



CENTARA
HOTELS & RESORTS



CENTRAL PLAZA HOTEL
PUBLIC COMPANY LIMITED

ANNUAL REPORT
2016



CORPORATE

- Thailand Top corporate Brand Value 2016
- Excellent Organization with Outstanding Performance in Corporate Social Responsibility and Environmental Promotion, Ministry of Social Development and Human Security

CENTARA GRAND & BANGKOK CONVENTION CENTRE AT CENTRALWORLD

- Best in Travel 2016 Hot 25 Conference Hotels, Smart Travel Asia
- 2016 Top 10 People's Choice Awards Thailand Voted by Chinese Tourists, Best City Hotel
- EarthCheck Silver Certified 2016
- Thailand Tatler Best Restaurant 2016, Uno Mas Restaurant
- Best Meetings & Conventions Hotel 2016, TTG Asia Awards

CENTARA GRAND AT CENTRAL PLAZA LADPRAO BANGKOK

- EarthCheck Silver Certificate 2016
- Thailand Tatler Best Restaurants 2016, Le Danang Vietnamese Restaurant
- TripAdvisor Certificate of Excellence 2016

CENTARA GRAND BEACH RESORT SAMUI

- EarthCheck Gold Certified 2016
- Best in Travel 2016 Hot 25 Spa and Hotels, Smart Travel Asia

CENTARA GRAND BEACH RESORT & VILLAS HUA HIN

- Best in Travel 2016 Hot 25 Leisure Hotels, Smart Travel Asia
- Gold Winner – Best Hotel Far East and Africa 2016, Virgin Holiday Awards 2016
- EarthCheck Gold Certified 2016
- Award of Excellence 2016 – COAST Beach Club & Bistro, Wine Spectator
- Thailand Tatler Best Restaurant 2016, COAST Beach Club & Bistro

CENTARA GRAND MIRAGE BEACH RESORT PATTAYA

- EarthCheck Silver Certified 2016
- TripAdvisor 2016 Certificate of Excellence
- TripAdvisor 2016 travelers' choice 2016

CENTARA GRAND BEACH RESORT PHUKET

- Best in Travel 2016 Hot 25 Leisure Hotels, Smart Travel Asia
- EarthCheck Silver Certificate 2016
- 2016 Best of Family Travel Awards, Out & About with Kids magazine
- Thailand MICE Venue Standard Hotels and resorts 2016 - 2018, Thailand Convention and Exhibition Bureau – TCEB

CENTARA GRAND ISLAND RESORT & SPA MALDIVES

- EarthCheck Silver Certified 2016
- MATATO – Maldives Travel Award 2016, Leading All Inclusive Resort
- South Asian Travel Awards (SATA) 2016, Leading All Inclusive Resort Maldives Award
- South Asian Travel Awards (SATA) 2016, Leading All Inclusive Resort South Asia Award
- TripAdvisor 2016 Certificate of Excellence

CENTARA VILLAS SAMUI

- EarthCheck Silver Certificate 2016

CENTARA VILLAS PHUKET

- EarthCheck Silver Certificate 2016

CENTARA KATA RESORT PHUKET

- EarthCheck Silver Certificate 2016

CENTARA KARON RESORT PHUKET

- EarthCheck Silver Certificate 2016

CENTARA HOTEL HAT YAI

- EarthCheck Silver Certificate 2016
- 2016 Top 10 People's Choice Awards Thailand Voted by Chinese Tourists, Best City Hotel

CENTARA HOTEL & CONVENTION CENTRE UDON THANI

- Thailand MICE Venue Standard Hotels and resorts 2016 - 2018, Thailand Convention and Exhibition Bureau – TCEB

CENTARA NOVA HOTEL & SPA PATTAYA

- Green Hotel Award 2016 – Gold Level

CENTARA RAS FUSHI RESORT & SPA MALDIVES

- EarthCheck Silver Certified 2016
- World Luxury Hotel Award 2016, Best Luxury Adult Beach Resort
- Gold Winner – Best Hotel Indian Ocean 2016, Virgin Holiday Awards 2016

CENTARA CEYSANDS RESORT & SPA SRI LANKA

- South Asian Travel Awards (SATA) 2016, Leading Beach Resort Sri Lanka
- South Asian Travel Awards (SATA) 2016, Leading All Inclusive Resort Sri Lanka
- South Asian Travel Awards (SATA) 2016, Leading Wellness & Spa Brand

KHUM PHAYA RESORT & SPA, CENTARA BOUTIQUE COLLECTION

- Thailand MICE Venue Standard Hotels and resorts 2016 - 2018, Thailand Convention and Exhibition Bureau – TCEB

