223,224.77	9,001,018.69
Cash paid for assets payable	(4,615,550.37)	-	-	-
Cash paid for prepaid rental	(9,176,842.03)	(8,970,105.20)	-	-
Purchase of fixed assets and intangible assets	(277,848,299.10)	(103,790,503.42)	(202,982,625.21)	(26,808,673.18)
Cash paid for deposits for real estate	(32,006,400.00)	-	-	-
Net cash provided by (used in) investing activities	(303,970,560.67)	(99,909,093.25)	(345,641,632.26)	(13,744,844.46)
Cash flow from financing activities :				
Cash received from (paid for) bank overdrafts	35,037,920.95	(4,900,309.56)	17,579,804.22	(921,856.20)
Increase (Decrease) in short-term loans from related parties	-	-	180,231,498.31	(111,691,000.03)
Interest paid for loan	(83,984,987.82)	(93,246,996.05)	(53,568,037.10)	(69,250,769.23)
Cash received from (paid for) long-term loan and liabilities under financial lease agreement	56,571,147.06	(148,614,163.87)	100,505,677.80	(24,048,358.18)
Dividend paid	(28,209,900.00)	(28,811,900.00)	(31,999,900.00)	(31,999,900.00)
Cash received from the parent's common share held by subsidiary	52,420,000.00	-	-	-
Cash received from minority interest	30,100.00	-	-	-
Net cash provided by (used in) financing activities	31,864,280.19	(275,573,369.48)	212,749,043.23	(237,911,883.64)
Net cash and cash equivalents increase (decrease)	(12,802,875.55)	16,233,953.76	(11,321,424.46)	4,387,872.72
Cash and cash equivalents at the beginning of period	98,362,257.83	82,128,304.07	20,583,948.28	16,196,075.56
Cash and cash equivalents at the end of period	85,559,382.28	98,362,257.83	9,262,523.82	20,583,948.28

Notes to financial statements are parts of these financial statements.

ASIA HOTEL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2009 AND 2008

**1. General information**

1.1 The Company and its four subsidiaries,

- The Company and two of its subsidiaries, Asia Pattaya Hotel Co., Ltd., and Asia Airport Hotel Co., Ltd. are involved in the hotel business, with its principal activities consisting of room service and operating restaurants.
- A subsidiary, Zeer Asset Co., Ltd. Is involved in real estate development business.
- A subsidiary, Zeer Property Co., Ltd. is involved in shopping complexes business.

1.2 The Company was incorporated on March 24, 1964, and has been listed on the Stock Exchange of Thailand since 1989. Its office is located at 296 Phayathai Rd., Rajathevee, Bangkok.

1.3 A.B.K. Enterprise Co., Ltd., the Company's major shareholder, held about 46% of the Company's share capital.

**2. Preparation of financial statement basis**

These consolidated financial statements and separate financial statements have been prepared in conformity with generally accepted accounting principles enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the Notification of the Department of Business Development by the Ministry of Commerce dated January 30, 2009 regarding the condensed form should be included in the financial statements B.E. 2552 and the regulation of the Securities and Exchange Commission regarding to preparation and presentation the financial report under the Securities and Exchange Act B.E. 2535.

These consolidated financial statements and separate financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

**3. Consolidated financial statements preparation basis**

3.1 These financial statements have been consolidated by including the financial statements of subsidiaries in which Asia Hotel Public Company Limited has a power to control such companies under equity method. Balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements on the controllable date.

3.2 Investment between Asia Hotel Public Company Limited and its subsidiaries have been eliminated under equity method as if the Company owns 100 per cent shareholding in those subsidiaries, and the interest of other shareholders is shown as "Minority Interest".

3.3 The consolidated financial statements consist of the financial statements of Asia Hotel Public Company Limited, a parent company which has shareholding or has significant influence in subsidiaries as follows:

	Percentage of investment (percent)	
	2009	2008
1. Asia Pattaya Hotel Co., Ltd.	99.42	99.42
2. Asia Airport Hotel Co., Ltd.	100.00	100.00
3. Zeer Property Co., Ltd.	93.50	93.50
4. Zeer Asset Co., Ltd. (held by Zeer Property Co., Ltd.)	96.99	-

Moreover, in 2009 and 2008, Asia Pattaya Hotel Co., Ltd. held 7% and Asia Airport Hotel Co., Ltd. held 11.84% of ownership in the Company.

#### 4. New accounting standards issuance

In accordance with the notification No. 86/2551 and No.16/2552, pertaining to the Accounting Standards announced in the Government Gazette, intention to follow the new Accounting Standards instead of the old Accounting Standards which were cancelled as following:

- 4.1 Accounting standards, financial reporting standard and accounting treatment guidance which are effective for the current year

Framework for Preparation and Presentation of Financial Statements (Revised 2007)

TAS 36 (Revised 2007) Impairment of Assets

TFRS 5 (Revised 2007) Non-current Assets Held for Sale and Discontinued Operations (Formerly TAS 54)

Accounting Treatment Guidance for Leasehold Right

Accounting Treatment Guidance for Business Combination under Common Control

These accounting standards, financial reporting standard and accounting treatment guidance became effective for the financial statements for the period beginning on or after January 1, 2009. The Company' management has assessed the effect of these standards and believes that TFRS 5 (Revised 2007) and Accounting Treatment Guidance for Business Combination under Common Control are not relevant to the Company's business, while Framework for Preparation and Presentation of Financial Statements (revised 2007), TAS 36 (revised 2007) and Accounting Treatment Guidance for leasehold right will not have any material impact on the financial statements for the current period.

- |   |                       |
|---|-----------------------|
| 4.2 Accounting standards which are not effective for the current year | <u>Effective date</u> |
| TAS 20 Accounting for Government Grants and Disclosure of             |                       |
| Government Assistance   | January 1, 2012       |
| TAS 24 (Revised 2007) Related Party Disclosures                       | January 1, 2011       |
| TAS 40 Investment Property  | January 1, 2011       |

The management of the Company evaluated that the above three accounting standards have no material effect on the financial statements for the year in which they are initially applied.

## 5. Significant accounting policies

### 5.1 Recognition of revenues and expenses

The income from room service and other related services are recognized when services have been rendered.

The income from food and beverage are recognized when the food and beverage have been serviced.

The buildings rental income, rental income and services on lease area are recognized when services have been rendered.

Deferred income on leasehold rights is recognized as income by the straight line method over the leasehold period.

The Company and its subsidiaries recognize other revenues and expenses on an accrual basis.

### 5.2 Cash and cash equivalents

Cash and cash equivalents comprise of cash balances, all deposits (except time deposits) and highly liquid short-term investments which have negligible risk of value changing.

### 5.3 Provision for doubtful accounts

The Company and the subsidiaries which are involved in the hotel business provide a provision for doubtful accounts in the full amount for dissolved firm or sued cases and the overdue account over 1 year. In addition, the Company and the subsidiaries will consider the appropriate provision for doubtful accounts by assessing on analysis of payment histories and financial position of each customer.

A subsidiary, Zeer Property Co., Ltd. provides a provision for doubtful accounts of accounts receivable - trade equal to the estimated collection losses which are based on collection experience and review of the current status of the existing receivables.

### 5.4 Inventory valuation

Inventories are stated at the lower of cost or net realizable value. The Company determined cost by using weighted average method and the subsidiaries determined by using the first-in, first-out method. Cost comprised of product price and other direct expense for acquiring the product.

### 5.5 Investments

Long-term investments in subsidiaries are stated at cost.

Long-term investments in non-marketable equity securities, which were classified as general investments, are stated at cost.

Loss on impairment of long-term investments will be recorded in the statements of income if the book value is higher than the recoverable amount.

Cost of investment is calculated by weighted average method.

### 5.6 Property, plant and equipment/ depreciation

Property is stated at the appraisal value (by independent appraiser)

Plant and equipment are stated at cost and the appraisal value (by independent appraiser) less accumulated depreciation and impairment losses (if any).

Property, plant and equipment are depreciated by the straight-line method over the estimated useful lives of the assets as follows:

Buildings and structures	32	years
Building improvements	32	years
Land improvements	32	years
Building and improvements on leasehold land		remaining terms of the former lease agreement ( 30 years)
Public utility system on leasehold land		remaining terms of the former lease agreement ( 30 years)
Public utility system	5-10	years
Machinery and equipment	5-10	years
Furniture and fixtures	5-10	years
Furniture ornaments	5-10	years
Equipment for hotel and restaurants	5-10	years
Tools and office equipment	5-10	years
Vehicles	5-10	years
Leasehold improvement		remaining terms

The Company and subsidiaries depreciate their revaluation surplus of land and property by the straight-line method over the remaining useful life of assets. The depreciation of revalued portion is directly deducted from revaluation surplus account in accordance with the Federation of Accounting Professions' issued Notification No. 25/2549.

Repair and maintenance expense will be recorded as building improvement if such repair and maintenance provide economic benefit for more than one fiscal period.

The Company and subsidiaries amortized prepaid rental/leasehold rights by the straight-line method over the lease term.

#### 5.7 Borrowing cost

The Company records its borrowing cost incurred during the renovation and decoration period as cost of buildings and equipment under renovation and decoration until their completion and total costs are not over net realizable value.

Borrowing cost subsequently incurred are recognized as expense for the period.

#### 5.8 Intangible assets

Computer software is considered as intangible assets and at cost less accumulated amortization. Intangible assets are amortized by the straight-line method over 5 - 10 years.

#### 5.9 Financial lease contract - Company is the lessee

Leases which transferring a significant portion of the risks and rewards of ownership to the lessee are classified as financial leases. The Company records financial leases as assets and liabilities in the balance sheets at the lower of the fair value of the leased assets as at the inception of the lease or the present value of the minimum lease payments. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease. Initial direct costs incurred are included as part of the asset. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The depreciation policy for leased assets is consistent with that for depreciable assets that are owned.

#### 5.10 Impairment of assets

The Company and subsidiaries have considered the impairment of assets-property, plant and equipment, investments and intangible assets whenever events or changes indicate that the carrying amount of an asset exceeds its net realizable value (net selling price of the asset under current operations or its utilization value whichever is higher). The Company and subsidiaries will consider the impairment for each asset item or each asset unit or each asset unit generating cash flow, whichever is practical.

In case the carrying amount of an asset exceeds its net realizable value, the Company and subsidiaries will recognize an impairment loss in the statements of income for the period or decrease appraisal surplus if those assets have been revaluated and recorded as appraisal surplus include in shareholders' equity. The Company will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment as "other income" or "appraisal surplus", whichever is practical.

#### 5.11 Financial instruments

Financial instrument shown in balance sheets consist of cash and cash equivalents, accounts receivable, loans to, accounts payable, bank overdrafts, loans from financial institutions and loans from related parties. Accounting policies regarding to recognition and measurement have been disclosed for each related transaction.

#### 5.12 Transactions in foreign currencies

The Company records its transactions in foreign currencies converting into Thai Baht by using the exchange rates ruling on the transaction dates. The outstanding balances of accounts in foreign currencies as at the balance sheets date are converted into Thai Baht by using the exchange rates ruling on the same day.

Gain or loss on exchange is taken into income or expense as incurred.

#### 5.13 Pension benefit

This obligation is to provide retirement benefit to retired employees under the defined retirement plan determined by the labor law. The Company will record the retirement cost in the period in which the employees retired

#### 5.14 Use of accounting estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates for certain accounting transactions, affecting amounts reported in the financial statements and notes related thereto. Subsequent actual results may differ from estimates.

#### 5.15 Provision for liabilities

The Company and subsidiaries recognize a provision for liabilities when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

#### 5.16 Income tax

The Company recognised corporate income tax as expense for the occurring period as described in the Revenue Code.

#### 5.17 Basic earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net profit (loss) for the year by the weighted average number of common shares outstanding during the year, less number of Parent's shares held by the subsidiary.

### 6. Additional cash flows information

Cash and cash equivalents consist of cash on hand and balance at bank. Cash and cash equivalents in statement of cash flow comprise of the transactions presented in balance sheet as follow:

#### 6.1 Cash and cash equivalents as at December 31, 2009 and 2008

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2009	2008	2009	2008
Cash on hand	6,561	6,207	4,788	4,742
Cheques for collection	1,300	3,283	690	375
Cash at banks - current accounts	2,577	12,653	1,544	4,273
Cash at banks - saving accounts	75,113	73,100	2,240	11,194
Fixed deposits	8	3,119	-	-
Total	85,559	98,362	9,262	20,584

#### 6.2 Non-cash transaction

6.2.1 In 2009, the Company purchased the assets in credit amount of Baht 29.75 million (consolidate financial statements) and Baht 7.73 million (separate financial statements).

6.2.2. In 2009, the Company has transferred deposit to assets amount of Baht 1.19 million.

### 7. Current investments

As at December 31, 2008, the Company has fixed deposits (twelve-months) in amount of Baht 3.55 million.

## 8. Trade accounts and notes receivable - net

Trade accounts receivable are classified by aging as follows :

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2009	2008	2009	2008
The Company and its 2 subsidiaries, involved in the hotel business :				
Trade accounts receivable				
Current accounts	17,743	35,198	8,873	20,121
Overdue 1 - 30 days	8,822	10,999	2,995	5,125
Overdue 31 - 60 days	2,718	3,008	283	1,342
Overdue 61 - 90 days	1,440	1,598	314	376
Overdue 91 - 365 days	9,492	4,641	4,243	483
Overdue more than 1 year	3,161	11,287	764	703
	43,376	66,731	17,472	28,150
Accounts receivable - barter account	-	405	-	405
Less Provision for doubtful debt	(4,847)	(11,616)	(4,012)	(715)
	38,529	55,520	13,460	27,840
Subsidiary company - Zeer Property Co., Ltd involved in the operation of business complexes :				
Current accounts	6,302	940	-	-
Overdue 1 - 30 days	15,782	16,111	-	-
Overdue 31 - 60 days	7,901	5,878	-	-
Overdue 61 - 90 days	4,412	2,264	-	-
Overdue 91 - 365 days	6,903	7,116	-	-
Overdue more than 1 year	6,319	13,942	-	-
	47,619	46,251	-	-
Less Provision for doubtful debt	(7,220)	(20,392)	-	-
	40,399	25,859	-	-
Total	78,928	81,379	13,460	27,840
Returned cheques	-	404	-	-
Post dated cheques	5,457	2,343	-	-
Trade accounts and notes receivable - net	84,385	84,126	13,460	27,840

## 9. Inventories

As at December 31, 2009 and 2008, this account consisted of:

(Unit : Thousand Baht)				
	Consolidated		Separate	
	2009	2008	2009	2008
Restaurant				
- Food	2,230	2,326	1,291	1,409
- Beverage	1,452	1,380	853	791
- Operating equipment	1,598	1,795	141	226
Hotel				
- Supplies	5,744	4,121	2,394	2,493
- Equipment	3,113	4,143	2,884	2,444
- Operating equipment	15,819	13,286	10,438	10,525
Total	29,956	27,051	18,001	17,888

## 10. Other current assets

As at December 31, 2009 and 2008, this account consisted of:

(Unit : Thousand Baht)				
	Consolidated		Separate	
	2009	2008	2009	2008
Advance payments	773	518	-	1
Deposit	2,439	2,350	2,439	2,350
Prepaid expenses	1,803	1,714	590	535
Value added tax	8,302	1,195	4,767	58
Others	2	33	2	3
Total	13,319	5,810	7,798	2,947

## 11. Loans to employees

As at December 31, 2009 and 2008, this account consisted of:

(Unit : Thousand Baht)				
	Consolidated		Separate	
	2009	2008	2009	2008
Loans to employees :				
Asia Hotel Public Co., Ltd.	-	40	-	40
Asia Pattaya Hotel Co., Ltd.	218	229	-	-
Total	218	269	-	40

Asia Pattaya Hotel Co., Ltd. charges the interest rate on loans to employees at 2.00% per month.

## 12. Long-term investments in subsidiaries

(Unit : Thousands Baht)

Name	Business	Relationship	Paid-up share capital		Percentage of shareholding	Investments-at Cost		Dividend	
			31/12/09	31/12/08		31/12/09	31/12/08	31/12/09	31/12/08
<b>Subsidiaries</b>									
Asia Pattaya Hotel Co., Ltd.	Hotel	Shareholder	120,000	120,000	99.42	119,300	119,300	-	103,200
Asia Airport Hotel Co., Ltd.	Hotel	Shareholder	495,000	495,000	100.00	592,499	592,499	70,537	-
Zeer Property Co., Ltd.	Construction and building of complexes	Shareholder	100,000	100,000	93.50	308,878	308,878	-	-
Total						1,020,677	1,020,677		

At the extraordinary shareholders' meeting No.1/2009 held on November 17, 2009 of a subsidiary, Asia Airport Hotel Co., Ltd., the shareholders passed a resolution to pay the dividend at Baht 14.25 per share, of 4,950,000 shares totaling of Baht 70.54 million. The dividend is fixed to be paid on December 8, 2009. The Company received such dividend according to 4,949,993 shares held by the Company in the total amount of Baht 70.54 million.

At the extraordinary shareholders' meeting No.1/2008 held on June 18, 2008 of a subsidiary, Asia Pattaya Hotel Co., Ltd., the shareholders passed a resolution to pay the dividend at Baht 86,000 per share, of 1,200 shares totaling of Baht 103.2 million. The dividend is fixed to be paid on June 26, 2008. The Company received such dividend according to 1,193 shares held by the Company in the total amount of Baht 102.6 million.

At the extraordinary shareholders' meeting held on April 8, 2008 and April 23, 2008 of the subsidiary, Zeer Property Co., Ltd., the shareholders unanimously approved a resolution to decrease its share capital from Baht 400 million to Baht 100 million by reducing the number of shares from 4 million shares to 1 million shares at Baht 100 per share in order to reduce its deficit, and registered this with the Department of Business Development on August 6, 2008. However, the decrease in share capital does not affect to the proportion of its shareholding.

At the extraordinary shareholders' meeting held on November 27, 2008 of the subsidiary, Asia Airport Co., Ltd., the shareholders unanimously approved a resolution to decrease its share capital from Baht 660 million to Baht 495 million by reducing the number of shares from 6.60 million shares to 4.95 million shares at Baht 100 per share in order to reduce its deficit, and registered this with the Department of Business Development on December 30, 2008.

**13. Investments in related parties - net**

(Unit : Thousand Baht)

Name	Business	Relationship	Paid-up share capital		Percentage of shareholding	Investments-at Cost		Dividend	
			31/12/09	31/12/08		31/12/09	31/12/08	31/12/09	31/12/08
Jet Cat Tour Co., Ltd.	Traveling	Shareholder	800,000	800,000	19	15,200	15,200	-	-
Less Provision for investment devaluation						(15,200)	(15,200)		
Net						-	-		

#### 14. Restricted deposits with financial institution

In 2009 and 2008, a subsidiary, Zeer Property Co., Ltd., pledged its fixed deposit of Baht 2.93 million and Baht 1.7 million, respectively to secure a bank guarantee to comply with the judgment of the Civil Court as stated in note 28.

#### 15. Property, plant and equipment - net

(Unit : Thousand Baht)

	Consolidated			
	Banlance	Increase (Decrease) during the period		Banlance
	As at	Increase	Disposal and	As at
	December 31, 2008		Transfer	December 31, 2009
Cost :				
Land				
- Historical cost	171,085	-	-	171,085
- Revaluation surplus	1,374,792	-	-	1,374,792
Land improvement	1,545	-	-	1,545
Building and structure				
- Historical cost	587,273	6,230	-	593,503
- Revaluation surplus	313,420	-	-	313,420
Building improvement				
- Historical cost	1,721,899	288	-	1,722,187
- Revaluation surplus	435,263	-	-	435,263
Public utility system				
- Historical cost	540,572	-	-	540,572
- Revaluation surplus	146,270	-	-	146,270
Machinery and equipment	325,822	31,097	21,198	335,721
Furniture and fixtures	718,721	51,953	5,795	764,879
Furniture ornaments	83,169	101	2,369	80,901
Equipment for hotel and restaurants	140,508	7,858	463	147,903
Tool and office equipment	30,811	2,221	291	32,741
Vehicles	48,052	42	551	47,543
Total	6,639,202	99,790	30,667	6,708,325

# 15. Property, plant and equipment – net (Cont.)

(Unit : Thousand Baht)

	Consolidated				
	Banlance	Increase (Decrease) during the period			Banlance
	As at	Increase	Disposal and		As at
	December 31, 2008		Transfer		December 31, 2009
Less Accumulative depreciation					
Land improvement	1,535	1	-	1,536	
Building and structure					
- Historical cost	425,570	67,958	-	493,528	
- Revaluation surplus	45,179	42,875	-	88,054	
Building improvement					
- Historical cost	786,541	7,659	-	794,200	
- Revaluation surplus	47,700	-	-	47,700	
Public utility system					
- Historical cost	259,264	20,406	-	279,670	
- Revaluation surplus	16,030	9,142	-	25,172	
Machinery and equipment	308,953	7,260	21,198	295,015	
Furniture and fixtures	578,436	46,766	5,795	619,407	
Furniture ornaments	81,237	623	2,370	79,490	
Equipment for hotel and restaurants	127,093	4,389	448	131,034	
Tool and office equipment	23,438	2,389	273	25,554	
Vehicles	26,247	6,703	500	32,450	
Total	2,727,223	216,171	30,584	2,912,810	
Net	3,911,979			3,795,515	
Add Work in process	27,441	295,066	84,151	238,356	
Property, plant and equipment - net	3,939,420			4,033,871	

Depreciation for the years ended December 31, 2009 and 2008 was Baht 164.15 million and Baht 171.50 million, respectively.

As at December 31, 2009 and 2008, building and equipment at cost of Baht 1,361.58 million and Baht 1,008.73 million, respectively were depreciated in full.

As at December 31, 2009, the Company recorded interest expense as cost of work in process amount of Baht 2.08 million.

# 15. Property, plant and equipment – net (Cont.)

(Unit : Thousands Baht)

	Separate			
	Banlance	Increase (Decrease) during the period		Banlance
	As at	Increase	Disposal and	As at
	December 31, 2008			December 31, 2009
Cost				
Land				
- Historical cost	159,120	-	-	159,120
- Revaluation surplus	869,680	-	-	869,680
Building and structure				
- Historical cost	451,825	-	-	451,825
- Revaluation surplus	150,557	-	-	150,557
Building improvement	46,087	288	-	46,375
Public utility system	4,050	-	-	4,050
Machinery and equipment	118,448	15,123	21,198	112,373
Furniture and fixtures	259,881	492	5,795	254,578
Furniture ornaments	72,389	-	2,370	70,019
Equipment for hotel and restaurants	94,059	6,026	463	99,622
Tool and office equipment	17,378	650	186	17,842
Vehicles	7,137	-	-	7,137
Total	2,250,611	22,579	30,012	2,243,178
Less Accumulative depreciation				
Building and structure				
- Historical cost	333,660	6,846	-	340,506
- Revaluation surplus	20,728	7,527	-	28,255
Building improvement	4,155	2,269	-	6,424
Public utility system	407	810	-	1,217
Machinery and equipment	115,773	2,884	21,198	97,459
Furniture and fixtures	252,200	2,351	5,795	248,756
Furniture ornaments	72,337	22	2,369	69,990
Equipment for hotel and restaurants	91,451	1,321	448	92,324
Tool and office equipment	15,368	803	186	15,985
Vehicles	5,836	341	-	6,177
Total	911,915	25,174	29,996	907,093
Net	1,338,696			1,336,085
Add Work in process	1,133	204,597	13,188	192,542
Property, plant and equipment - net	1,339,829			1,528,627

Depreciation for the years ended December 31, 2009 and 2008 was Baht 17.65 million and Baht 16.13 million, respectively.

As at December 31, 2009 and 2008, building and equipment at cost of Baht 836.46 million and Baht 541.40 million, respectively were depreciated in full.

In October 2006, the Federation of Accounting Professions issued Notification No. 25/2549 allowing entities which carry their assets at revalued amounts to calculate depreciation to be charged to the income statements based on the historical cost of the assets instead of on the revalued amounts. The Company has decided to follow the notification. However, the Company had the depreciation charge been calculated based on the revalued amounts, net income and earnings per share would have been changed to the following:

(Unit : Thousand Baht)				
For the years ended December 31,				
Consolidated Financial Statements		Separate Financial Statements		
2009	2008	2009	2008	
Decrease in net profit	33,321	33,296	7,528	7,528
Decrease in basic earnings per share	1.11	1.18	0.24	0.24

## 16. Reappraisal

In the first quarter of 2007, the subsidiary, Zeer Property Co., Ltd had an independent appraiser, appraise its building and utilities system on leasehold rights. The appraisal report of Inter Fair & Consultant Co., Ltd. dated March 30, 2007, using the Depreciated Replacement Cost Approach reported the revaluation in the amount of Baht 1,931 million which is in excess of its net book value in the amount of Baht 582 million. In addition, the subsidiary also compared the above revaluation value with the result from Income Approach. Based on the appraisal report by Income Approach of Inter Fair & Consultant Co., Ltd dated March 30, 2006 reported the appraisal value of Baht 1,486 million (represents appraisal value of Zeer Complex) and also based on another appraisal report by Income Approach of Agency For Real Estate Affairs Co., Ltd. dated February 14, 2007 reported the appraisal value of Baht 774 million (represents appraisal value of lease area by Asia Airport Hotel Co., Ltd.) altogether to Baht 2,260 million. Therefore, the subsidiary records the appraisal of its building and utilities system by the Depreciated Replacement Cost Approach.

In the first quarter 2006, the Company had an independent appraiser, appraise its land and building based on the appraisal report of Inter Fair & Consultant Co., Ltd. dated March 30, 2006, using the Depreciated Replacement Cost Approach.

The Company and its subsidiary recorded excess from their cost according to the appraised value in “revaluation surplus on land and property” under “shareholders’ equity” in the balance sheets.

The revaluation resulted in a surplus of the assets as follows:

	(Unit : Thousand Baht)		
	December 31, 2009		
	The Company	The Subsidiary Company	Consolidated
Land	869,680	505,112	1,374,792
Building and structure	150,557	744,395	894,952
Total revaluation surplus of assets	1,020,237	1,249,507	2,269,744
Less Revaluation surplus of assets-write off	(28,255)	(132,670)	(160,925)
	991,982	1,116,837	2,108,819
Less Minority interest - net			(34,980)
Total revaluation surplus of assets - net			2,073,839

	(Unit : Thousand Baht)		
	December 31, 2008		
	The Company	The Subsidiary Company	Consolidated
Land	869,680	505,112	1,374,792
Building and structure	150,557	744,395	894,952
Total revaluation surplus of assets	1,020,237	1,249,507	2,269,744
Less Revaluation surplus of assets-write off	(20,728)	(88,181)	(108,909)
	999,509	1,161,326	2,160,835
Less Minority interest - net			(37,390)
Total revaluation surplus of assets - net			2,123,445

## 17. Intangible assets - net

		(Unit : Thousand Baht)		
		Consolidated		
	Balance	Increase (Decrease) during the period		Balance
	As at	Increase	Disposal and	As at
	December 31, 2008		Transfer	December 31, 2009
Cost				
Computer software	5,416	173	-	5,589
Total	5,416	173	-	5,589
Less Accumulative amortization				
Computer software	3,139	784	-	3,923
Total	3,139	784	-	3,923
Total intangible assets - net	2,277			1,666

		(Unit : Thousand Baht)		
		Separate		
	Balance	Increase (Decrease) during the period		Balance
	As at	Increase	Disposal and	As at
	December 31, 2008		Transfer	December 31, 2009
Cost				
Computer software	2,215	-	-	2,215
Total	2,215	-	-	2,215
Less Accumulative amortization				
Computer software	930	443	-	1,373
Total	930	443	-	1,373
Total intangible assets - net	1,285			842

## 18. Prepaid rental

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2009	2008	2009	2008
Beginning balance	179,425	193,043	13,533	14,499
Add Increase during the year	9,177	8,968	-	-
Less Amortized rental	(22,580)	(22,586)	(966)	(966)
Net	166,022	179,425	12,567	13,533

The Company and subsidiaries had made lease agreements as follows:

1. The Company made leasehold right for land from a related company in amount of Baht 29 million. The lease period is 30 years.

2. The subsidiary, Zeer Property Co., Ltd., entered into lease agreements for the land with Don Muang Grand Plaza Co., Ltd. a related company (common directorships and shareholdings), for a complex construction and also registered as lease agreement with Land Department Lam Lukka Branch, on June 3, 1994. The lease period is 30 years commencing from April 1, 1993 to March 31, 2023, and it is amortized by the straight-line method over 28 years. The rental to the related party will be paid monthly in an amount ranging from Baht 600,000 to Baht 878,460 as prescribed in the agreement dated July 5, 1991.

In case of Zeer Property Co., Ltd. defaults to pay such rental, a penalty fee will be charged from Don Muang Grand Plaza Co., Ltd. at the rate of 15% per annum on the outstanding accrued rental until fully settled.

Don Muang Grand Plaza Co., Ltd. obtained such leasehold rights by entering into the lease agreement with the landlord, a related party for the period of 30 years commencing from April 1, 1993 to March 31, 2023. Such lease agreement required Don Muang Grand Plaza Co., Ltd. to pay Baht 3 million at the date of the agreement and monthly payment of Baht 300,000 through the lease period.

In August 2007, the subsidiary, Zeer Property Co., Ltd. entered into an agreement with Don Muang Grand Plaza Co., Ltd. to extend the period of existing lease agreement on the land of 78 rai 1 ngarn and its structure to another 25 years after the original leasehold agreement due on March 31, 2023 and entered into the additional lease agreement for another land of 8 rai 59 square wah, the agreement of which defines the lease period into 2 parts.

- the first part started from September 1, 2007 to March 31, 2037 totaling 29 years 7 months
- the second part starts from April 1, 2037 to March 31, 2048 totaling 11 years

amortized to expenses by straight- line method over the remaining new lease period of 41 years. As at December 31, 2007, the outstanding prepayment for rental expenses amounted of Baht 178.54 million and the subsidiary has commitment to pay the rental under the original and new agreements of Baht 153.86 million and Baht 537.56 million respectively.

The subsidiary had paid the leasehold right of Baht 113 million for the lease agreement and agree to pay the monthly land rental fee of Baht 878,400 through the leasehold period for the lease agreement of the land of 78 rai 1 ngarn and the yearly land rental fee of Baht 50,000 through the lease period for the lease agreement of the land of 8 rai 59 square wah .

The subsidiary has recorded the above leasehold right on the land, monthly and yearly land rental fee through the lease period including all taxes and the land registration expenses paid by the subsidiary , and the leasehold right balance of the original lease agreement including the monthly land rental fee from the date the lease agreement is extended through the expiry date of the new lease agreement under “Prepayment for rental expenses” and has amortized to expenses by straight-line method over the remaining new lease period of 41 years.

On October 16, 2007, the subsidiary, Zeer Property Co., Ltd. had registered with the Land Department to extend the existing lease agreement on land for the total area of 86 rai 1 ngarn 59 square wah of which consists of the registration on the land of 78 rai 1 ngarn to extend the existing lease agreement of land and its structure for the period of 25 years (starting from April 1, 2023, to March 31, 2048) and the registration on the land of 8 rai 59 square wah for the period of 29 years 7 months (starting from September 1, 2007 to March 31, 2037) and for the period of 11 years (staring from April 1, 2037 to March 31, 2048). The total land rental fees which has already registered with the Land Department the amount of Baht 265.57 million. On April 1, 2008, the extended lease agreement on land for the total area of 86 rai 1 ngarn 59 square wah was amended as to the monthly rental fee and the condition on the rental payment. This resulted in the total rental fee of the first lease agreement on land of 78 rai 1 ngarn to be Baht 353.96 million and the second lease agreement on land of 8 rai 59 square wah to be Baht 183.78 million. After the amendment, the total amount of land rental fees for both lease agreements are Baht 537.74 million. However, the amendment on the lease agreements on land has not yet been registered with the Land Department.

#### **19. Deposit for real estate**

On November 10, 2009, the subsidiaries made a to sell and to buy contract with Thai Asset Management Corporation in amount of Baht 160.03 million and already paid in amount of Baht 32.00 million. The remaining amount of Baht 128.03 million must be fully paid within 90 days since the agreement date.

## 20. Bank overdrafts

As at December 31, 2009 and 2008, the Company and subsidiaries had the credit facilities for bank overdrafts as follows:

- 20.1 The Company: Baht 41 million was guaranteed by directors of the Company and by mortgaging the land and building of the Company and of Asia Pattaya Hotel Co., Ltd. and leasehold right on Zeer Rangsit Complex of Asia Airport Hotel Co., Ltd.
- 20.2 A subsidiary–Asia Pattaya Hotel Co., Ltd.: Baht 25 million was guaranteed by directors of Asia Pattaya Hotel Co., Ltd. and by mortgaging the land and building with its structure of Asia Pattaya Hotel Co., Ltd., and of the Company and leasehold right on Zeer Rangsit Complex of Asia Airport Hotel Co., Ltd.
- 20.3 A subsidiary–Asia Airport Hotel Co., Ltd.: Baht 10 million was guaranteed by the directors of Asia Hotel Public Co., Ltd., Asia Airport Hotel Co., Ltd. and leasehold right on Zeer Rangsit Complex.
- 20.4 A subsidiary–Zeer Property Co., Ltd.: Baht 30 million guaranteed by the by the directors of Zeer Property Co., Ltd., Don Muang Grand Plaza Co., Ltd. and by mortgaging building and structure on Zeer Rangsit Complex.

## 21. Other current liabilities

As at December 31, 2009 and 2008, this account consisted of:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2009	2008	2009	2008
Accrued expenses	28,324	33,469	7,293	8,609
VAT payable and deferred output VAT	6,221	7,124	882	1,548
Guarantee and deposit	9,459	1,236	2,003	353
Advance received	2,641	18,014	1,803	5,031
Other payable	-	3,865	-	-
Retention	4,052	-	3,914	-
Others	12,753	4,382	1,141	3,489
Total	63,450	68,090	17,036	19,030

## 22. Long-term liabilities - net

As at December 31, 2009 and 2008, the Company and subsidiaries had the long – term liabilities as follows:

		(Unit : Thousand Baht)	
		Consolidated	Separate
		2009	2008
		2009	2008
22.1) Loans from bank		1,140,506	1,040,000
Less Current portion of long-term liabilities		(52,500)	(46,000)
		1,088,006	994,000
22.2) Loans from bank - Subsidiary			
Asia Pattaya Hotel Co., Ltd.		188,000	198,000
Less Current portion of long-term liabilities		(10,000)	(10,000)
		178,000	188,000
22.3) Loans from bank - Subsidiary			
Asia Airport Hotel Co., Ltd.		125,500	133,500
Less Current portion of long-term liabilities		(8,000)	(8,000)
		117,500	125,500
22.4) Loans from bank - Subsidiary			
Zeer Property Co., Ltd.		191,433	214,239
Less Current portion of long-term liabilities		(25,200)	(22,800)
		166,233	191,439
Total long-term liabilities		1,645,439	1,585,739
Less Current portion of long-term liabilities		(95,700)	(86,800)
Long-term liabilities - net		1,549,739	1,498,939

22.1 On April 28, 2008, the Company entered into the long-term loan agreement facilities of Baht 1,350 million with a bank to repay the existing balance of loan from 4 financial institutions. The Company has the commitment to repay the new loan on a quarterly basis for 60 installments and pay interest monthly at the rate of MLR-1.5% to MLR-0.125% per annum commencing in April 2008, and the repayment of loan will be completed within January 2023.

This fully repaid of the existing balance of loans from the 4 financial institutions caused the waiver of the related interest payable from such 4 financial institutions in the total amount of Baht 513 million which was recorded under “Gain from refinance” in the financial statement.

During 2009, the Company gradually withdraw the such loan to its decoration and building improvement amount of Baht 146.51 million.

22.2 On April 30, 2008, a subsidiary, Asia Pattaya Hotel Co., Ltd., had engaged in a new loan agreement from the same existing loan lender of the subsidiary in order to settle the existing loan in the amount of Baht 220 million. The subsidiary has the commitment to repay the new loan on a quarterly basis for 60 installments and pay the interest monthly at the rate of MLR-1.5% to MLR-0.125% per annum commencing in April 2008, and the repayment of loan will be completed within January, 2023, causing the former loan agreement to be entirely abolished.

22.3 On April 30, 2008, a subsidiary, Asia Airport Hotel Co., Ltd., had engaged in a new loan agreement from the same existing loan lender of the subsidiary in order to settle the existing loan in the amount of Baht 150 million. The subsidiary has the commitment to repay the new loan on a quarterly basis for 60 installments and pay the interest monthly at the rate of MLR-1.5% to MLR-0.125% per annum commencing in April 2008, and the repayment of loan will be completed within January 2023, causing the former loan agreements both short-term and long-term including the amendment to be entirely abolished.

22.4 On December 28, 2007, Zeer Property Co., Ltd. entered into a loan agreement with a financial institution for the amount of Baht 240 million in order to repay loan from Asia Hotel Public Company Limited. This loan agreement requires 96 monthly repayments starting from January 2008 until December 2015. The loan has interest bearing at the rate of MLR% p.a.

Land and building of the Company and a subsidiary, Asia Pattaya Hotel Co., Ltd. and leasehold right of another subsidiary, Asia Airport Hotel Co., Ltd. on lease area on Zeer Rangsit Complex for the space of 39,380 square meter which is its hotel located, are mortgaged to the bank as the guarantee for their loans of Baht 1,370 million for the Company, Baht 235 million for Asia Pattaya Hotel Co., Ltd., and Baht 165 million for Asia Airport Hotel Co., Ltd.

Long-term loans from a bank to Zeer Property Co., Ltd., was guaranteed by mortgaging building on Zeer Rangsit Complex. Additionally, the loan was guaranteed by related companies, related person and some directors of Zeer Property Co., Ltd. in amount of Baht 240 million.

## **23. Provision for corporate income tax of income from the purchase of debt**

In 2008, Corporate income tax provision in the consolidated financial statements is calculated based on the recognition of income from the purchase of debt in the consolidated financial statements. The subsidiary, Asia Airport Hotel Co., Ltd. purchased the debt which Zeer Property Co., Ltd., another subsidiary, had payable to Thai Asset Management Corporation (TAMC). This caused the balance of deferred income – leasehold rights amount of Baht 383 million in the book of Zeer Property Co., Ltd. to be recognized in consolidated because there is no further obligation to third party. So the corporate income tax provision is provided against such income in the consolidated financial statement.

	(Unit: Thousand Baht)	
	Consolidated	
	2009	2008
Corporate income tax provision consists of:		
Income from the purchase of debt	-	383,461
Provision - Corporate income tax payable 30%	115,038	115,038
Less Actual - Corporate income tax payable	(8,112)	(3,894)
Reversal provision for corporate income tax	(106,926)	-
Provision - Corporate income tax	-	111,144

In 2009, the Company reversed provision for corporate income tax of revenue from purchasing debt amount of Baht 106.92 million to revenue in consolidated financial statement because of contract cancellation as stated in note 25. Zeer Property Co., Ltd., therefore, has no liability for such corporate income tax.

#### 24. Guarantee for rent

As at December 31, 2009 and 2008, this account consisted of:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2009	2008	2009	2008
Asia Hotel Public Co.,Ltd.,	5,889	5,777	5,889	5,777
Asia Airport Hotel Co.,Ltd.,	1,789	1,125	-	-
Asia Pattaya Hotel Co.,Ltd.,	192	455	-	-
Zeer Property Co.,Ltd.,	111,497	110,600	-	-
Total	119,367	117,958	5,889	5,777

Guarantee for rent of the Company and subsidiary will return to the lessees when the lease agreements are terminated.

## 25. Deferred income - leasehold rights on leased area - net

As at December 31, 2009 and 2008, deferred income - leasehold rights on the leased area of the subsidiary are as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	2009	2008
Deferred income per agreement	122,355	1,952,586
Less Accumulated amortization of deferred income	(77,305)	(1,520,606)
Less Income from the purchase of debt	-	(383,461)
Deferred income - net	45,050	48,519
Leasehold rights recognized as income for the year	4,519	16,449

A subsidiary, Zeer Property Co., Ltd., entered into a lease agreement with the lessees to rent the area in Zeer Rangsit Complex, for a leasehold rights period of 15-28 years. Zeer Property Co., Ltd. recognized the deferred income - leasehold rights on leased area, as income using the straight-line method over 15-28 years as per lease agreement period.

On December 9, 2003, a subsidiary, Zeer Property Co., Ltd., entered into the Debt Restructuring Agreement with Thai Asset Management Corporation (TAMC) to repay the debt in the amount of Baht 175 million.

In September 2007, Asia Airport Hotel Co., Ltd. a subsidiary settled the above liability to Thai Asset Management Corporation (TAMC) of the remaining amount of Baht 126 million. TAMC then, redeemed the guarantee liability of Zeer Property Co., Ltd. and released its collateral by transferring its leasehold right of the space in Zeer Complex to Asia Airport Co.,Ltd. on June 23, 2008.

On July 1, 2009, Asia Airport Hotel Co., Ltd. and Zeer Property Co., Ltd. entered into the cancellation of leasehold right agreement, anyhow, this leasehold right was transferred to Asia Airport Hotel Co., Ltd. by Thai Asset Management Corporation (TAMC) on June 30, 2008. Zeer Property Co., Ltd. agreed to pay the fair compensation amount of Baht 476 million appraised by the certified independent appraisal company to Asia Airport Hotel Co., Ltd.

On July 15, 2009, Zeer Property Co., Ltd. had fully paid the compensation amount of Baht 476 million to Asia Airport Hotel Co., Ltd. Anyhow, the amount of Baht 121.04 million was settle for inter-company debt, the remaining balance amount of Baht 354.96 million was paid the compensation for the cancellation of leasehold right agreement. The both parties registered such cancellation on October 12, 2009.

## 26. Parent's share capital held by subsidiary

	(Unit: Thousand Baht)	
	Consolidated	
	2009	2008
Asia Pattaya Hotel Co., Ltd : 2,240,000 shares of Bath 4.60 each	10,304	-
Asia Airport Hotel Co., Ltd : 3,790,000 shares of Bath 4.60 each	-	17,434

During 2009, Asia Airport Hotel Co., Ltd. sold the share capital in parent company of 1,550,000 shares at Baht 33.75 – 34.25 each, totaling Baht 52.42 million to other person, resulting premium on share – sale of parent's common shares held by subsidiaries amount of Baht 45.29 million in the consolidated financial statements and sold the remaining 2,240,000 shares of Baht 31.00 each, totaling Baht 69.44 million to a subsidiary, Asia Pattaya Hotel Co., Ltd. However, gain (loss) on sales of share capital in parent company was eliminated in the consolidate financial statements. The value of parent's common shares held by subsidiaries stated at the historical cost of Baht 4.60 each.

## 27. Related party transactions

The financial statements included related party transactions; the bases used for determining a related party are inter-company shareholding or the same group of shareholders, directors or management team.

	(Unit : Thousand Baht)					
	Consolidated		Separate		Policy to charge the Inter-company borrowing cost ( % )	
	2009	2008	2009	2008	2009	2008
<b>Balance Sheet</b>						
27.1 Short-term loans and accrued						
interest income to related parties						
Subsidiary companies						
Zeer Property Co., Ltd.						
- Loans	-	-	10,000	-	6.75	
- Accrued interest income	-	-	-	-		
	-	-	10,000	-		

As at December 31, 2009, the Company has loan to Zeer Property Co., Ltd., documented by promissory note due on December 14, 2010.

Movements of the Short-term loans and accrued interest income to related parties, these accounts consisted of:

		(Unit: Thousand Baht)	
		Consolidated	Separate
		2009	2008
		2009	2008
<b>Short-term loans</b>			
Zeer Property Co., Ltd.			
Balance brought forward	-	-	-
Increase during the period	-	34,000	-
Repayment during the period	-	(24,000)	-
Balance carried forward	-	10,000	-
<b>Accrued interest income - short-term loans</b>			
Zeer Property Co., Ltd.			
Balance brought forward	-	-	-
Increase in accrued interest income			
during the period	-	655	-
Repayment during the period	-	(655)	-
Balance carried forward	-	-	-

(Unit : Thousand Baht)

	Consolidated		Separate		Policy to charge the Inter-company borrowing cost ( % )	
	2009	2008	2009	2008	2009	2008
27.2 Long-term loans-accounts receivable-						
related parties						
Loans						
Subsidiaries						
Asia Airport Hotel Co., Ltd.						
- Loans	-	-	-	60,783		6.00
- Accrued interest income	-	-	-	4,564		
	-	-	-	65,347		
Less Provision for doubtful debt	-	-	-	-		
	-	-	-	65,347		
Zeer Property Co., Ltd.						
- Loans	-	-	307,833	71,633	6.75	7.67
- Accrued interest income	-	-	13,245	13,154		
	-	-	321,078	84,787		
Less Provision for doubtful debt	-	-	-	-		
	-	-	321,078	84,787		
Related parties						
A.B.K. Enterprise Co., Ltd.						
- Loans	-	-	-	-		
- Accrued interest income	433,840	447,840	433,840	447,840		
	433,840	447,840	433,840	447,840		
Less Provision for doubtful debt	(327,478)	(341,478)	(327,478)	(341,478)		
	106,362	106,362	106,362	106,362		
Accounts receivable						
A.B.K. Enterprise Co., Ltd.	22,625	22,804	-	-		
Less Provision for doubtful debt	(22,590)	(22,764)	-	-		
	35	40	-	-		
Total loans and accounts receivable	456,465	470,644	754,918	597,974		
Less Provision for doubtful debt	(350,068)	(364,242)	(327,478)	(341,478)		
Long-term loans and accounts receivable-net	106,397	106,402	427,440	256,496		

Additionally, the 3 subsidiaries granted long-term loans, accounts receivable, and accrued interest income – related parties as follows:

(Unit : Thousand Baht)		
	2009	2008
Asia Pattaya Hotel Co., Ltd., a subsidiary, granted loans to Asia Hotel Plc.		
- Loans	104,255	173,694
- Accrued interest income	69,360	58,786
	<u>173,615</u>	<u>232,480</u>
Asia Airport Hotel Co., Ltd., a subsidiary, granted loans to Asia Hotel Plc.		
- Loans	249,671	-
- Accrued interest income	10,894	-
	<u>260,565</u>	<u>-</u>
Asia Airport Hotel Co., Ltd., a subsidiary, granted loans to Zeer Property Co., Ltd.		
- Loans	-	123,896
	<u>-</u>	<u>123,896</u>
Asia Airport Hotel Co., Ltd., a subsidiary, had accrued interest income from		
A. B. K. Enterprise Co., Ltd.		
- Accrued interest income – previous period	22,590	22,764
- Accrued interest income – current period	35	40
Less Provision for doubtful debt	(22,590)	(22,764)
	<u>35</u>	<u>40</u>
Total long-term loans and accrued interest income-related parties of subsidiaries	456,805	379,180
Less Provision for doubtful debt	(22,590)	(22,764)
Total long-term loans and accrued interest income-related parties of subsidiaries - net	<u>434,215</u>	<u>356,416</u>

27.2.1 The Company loaned to a subsidiary, Asia Airport Hotel Co., Ltd. by issuing at call promissory notes with the interest rate of 6% p.a. and without any collateral.

27.2.2 The Company granted loan to a subsidiary, Zeer Property Co., Ltd. as follows:

In 2006, the subsidiary entered into the loan agreement with the Company. The balance of the loans as at September 30, 2006 are Baht 281 million with the accrued interest of Baht 13.38 million and during 2007, the repayment on principal amount of Baht 149 million has been made. This resulted in the principal repayment schedule starting from January 2008 until the last installment as follows:

Year	Installment period	Installment amount per month (Baht)
2008	January - December	200,000.00
2009	January - December	400,000.00
2010	January - December	400,000.00
2011	January - December	3,000,000.00
2012	January - August	3,000,000.00
Last installment	September 2012	2,032,684.67

- The accrued interest of Baht 13.38 million will be paid in the last installment in December 2014.
- The loan interest rate is bearing the average rate of MLR of three banks and will be revised in January of every year.
- In case the subsidiary has the excess cash, the additional repayment of loan can be made.

During 2009, the subsidiary borrowed from the Company by issuing at call promissory notes of Baht 452 million with the interest rate at 6.75 p.m. due on July 15, 2014.

27.2.3 The Company entered into a Debt restructuring agreement with its major shareholder, A.B.K. Enterprise Co., Ltd. according to the minutes of the extra ordinary shareholders' meeting No. 1/2000 dated November 27, 2000. This agreement provided the repayment conditions of the remaining accrued interest of Baht 471.84 million as follows:

The repayment period cover 15 years from January 1, 2001 with the first 3 years grace period. The first repayment started on the last operating date of December 2004 as the following schedule:

Installment period	Installment amount per year (Baht)
2001 - 2003	Grace period
2004 - 2005	3,000,000.00
2006 - 2007	5,000,000.00
2008 - 2009	8,000,000.00
2010 - 2011	10,000,000.00
2012 - 2013	12,000,000.00
2014	15,000,000.00
2015 (last installment)	380,839,518.79

- There is no collateral for this part of the debt.
- There is no interest charged, unless A.B.K. Enterprise Co., Ltd., defaults on the repayment.
- If A.B.K. Enterprise Co., Ltd. can pay earlier than the repayment schedules, the discount will be granted according to the agreement.

During 2008, A.B.K. Enterprise Co., Ltd., who is the Company's accrued interest receivable, has placed a bank guarantee issued by a financial institution in the amount of Baht 150 million. The Company, therefore, reversed its provision for doubtful debt – accrued interest receivable in amount of Baht 110 million.

On December 30, 2008, A.B.K. Enterprise Co., Ltd., paid the accrued interest of Baht 8 million caused the bank guarantees balance are Baht 142 million.

The above reversals of provision for doubtful debt of total amount of Baht 142 million were based on the present value of the principal amount of bank guarantees of Baht 106 million as per the repayment schedule. The detail of bank guarantees are presented as follows:

<u>Guarantee period</u>		<u>Amount</u>
<u>From</u>	<u>To</u>	(Millions Baht)
May 26, 2008	January 25, 2009	8
May 26, 2008	January 25, 2010	8
May 26, 2008	January 25, 2011	10
August 1, 2008	December 31, 2011	10
August 1, 2008	December 31, 2012	12
August 1, 2008	December 31, 2013	12
August 1, 2008	December 31, 2014	15
August 1, 2008	December 31, 2015	75
Total		<hr/> 150 <hr/>

In 2009, A.B.K. Enterprise Co., Ltd. paid accrued interest in amount of Baht 14 million. The Company, therefore, reversed its provision for doubtful debt - accrued interest receivable in amount of Baht 14 million

27.2.4 In 2006, Asia Airport Hotel Co., Ltd., a subsidiary entered into a repayment agreement to settle the amount due from A.B.K. Enterprise Co., Ltd. This agreement provided the repayment schedule from A.B.K. Enterprise Co., Ltd. within 5 years from July 2006 to June 2011. The repayment of Baht 500,000 included principal (former accrued interest income) and interest income for the current period (at the rate of 8% per annum) will be made by quarterly basis on the 25th of the last month of each quarter. The remaining balance will be fully settled by A.B.K. Enterprise Co., Ltd. within June 2011.

In 2009 and 2008, Asia Airport Hotel Co., Ltd. received payment from A.B.K. Enterprise Co., Ltd. in the amount of Baht 2 million consisting of the repayment of the former accrued interest income of Baht 0.17 million and the interest income for the current period of Baht 1.83 million.

Movements of the long-term loans, accounts receivable and accrued interest income - related parties (before provision for doubtful debt), these accounts consisted of:

		(Unit : Thousand Baht)			
		Consolidated		Separate	
		2009	2008	2009	2008
<b>Long-term loans and accounts receivable</b>					
Subsidiary					
Asia Airport Hotel Co., Ltd.					
Balance brought forward	-	-	60,783	52,983	
Increase during the period	-	-	-	7,800	
Repayment during the period	-	-	(60,783)	-	
Balance carried forward	-	-	-	60,783	
Zeer property Co., Ltd.					
Balance brought forward	-	-	71,633	74,033	
Increase during the period	-	-	452,000	-	
Repayment during the period	-	-	(215,800)	(2,400)	
Balance carried forward	-	-	307,833	71,633	
Related party					
Accrued interest income					
A.B.K. Enterprise Co., Ltd.					
Balance brought forward	447,840	455,840	447,840	455,840	
Repayment during the period	(14,000)	(8,000)	(14,000)	(8,000)	
Balance carried forward	433,840	447,840	433,840	447,840	
Receivable					
A.B.K. Enterprise Co., Ltd.					
Balance brought forward	22,804	22,974	-	-	
Increase during the period	1,816	1,835	-	-	
Repayment during the period	(1,995)	(2,005)	-	-	
Balance carried forward	22,625	22,804	-	-	
<b>Accrued interest income</b>					
Subsidiary					
Asia Airport Hotel Co., Ltd.					
Balance brought forward	-	-	4,564	975	
Increase in accrued interest income					
during the period	-	-	1,948	3,589	
Repayment during the period	-	-	(6,512)	-	
Balance carried forward	-	-	-	4,564	

(Unit: Thousand Baht)				
	Consolidated		Separate	
	2009	2008	2009	2008
<b>Accrued interest income (continued)</b>				
Zeer property Co., Ltd.				
Balance brought forward	-	-	13,154	13,154
Increase in accrued interest income				
during the period	-	-	17,568	5,008
Repayment during the period	-	-	(17,477)	(5,008)
Balance carried forward	-	-	13,245	13,154

(Unit : Thousands Baht)						
	Consolidated		Separated		Policy to charge the Inter-company borrowing cost ( % )	
	2009	2008	2009	2008	2009	2008
27.3 Short-term loans and accrued interest						
expenses from related parties						
Subsidiaries						
Asia Pattaya Hotel Co., Ltd.						
- Loans	-	-	104,255	173,694	6.00	6.00
- Accrued interest expense	-	-	69,360	58,786		
Total	-	-	173,615	232,480		
Asia Airport Hotel Co., Ltd.						
- Loans	-	-	249,671	-	6.00	
- Accrued interest expense	-	-	10,894	-		
Total	-	-	260,565	-		
Short-term loans and accrued interest expenses						
from related parties	-	-	434,180	232,480		

The Company has loans from 2 subsidiaries, Asia Pattaya Hotel Co., Ltd. and Asia Airport Hotel Co., Ltd., documented by promissory notes due at call and without collateral.

Movements of the short-term loans and accrued interest expense - related parties, these accounts consisted of:

		(Unit : Thousand Baht)			
		Consolidated		Separate	
		2009	2008	2009	2008
<b>Short-term loans</b>					
Subsisiaries					
Asia Pattaya Hotel Co., Ltd.					
Balance brought forward	-	-	173,695	285,386	
Increase during the period	-	-	31,747	-	
Repayment during the period	-	-	(101,187)	(111,691)	
Balance carried forward	-	-	104,255	173,695	
Asia Airport Hotel Co., Ltd.					
Balance brought forward	-	-	-	-	
Increase during the period	-	-	438,671	-	
Repayment during the period	-	-	(189,000)	-	
Balance carried forward	-	-	249,671	-	
<b>Accrued interest expenses</b>					
Subsisiaries					
Asia Pattaya Hotel Co., Ltd.					
Balance brought forward	-	-	58,786	45,080	
Increase during the period	-	-	10,574	13,706	
Repayment during the period	-	-	-	-	
Balance carried forward	-	-	69,360	58,786	
Asia Airport Hotel Co., Ltd.					
Balance brought forward	-	-	-	-	
Increase during the period	-	-	10,894	-	
Repayment during the period	-	-	-	-	
Balance carried forward	-	-	10,894	-	

		(Unit : Thousand Baht)			
		Consolidated		Separate	
		2009	2008	2009	2008
<b>Statements of income</b>					
<b>Interest income and accounts receivable</b>					
Subsidiaries					
	Asia Airport Hotel Co., Ltd.	-	-	1,948	3,589
	Zeer Property Co., Ltd.	-	-	17,568	5,008
<b>Rental income</b>					
Subsidiaries					
	Asia Pattaya Hotel Co., Ltd.	-	-	1,200	1,200
<b>Other income</b>					
	Asia Airport Hotel Co., Ltd.	-	-	818	-
	Asia Pattaya Hotel Co., Ltd.	-	-	201	-
<b>Cost of sale and service</b>					
	Asia Pattaya Hotel Co., Ltd.	-	-	240	164
<b>Interest expenses</b>					
Subsidiaries					
	Asia Pattaya Hotel Co., Ltd.	-	-	10,574	13,706
	Asia Airport Hotel Co., Ltd.	-	-	10,894	-

## 28. Commitments and contingent liabilities

As at December 31, 2009 and 2008, the Company and subsidiaries had the contingent liabilities, as follows:

28.1 Letters of guarantee issued by banks are as follows:

28.1.1 The Company : in the amount of Baht 3.07 million and Baht 4.99 million, respectively.

28.1.2 Subsidiary – Asia Pattaya Hotel Co., Ltd. : in the amount of Baht 1.32 million.

28.1.3 Subsidiary – Zeer Property Co., Ltd. : in the amount of Baht 13.20 million.

28.2 The Company guaranteed liabilities of its 2 subsidiaries in the amount of Baht 400 million.

28.3 The subsidiary – Asia Pattaya Co., Ltd. guaranteed liabilities of the Company and another subsidiary in the amount of Baht 1,535 million.

28.4 The subsidiary – Asia Airport Co., Ltd. guaranteed liabilities of the Company and another subsidiary in the amount of Baht 1,605 million.

28.5 The subsidiary – Zeer Property Co., Ltd. guaranteed liabilities of other companies in the amount of Baht 141.75 million.

28.6 On November 1, 1999, the subsidiary, Zeer Property Co., Ltd., was brought to civil court on a lease matter by a lessee. By judgment of the Civil Court on August 22, 2002, the subsidiary had to pay an amount of Baht 1.95 million with the interest rate of 7.50% per annum starting from November 1, 1999 until the repayment is completed. On October 22, 2002, the subsidiary appealed against the judgment. On September 2, 2005, by the judgement of the Court, the subsidiary had to pledge the above amount of Baht 1.95 million at the Civil Court, then the Court will pending the case during the appeal.

On February 2, 2006, by judgment of the Appeals Court, the subsidiary had to pay the amount of Baht 0.95 million with interest at the rate of 7.5% per annum starting from the filing of the complaint date until the repayment is completed. However the case has not been finalized yet.

On March 10, 2006, the subsidiary submitted a petition to the Supreme Court for litigation dismissal. This case is under the consideration of the Supreme Court.

28.7 The subsidiary – Zeer Property Co., Ltd. was sued by three insurance companies and two insurance companies on the matter of violation on sub insurance right for the total amount of Baht 1.16 million and Baht 0.84 million, respectively. Presently the cases are still pending in the Civil Court and Appeal Court. The subsidiary has placed amount of Baht 0.60 million as guarantee as stated in note 14.

28.8 The subsidiary – Zeer Property Co., Ltd. was sued by other person on the matter of damage asset for the amount of Baht 0.40 million. Presently the case is still pending in the Appeal Court. The subsidiary has placed amount of Baht 0.54 million as guarantee as stated in note 14.

28.9 The subsidiary - Zeer Property Co., Ltd. had the commitment for the future payment of lease land with a related party amount of Baht 666.67 million and Baht 675.39 million, respectively. The lease land agreement will be terminated on March 31, 2048.

28.10 The subsidiary - Zeer Property Co., Ltd. had the commitment for the future payment of service fee amount of Baht 0.49 million and Baht 3.74 million, respectively.

28.11 As at December 31, 2009, two subsidiaries, Zeer Property Co., Ltd. and Zeer Asset Co., Ltd., had the commitment for the future payment of a to sell and to buy contract amount of Baht 128.03 million.

## 29. Segmented information

Segmented information of the Company and its subsidiary for the year ended December 31, 2009 and 2008 consisted of :

	(Unit : Thousands Baht)							
	Room		Food and beverage		Rental and services		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
Income from hotel business	265,325	431,169	158,145	207,295	-	-	423,470	638,464
Cost of hotel business	(159,741)	(181,393)	(136,117)	(158,605)	-	-	(295,858)	(339,998)
Income from rental and service	-	-	-	-	464,959	439,468	464,959	439,468
Cost of rental and service	-	-	-	-	(336,633)	(316,191)	(336,633)	(316,192)
Gross profit	105,584	249,776	22,028	48,690	128,326	123,277	255,938	421,742
Interest income							2,483	2,436
Gain on loans settlement before maturity							-	512,678
Income from the purchase of debt							-	383,461
Reversal provision for corporate income tax of income from the purchase of debt							106,926	-
Others income							53,207	55,643
Profit before expense							418,554	1,375,960
Selling expenses							(29,147)	(26,485)
Administrative expenses							(122,875)	(150,216)
Directors' remuneration							(3,873)	(2,458)
Management benefit expenses							(14,929)	(13,831)
Bad debt							(55,392)	-
Reversal provision for doubtful debt							69,942	112,932
Total expenses							(156,274)	(80,058)
Profit before financial cost and corporate income tax							262,280	1,295,902
Financial cost							(81,909)	(105,228)
Profit before corporate income tax							180,371	1,190,674
Corporate income tax							(18,894)	(20,668)
Provision for corporate income tax							-	(111,144)
Net profit							161,477	1,058,862
Attributable to								
Equity holders of the parent							172,324	1,035,742
Minority interest							(10,847)	23,120
As at December 31								
Property, plant and equipment - net							4,033,871	3,939,420
Other assets							542,534	518,143
Total assets							4,576,405	4,457,563

### **30. Share Capital**

At the extra ordinary shareholders' meeting held on April 8, 2008 and April 23, 2008 of the subsidiary, Zeer Property Co., Ltd., the shareholders unanimously approved a resolution to decrease its share capital from Baht 400 million to Baht 100 million by reducing the number of share from 4 million shares to 1 million shares at Bath 100 per share in order to reduce its deficit, and this was registered with the Department of Business Development on August 6, 2008.

At the extra ordinary shareholders' meeting held on November 27, 2008 of the subsidiary, Asia Airport Co., Ltd., the shareholders unanimously approved a resolution to decrease its share capital from Baht 660 million to Baht 495 million by reducing the number of share from 6.60 million shares to 4.95 million shares at Bath 100 per share in order to reduce its deficit, and this was registered with the Department of Business Development on December 30, 2008

### **31. Legal reserve**

According to the Public Company Limited Act B.E. 2535, the Company has appropriated its reserve as a legal reserve not less than 5% of the annual net profit deducted by the total accumulated deficit brought forward (if any) until the reserve reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividends distribution.

### **32. Dividend payment**

32.1 According to the minutes of shareholders' general meeting no. 47/2009 held on April 28, 2009, passed the resolution to pay dividend for the result of operation for the year since January 1, 2008 to December 31, 2008 to the shareholders at Baht 2.00 per share totaling Baht 64 million. The Company had already paid the interim dividend at Baht 1.00 per share amount of Baht 32 million on December 25, 2008, and the remaining dividend at Baht 1.00 per share amount of Baht 32 million on May 26, 2009.

32.2 According to the minutes of the extra ordinary shareholders' meeting no. 1/2009 held on November 17, 2009 of a subsidiary, Asia Airport Hotel Co., Ltd., approved the dividend payments of Baht 14.25 per share, amounting to Baht 70.54 million and paid on December 8, 2009.

32.3 According to the minutes of the extra ordinary shareholders' meeting no. 1/2008 held on June 18, 2008 of a subsidiary, Asia Pattaya Hotel Co., Ltd., approved the interim dividend payments of Baht 86,000 per share, amounting to Baht 103 million and paid on June 26, 2008.

### 33. Other income

Other income of the Company and subsidiaries consisted of :

(Unit : Thousand Baht)				
For the year ended December 31,				
	Consolidated		Separate	
	2009	2008	2009	2008
Health club and car parking fee	6,905	5,010	1,883	2,471
Rental, service fee and electricity	26,213	29,613	25,219	27,210
Gain on exchange rate	1,494	3,075	913	1,829
Gain from sale of assets	1,281	4,903	1,209	4,067
Others	17,314	13,042	5,243	6,510
Total	53,207	55,643	34,467	42,087

### 34. Expenses analysis by nature of expenses

Significant expenses analysis by nature of expense as follows :

(Unit : Thousand Baht)				
For the year ended December 31,				
	Consolidated		Separate	
	2009	2008	2009	2008
Salaries, wages and other benefits for employee	237,182	248,493	119,831	134,536
Depreciation and amortization	187,518	181,814	19,056	16,568
Change in inventories	(2,906)	42	(112)	574

### 35. Directors' remuneration

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, excluding salaries and related benefits payable to executive directors .

### 36. Management benefit expenses

Management benefit expenses focuses expenses relating to salaries, remunerations and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels.

### **37. Capital management**

The objective of financial management of the Company and its subsidiaries is to maintain the continuity of operation capability and capital structure to be properly appropriated.

### **38. Disclosure of financial instruments**

In accordance with the Thai Accounting Standards No. 32 “Presentations and Disclosure of Financial Instruments”, (Formerly TAS 48) the disclosures of the financial instruments are as follows:

#### **38.1 Credit risk**

Credit risk refers to the risk if the other parties fail to perform their obligations, resulting in a financial loss to the Company. However, there is no significant concentration of credit risk for the Company and its subsidiaries. If the other parties fail to perform their contracts, the Company provides a provision for doubtful accounts in the full amount.

In the case of financial assets, the carrying amount of the assets recorded in the balance sheets, net of provision for doubtful accounts, represents the Company’s maximum exposure to credit risk.

#### **38.2 Interest rate risk**

Interest rate risk in the balance sheet arises from the potential change in interest rates that have an adverse effect on the earnings of the Company in the current reporting period and in future years, and the Company and its subsidiaries have a risk on the change of interest rates because of their huge liabilities.

#### **38.3 Fair value of financial instruments**

The following methods and assumptions were used by the Company in estimating the fair value of the financial instruments:

Cash on hand and at banks, accounts receivable and loans to related parties, the carrying values approximate their fair values.

Bank overdrafts and loans from financial institutions which have interest bearing at the market rate, have the carrying value close to their fair value approximately.

### **39. Errors Correction**

In the past year before 2009, minority interest was understated totaling Baht 44.84 million due to the Company had deducted the dividend payment to shareholder amount of Baht 28.21 million from minority interest instead of retained earning in consolidated financial statement. Moreover, the last year before 2008, the company had calculated the attributable net profit of minority interest in consolidated statement of income and the sharing of revaluation surplus of assets for minority interest which were totally understated of Baht 16.63 million. Therefore, the Company has adjusted the beginning retained earning of the year 2009 and made retroactive adjustments of the restated 2008 financial statements by using cumulative effect. From this errors correction, resulting the 2008 consolidated financial statements presented the increase in beginning deficit and minority interest by the same amount of Baht 44.84 million, anyhow, the equity holders of the parent is still the same and the 2008 consolidated financial statements had changed as follow:

Description	(Unit : Baht)	
	Previous	Restated
Consolidated balance sheet		
Retained earning	5,707,059.46	(35,352,584.30)
Revaluation surplus of property, plant and equipment	2,127,225,786.40	2,123,445,992.17
Minority interest	18,839,543.88	63,678,981.87
Statement of income for the year		
Net profit for minority interest	(11,228,674.12)	23,119,536.92
Basic earning per share	37.14	36.72

#### 40. Reclassification

The financial statements of 2008 have been reclassified for the comparison purpose of 2009 financial statements as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	Reclassified	Previously Presented	Reclassified	Previously Presented
Property, plant and equipment - net	3,939,420	3,952,953	1,339,828	1,353,361
Prepaid rental	13,533	-	13,533	-
Other current liabilities	68,089	72,704	-	-
Asset payable	4,615	-	-	-

#### 41. Approval of financial statements

These financial statements were approved by the Company's Board of Directors on February 25, 2010.

# Board of Director



Mr. Kumpol Techaruvichit  
CHAIRMAN OF THE BOARD



Mr. Amorn Techaruvichit  
VICE CHAIRMAN



Mr. Surapol Techaruvichit  
DIRECTOR



Mr. Surapong Techaruvichit  
DIRECTOR



Mrs. Suvimol Techaruvichit  
DIRECTOR



Major General Serm Ruhsakul  
DIRECTOR



Mr. Piyawudh Senapoopitaksa  
DIRECTOR



Mr. Sombut Pupipathirunkul  
DIRECTOR



Mr. Suwat Dusitrojjanawongse  
DIRECTOR



Mrs. Pornpun Tanariyakul  
DIRECTOR



Mrs Chotima Puasiri  
DIRECTOR

**Details of Directors as of February 28, 2010**
**Attachment 1**

Name	Educational Background	No. of Shares Held	Family Relationship	Experience for the past 5 years		Type of Business
1. Mr. Kumpol Techaruvichit Chairman of the Board and Executive Committee Managing Director 78 years	Distinative Honorary Degree Western Pacific University Hawaii , USA Certificate of Attendance DAP # 7/2004 from IOD.	514,563 (1.6%)	Husband of Mrs.Suvimol, Elder Brother of Mr. Amorn, Father of Mr. Surapol,Surapong and Mrs.Pornpun	1993 - Present 1992 - Present 1994 - Present 1990 - Present 1989 - Present 1988 - Present 1988 - Present 1976 - Present 1972 - Present 1966 - Present	Director, N.S.B. Co., Ltd. Chairman of the Board and M.D., Asia Airport Hotel Co.,Ltd. Chairman of the Board, Nam Seng Insurance Public Co., Ltd. Director, Zeer Property Co.,Ltd. Chairman of the Board, Pamatoy Co., Ltd. Chairman of the Board and M.D., Pattaya Hotel Trading Co.,Ltd. Chairman of the Board and M.D., A.B.K. Enterprise Co.,Ltd. Chairman of the Board, N.S.Alliance Co., Ltd. Chairman of the Board and M.D., Asia Pattaya Hotel Co.,Ltd. Chairman of the Board and Executive Committee and M.D., Asia Hotel Public Company Limited	Real Estate Hotel & Rest. Insurance Area Subcontract Exporter Investment Holding Company Holding Company Hotel & Rest. Hotel & Rest.
2. Mr. Amorn Techaruvichit Deputy Managing Director Executive Director 63 years	MBA. WORDBARY COLLEGE, L.A. USA. Certificate of Attendance DAP # 7/2004 from IOD.	100,000 (0.31%)	Younger Brother of Mr. Kumpol,	1992 - Present 1990 - Present 1988 - Present 1981 - Present 1969 - Present	Deputy Managing Director, Asia Airport Hotel Co.,Ltd. Deputy Chairman of the Board, Director,Zeer Property Co.,Ltd. Director, A.B.K. Enterprise Co.,Ltd. Deputy Managing Director and Executive Director, Asia Hotel Public Company Limited Deputy Managing Director, Asia Pattaya Hotel Co.,Ltd.	Hotel & Rest. Area Subcontract Holding Hotel & Rest. Hotel & Rest.
3. Mr.Surapong Techaruvichit Assistant Managing Director Executive Director 51 years	Bachelor Degree in Economics Chulalongkorn University MBA NIDA, Bangkok Certificate of Attendance DAP # 7/2004 from IOD.	226,666 (0.71%)	Son of Mr.Kumpol and Mrs. Suvimol	1992- Present 1990- Present 1989- Present 1988- Present 1984- Present 1983- Present	Assistant Managing Director, Asia Airport Hotel Co.,Ltd. Director, Zeer Property Co.,Ltd. Director, Pamatoy Co.,Ltd. Director, A.B.K. Enterprise Co.,Ltd. Assistant Managing Director and Executive Director, Asia Hotel Public Company Limited Assistant Managing Director, Asia Pattaya Hotel Co.,Ltd.	Hotel & Rest. Area Subcontract Factory-Exporter Holding Hotel & Rest. Hotel & Rest.
4. Mrs.Pornpun Tanariyakul Assistant Managing Director Executive Director 50 years	Bachelor Degree in Accounting and MBA Chulalongkorn University Certificate of Attendance DAP # 6/2003 from IOD.	3,572,775 (11.16%)	Dauther of Mr.Kumpol & Mrs. Suvimol	2003 - Present April 2000-Present 1992 - Present 1988 - Present	Managing Director, Pamatoy Co., Ltd. Assistant Managing Director, ASIA Hotel PLC Company Limited Assistant Managing Director, Asia Airport Hotel Co., Ltd. Assistant Managing Director, Asia Pattaya Hotel Co., Ltd.	Factory, Exporter Hotel & Rest. Hotel & Rest. Hotel & Rest.

**Details of Directors as of February 28, 2010 (continued)**
**Attachment 1**

Name	Educational Background	No. of Shares Held	Family Relationship	Experience for the past 5 years		Type of Business
5. Mr.Surapol Techaruvichit Director 53 years	Bachelor Degree in Economics Chulalongkorn University MBA San Francisco University L.A. USA.  Certificate of Attendance DAP # 6/2003 from IOD.	240,633 (0.75%)	Son of Mr.Kumpol and Mrs. Suvimol	Nov.2008- Present 1992 -Oct.2008 1990 - Present 1989 - Present 1988 - Present Nov.2008- Present 1985 - Oct.2008 Nov.2008- Present 1983 - Oct.2008	Director, Asia Airport Hotel Co.,Ltd. Assistant Managing Director, Asia Airport Hotel Co.,Ltd. Managing Director, Zeer Property Co.,Ltd. Director, Pamatoy Co.,Ltd. Director, A.B.K. Enterprise Co.,Ltd. Director, Asia Pattaya Hotel Co.,Ltd. Exe. Director,Assistant Managing Director, Asia Pattaya HotelCo.,Ltd. Director, Asia Hotel Public Company Limited Exe. Director,Assistant Managing Director, Asia Hotel Public Company Limited	Hotel & Rest. Hotel & Rest. Area Subcontract Factory-Exporter Holding Company Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.
6. Mrs.Suvimol Techaruvichit Director 76 years	Certificate in Commerce and Accountancy Certificate of Attendance DAP # 7/2004 from IOD.	514,563 (1.6%)	Wife of Mr. Kumpol	1992- Present 1990- Sep 2008 1989 - Present 1988 - Present 1972 - Present 1966 - Present	Director, Asia Airport Hotel Co.,Ltd. Director, Zeer Property Co.,Ltd. Director, Pamatoy Co.,Ltd. Director, A.B.K. Enterprise Co.,Ltd. Director, Asia Pattaya Hotel Co.,Ltd. Director, Asia Hotel Public Company Limited	Hotel & Rest. Area Subcontract Factory- Exporter Holding Company Hotel & Rest. Hotel & Rest.
7. Major General Serm Ruhsakul Director (Independent Director) and Audit Committee Chairman 79 years	Medical Degree Faculty of Medical and Science Certificate of Attendance DAP # 6/2003 , FSD # 4/2009 from IOD.	31,333 (0.10%)	-none-	Sept.2008 - Present May 1999- Present 1992 - Present 1990 - Present 1989 - Present	Chairman of the Board, Zeer Property Co.,Ltd. Audit Committee Chairman, Asia Hotel Public Company Limited. Director, Asia Airport Hotel Co.,Ltd. Director, Asia Hotel Public Company Limited Director, Asia Pattaya Hotel Co.,Ltd.	Factory-Exporter Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.
8. Mr.Piyawudh Senapoopitaksa Director (Independent Director) Audit Committee Member Nomination and Remuneration Committee Member 81 years	Certificate of Life Insurance Certificate of Attendance DAP # 6/2003 , FSD # 4/2009 from IOD.	26,666 (0.08%)	-none-	Jan 2010 - Present May 1999- Present 1992 - Present 1988 - Present 1972 - Present 1968 - Present	Nomination and Remuneration Committee Member, ASIA Audit Committee Member, Asia Hotel Public Company Limited. Director, Asia Airport Hotel Co.,Ltd. Director, A.B.K. Enterprise Co.,Ltd Director, Asia Pattaya Hotel Co.,Ltd. Director, Asia Hotel Public Company Limited .	Hotel & Rest. Hotel & Rest. Hotel & Rest. Holding Company Hotel & Rest. Hotel & Rest.

**Details of Directors as of February 28, 2010 (continued)**
**Attachment 1**

Name	Educational Background	No. of Shares Held	Family Relationships	Experience for the past 5 years	Type of Business
9. Mr.Sombut Pupipathirunkul Director (Independent Director) Audit Committee Member Nomination and Remuneration Committee Chairman  71 years	Bachelor Degree in Economics Thammasart University Certificate of Attendance DAP # 6/2003 , FSD # 4/2009 from IOD.	47,299 (0.15%)	-none-	Jan 2010 - Present Nomination and Remuneration Committee Chairman, ASIA May 1999- Present Audit Committee Member, Asia Hotel Public Company Limited. 1996 - Present Director, A.B.K. Enterprise Co.,Ltd. 1992 - Present Director, Asia Airport Hotel Co.,Ltd. 1989 - Present Director, Asia Hotel Public Company Limited .	Hotel & Rest. Hotel & Rest. Holding Company Hotel & Rest. Hotel & Rest.
10. Mr.Suwat Dusitrojawanongse Director (Independent Director) Audit Committee Member Nomination and Remuneration Committee Member 64 years	Bachelor Degree in Economics Kinki University, Japan Certificate of Attendance DAP # 7/2004 , FSD # 4/2009 from IOD.	85,000 (0.27%)	-none-	Jan 2010 - Present Nomination and Remuneration Committee Member, ASIA Feb 2009 - Present Director, A.B.K. Enterprise Co.,Ltd. May 2008 - Present Audit Committee Member, Asia Hotel Public Company Limited. May 1999-Nov.2006 Audit Committee Member, Asia Hotel Public Company Limited. 1992 - Present Director, Asia Airport Hotel Co.,Ltd. 1989 - Present Director, Asia Hotel Public Company Limited . 1983 - Present Managing Director, Thepdusit Co., Ltd.	Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest. Construction
11. Mrs. Chotima Puasiri Director 31 years	Master of Commerce, Marketing UNSW, Sydney, Australia & Master of Art, Management Nottingham University, UK. Certificate of Attendance DAP DAP # 78/2009 from IOD.	10,000 (0.00%)	-none-	Aug. 2008 - Present Director, Asia Hotel Public Company Limited. 2008 - Present Manager, Office Admin Dep.Nam Seng Insurance Public Company Limited. 2005 - 2008 Assistant Manager NON-MOTOR Insurance Department Nam Seng Insurance Public Company Limited. 2004 - 2005 Branch Manager , Health Insurance Division Nam Seng Insurance Public Company Limited.	Hotel & Rest. Insurance Insurance Insurance

**Management Team** as at February 28, 2010.

**Attachment 1**

Name	Educational Background	No. of Share Held	Family Relationships	Experience for the past 5 years		Type of Business
1. Mr. Kumpol Techaruvichit Chairman of the Board and Executive Committee Managing Director 78 years	Distinative Honorary Degree Western Pacific University Hawaii , USA Certificate of Attendance DAP # 7/2004 from IOD.	514,563 (1.6%)	Husband of Mrs.Suvimol, Elder Brother of Mr. Amorn, Father of Mr. Surapol,Surapong and Mrs.Pornpun	1993 - Present 1992 - Present 1994 - Present 1990 - Present 1989 - Present 1988 - Present 1988 - Present 1976 - Present 1972 - Present 1966 - Present	Director, N.S.B. Co., Ltd. Chairman of the Board and M.D., Asia Airport Hotel Co.,Ltd. Chairman of the Board, Nam Seng Insurance Public Co., Ltd. Chairman of the Board, Zeer Property Co.,Ltd. Chairman of the Board, Pamatoy Co., Ltd. Chairman of the Board and M.D., Pattaya Hotel Trading Co.,Ltd. Chairman of the Board and M.D., A.B.K. Enterprise Co.,Ltd. Chairman of the Board, N.S.Alliance Co., Ltd. Chairman of the Board and M.D., Asia Pattaya Hotel Co.,Ltd. Chairman of the Board and Executive Committee and M.D., Asia Hotel Public Company Limited	Real Estate Hotel & Rest. Insurance Area Subcontract Exporter Investment Holding Company Holding Company Hotel & Rest. Hotel & Rest.
2. Mr. Amorn Techaruvichit Deputy Managing Director Executive Director 63 years	MBA. WORDBARY COLLEGE, L.A. USA. Certificate of Attendance DAP # 7/2004 from IOD.	100,000 (0.31%)	Younger Brother of Mr. Kumpol, Uncle of Mr.Surapol and Mr. Surapong , Mrs.Pornpun	1992 - Present 1990 - Present 1988 - Present 1981 - Present 1969 - Present	Deputy Managing Director, Asia Airport Hotel Co.,Ltd. Director,Zeer Property Co.,Ltd. Director, A.B.K. Enterprise Co.,Ltd. Deputy Managing Director and Executive Director, Asia Hotel Public Company Limited Deputy Managing Director, Asia Pattaya Hotel Co.,Ltd.	Hotel & Rest. Area Subcontract Holding Company Hotel & Rest. Hotel & Rest.
3. Mr.Surapong Techaruvichit Assistant Managing Director Executive Director 51 years	Bachelor Degree in Economics Chulalongkorn University MBA NIDA, Bangkok Certificate of Attendance DAP # 7/2004 from IOD.	226,666 (0.71%)	Son of Mr.Kumpol and Mrs. Suvimol, Brother of Mr.Surapol and Mrs.Pornpun	1992- Present 1990- Present 1989- Present 1988- Present 1984- Present 1983- Present	Assistant Managing Director, Asia Airport Hotel Co.,Ltd. Deputy Managing Director, Zeer Property Co.,Ltd. Director, Pamatoy Co.,Ltd. Director, A.B.K. Enterprise Co.,Ltd. Assistant Managing Director and Executive Director, Asia Hotel Public Company Limited Assistant Managing Director, Asia Pattaya Hotel Co.,Ltd.	Hotel & Rest. Area Subcontract Factory - Exporter Holding Company Hotel & Rest. Hotel & Rest.
4. Mrs.Pornpun Tanariyakul Assistant Managing Director Executive Director 50 years	Bachelor Degree in Accounting and MBA Chulalongkorn University Certificate of Attendance DAP # 6/2003 from IOD.	3,572,775 (11.16%)	Dauther of Mr.Kumpol & Mrs. Suvimol Yonger sister of Mr.Surapol and Mr.Surapong	2003 - Present 2000 - Present 1992 - Present 1988 - Present	Managing Director, Pamatoy Co., Ltd. Asst. Manager Director and Exe.Ditrector, Asia Hotel Plc Co., Ltd. Director, Asia Airport Hotel Co.,Ltd. Director, Asia Pattaya Hotel Co.,Ltd.	Factory - Exporter Hotel & Rest. Hotel & Rest. Hotel & Rest.

**Management Team** as at February 28, 2010.(continued)

**Attachment 1**

Name	Educational Background	No. of Share Held	Family Relationships	Experience for the past 5 years	Type of Business
5. Mrs. Oyetip Hayrabut Asst. to Managing Director 47 years and Acting General Manager	Bachelor Degree in Accounting Chulalongkorn University, MBA, Sul ross States University, U.S.A.	167,066 (0.52%)	Dauther of Mr.Kumpol & Mrs. Suvimol	Feb.1, 2009 - Present Acting General Manager, Asia Hotel Plc Co., Ltd. June 2004 - Present Asst. to Managing Director , Asia Hotel Plc Co.,Ltd. Mar.2004 - June 2004 Acting General Manager, Asia Hotel Plc Co., Ltd. 1989 - Present Director , Pamatoy Co., Ltd.	Hotel & Rest. Hotel & Rest. Hotel & Rest. Factory - Exporter
6. Mrs. Navamol Venuchun Director of Sales 52 years	High School Certificate	-	-none-	July 2001-Present Director of Sales, Asia Hotel Public Company Limited	Hotel & Rest.
7. Mr.Somkak Teerawitpreecha Director of Sales 56 years	Bachelor Degree in Marketing	-	-none-	2002 - Present Director of Sales , Asia Hotel Plc. Co., Ltd.	Hotel & Rest.
8. Mr. Suporn Srisutanyawong Food & Beverage Manager 43 years	High School Certificate	-	-none-	Apr 2004 - Present Food & Beverage Manager, Asia Hotel Public Company Limited Dec 1998 - Apr. 2004 Food & Beverage Manager, the Four-Wings Hotel, Bangkok	Hotel & Rest. Hotel & Rest.
9. Miss Somsri Tangtatpongsathorn Financial & Accounting Manager 42 years	Bachelor Degree in Accounting, Bangkok University	-	-none-	Jul 2005 - Present Financial & Accounting Manager, Asia Hotel Plc Feb2005 - Jul2005 Acting Financial & Accounting Manager, Asia Hotel Plc Jul 2002 - Feb 2005 Asst. Financial & Accounting Manager, Asia Hotel Plc Nov 2001 - Jun. 2002 Chief Accountant, Asia Pattaya Beach Hotel, Pattaya City	Hotel & Rest. Hotel & Rest. Hotel & Rest. Hotel & Rest.
10. Mrs.Siriwan Boonchim Executive Housekeeper 61 years	High school Somboonwittaya School	8,333 (0.03%)	-none-	1987 - Present Executive Housekeeper , Asia Hotel Plc. Co., Ltd.	Hotel & Rest.

**Management Team** as at February 28, 2010.(continued)

**Attachment 1**

Name	Educational Background	No. of Share Held	Family Relationships	Experience for the past 5 years		Type of Business
11. Mr. Phisut Sae-Khu Front office Manager 31 years	Bachelor Degree, Major Career Sciences Humanities Kasetsart University	-	-none-	2007 - Present 2005 - 2006 2003 - 2005	Front office Manager , Asia Hotel Plc. Co., Ltd. Asst. Front office Manager, Pattaya Marriott Resort & Spa Duty Manager, Samui Peninsula Resort & Spa	Hotel & Rest. Hotel & Rest. Hotel & Rest.
12. Mr. Chertpong Jantawong Personnel Manager 52 years	Bachelor Degree : Faculty of Political Science (Political) Ramkhamhaeng University	-	-none-	2007 - Present 2003 - 2007	Personnel Manager, Asia Hotel Public Company Limited Human Resource Department Manager PMK	Hotel & Rest. Process - glass
13. Miss Natcha Techaruvichit Public Relation Manager 29 years	Bachelor Degree : International Business Mgt. Mahidol University Master Degree in Marketing (MIM) Thammasart University	-	Daughter of Mr.Amorn Niece of Mr.Kumpol	Aug 2004 - Present Jan. 1998 - Aug 2004	Public Relation Manager, Asia Hotel Plc.Co. Ltd. Singer, R. S. Promotion Plc Co.,Ltd.	Hotel & Rest. Entertainment
14. Mr. Vaiyavuth Samakkarn Chief Security 52 years	Higher Education Bansomdejchaopraya Teacher Colledge	-	-none-	2009 - Present 2004 - 2009	Chief Security , Asia Hotel Plc. Co., Ltd. Asst. Chief Security, Pattaya Marriott Resort & Spa	Hotel & Rest. Hotel & Rest.
15. Mr. Chairat Thamvichit Chief Engineer 64 years	Patumwan Institute of Technology	-	-none-	1987 - Present	Chief Engineer , Asia Hotel Plc. Co., Ltd.	Hotel & Rest.

## Details of Directors and Management

Company Name Name of Directors		ASIA	Subsidiaries		
			AP	AA	ZP
1. Mr. Kumpol	Techaruvichit	/, X, //	/, X, //	/, X, //	/
2. Mr. Amorn	Techaruvichit	/, //	/, //	/, //	/
3. Mr. Surapol	Techaruvichit	/	/	/	/, //
4. Mr. Surapong	Techaruvichit	/, //	/, //	/, //	/
5. Mrs. Suvimol	Techaruvichit	/	/	/	
6. Maj.Gen. Serm	Ruhsakul	/	/	/	X
7. Mr. Piyawudh	Senapoopitaksa	/	/	/	
8. Mr. Sombut	Pupipathirunkul	/		/	
9. Mr. Suwat	Dusitrojanawongse	/		/	
10. Mrs. Pornpun	Tanariyakul	/, //	/, //	/, //	
11. Mrs. Chotima	Puasiri	/			
12. AM Choomsak	Skulratana				/
13. Lt.Gen. Naowarat	Thongkumwong				/
14. Mr. Anant	Gatepithaya				/
15. Mr. Tosapol	Vachiradaecha				/
16. Mr.Somboon	Fusriboon				/
17. Mr.Chanin	Pupipathirunkul				/
18. Mr.Surapak	Senapoopitak				/
19. Mr.Sorathat	Dusitrojanawongse				/
20. Mrs. Oyetip	Hayrabut	///			
21. Mrs.Navamol	Venuchan	///			
22. Mr. Somsak	Teerawitpreecha	///			
23. Mr.Suporn	Srisutanyawong	///			
24. Mr.Chertpong	Jantawong	///			
25. Miss Somsri	Tangtatpongsathorn	///			
26. Miss Natcha	Techaruvichit	///			
27. Mrs.Siriwan	Boonchim	///			
28. Mr.Phisut	Sae-Khu	///			
29. Mr.Vaiyamuth	Samakkarn	///			
30. Mr.Chairat	Thamvichit	///			

Remarks: X = Chairman, / = Director, // = Executive Director, /// = Management Officer

**Attachment 1****Part 2****Stock Holding & Remuneration Report of Board of Directors of Asia Hotel Public Company Limited**

Name of Directors		Remuneration (Baht) ASIA & subsidiary	Major Change In Common Share During The Year	Common Share 31/12/2009    31/12/2008	
1. Mr. Kumpol	Techaruvichit	447,700	- none -	351,500	351,500
2. Mr. Amorn	Techaruvichit	415,250	- none -	150,000	150,000
3. Mr. Surapol	Techaruvichit	257,700	- none -	133,300	133,300
4. Mr. Surapong	Techaruvichit	276,700	- none -	226,666	226,666
5. Mrs. Suvimol	Techaruvichit	171,000	- none -	163,063	163,063
6. Major General Serm	Ruhsakul	427,000	- none -	31,333	31,333
7. Mr. Piyawudh	Senapoopitaksa	201,000	- none -	26,666	26,666
8. Mr. Sombut	Pupipathirunkul	189,000	- none -	47,299	47,299
9. Mr. Suwat	Dusitrojanawongse	189,000	- none -	85,000	85,000
10. Mrs. Pornpun	Tanariyakul	171,000	- none -	3,472,375	3,472,375
11. Mrs. Chotima	Puasiri	147,000	- none -	10,000	10,000

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