CENTRA BY CENTARA GOVERNMENT COMPLEX HOTEL & CONVENTION CENTRE CHAENG WATTHANA

- TripAdvisor 2016 Certificate of Excellence

CENTRA BY CENTARA COCONUT BEACH RESORT SAMUI

- EarthCheck Silver Certified 2016



Thailand Top corporate Brand Value 2016



TTG Asia Awards 2016






Virgin Holiday Awards 2016














Smart Travel Asia 2016

CENTARA FAMILY HOTEL BUSINESS

	<p>CENTARA GRAND AT CENTRAL PLAZA LADPRAO BANGKOK</p> <p>Centara Grand at Central Plaza Ladprao Bangkok</p>		<p>CENTARA GRAND BEACH RESORT & VILLAS HUA HIN</p> <p>Centara Grand Beach Resort & Villas Hua Hin</p>
	<p>CENTARA GRAND BEACH RESORT PHUKET</p> <p>Centara Grand Beach Resort Phuket</p>		<p>CENTARA GRAND BEACH RESORT SAMUI</p> <p>Centara Grand Beach Resort Samui</p>
	<p>CENTARA GRAND PHRATAMNAK PATTAYA</p> <p>Centara Grand Phratamnak Pattaya</p>		<p>CENTARA GRAND ISLAND RESORT & SPA MALDIVES</p> <p>Centara Grand Island Resort & Spa Maldives</p>
	<p>CENTARA VILLAS PHUKET</p> <p>Centara Villas Phuket</p>		<p>CENTARA KATA RESORT PHUKET</p> <p>Centara Kata Resort Phuket</p>
	<p>CENTARA MAE SOT HILL RESORT</p> <p>Centara Mae Sot Hill Resort</p>		<p>CENTARA CHAA TALAY RESORT & VILLAS TRAT</p> <p>Centara Chaa Talay Resort & Villas Trat</p>

	<p>CENTARA GRAND & BANGKOK CONVENTION CENTRE AT CENTRALWORLD</p> <p>Centara Grand & Bangkok Convention Centre at CentralWorld</p>		<p>CENTARA GRAND MIRAGE BEACH RESORT PATTAYA</p> <p>Centara Grand Mirage Beach Resort Pattaya</p>
	<p>CENTARA GRAND BEACH RESORT & VILLAS KRABI</p> <p>Centara Grand Beach Resort & Villas Krabi</p>		<p>CENTARA VILLAS SAMUI</p> <p>Centara Villas Samui</p>
	<p>CENTARA KARON RESORT PHUKET</p> <p>Centara Karon Resort Phuket</p>		<p>CENTARA HOTEL HAT YAI</p> <p>Centara Hotel Hat Yai</p>

	<p>CENTARA WATERGATE PAVILLION HOTEL BANGKOK</p> <p>Centara Watergate Pavillion Hotel Bangkok</p>		<p>CENTARA HOTEL & CONVENTION CENTRE UDON THANI</p> <p>Centara Hotel & Convention Centre Udon Thani</p>		<p>CENTARA ANDA DHEVI RESORT & SPA KRABI</p> <p>Centara Anda Dhevi Resort & Spa Krabi</p>
	<p>CENTARA PATTAYA HOTEL</p> <p>Centara Pattaya Hotel</p>		<p>CENTARA Q RESORT RAYONG</p> <p>Centara Q Resort Rayong</p>		<p>CENTARA KOH CHANG TROPICANA RESORT</p> <p>Centara Koh Chang Tropicana Resort</p>
	<p>CENTARA SEAVIEW RESORT KHAO LAK</p> <p>Centara Seaview Resort Khao Lak</p>		<p>CENTARA NOVA HOTEL & SPA PATTAYA</p> <p>Centara Nova Hotel & Spa Pattaya</p>		<p>CENTARA RAS FUSHI RESORT & SPA MALDIVES</p> <p>Centara Ras Fushi Resort & Spa Maldives</p>
	<p>CENTARA CEYSANDS RESORT & SPA SRI LANKA</p> <p>Centara Ceysands Resort & Spa Sri Lanka</p>		<p>Sandy Beach Non nuoc resort DANANG-VIET NAM MANAGED BY CENTARA</p> <p>Sandy Beach Non Nuoc Resort Danang Vietnam Managed by Centara</p>		<p>KHUM PHAYA RESORT & SPA CENTARA BOUTIQUE COLLECTION</p> <p>Khum Phaya Resort & Spa, Centara Boutique Collection</p>
	<p>centra by CENTARA GOVERNMENT COMPLEX HOTEL & CONVENTION CENTRE CHEANG WATTHANA</p> <p>Centra by Centara Government Complex Hotel & Convention Centre Cheang Watthana</p>		<p>centra by CENTARA COCONUT BEACH RESORT SAMUI</p> <p>Centra by Centara Coconut Beach Resort Samui</p>		<p>centra by CENTARA MARIS RESORT JOMTIEN</p> <p>Centra by Centara Maris Resort Jomtien</p>
	<p>centra by CENTARA AVENUE HOTEL PATTAYA</p> <p>Centra by Centara Avenue Hotel Pattaya</p>		<p>centra by CENTARA PHU PANO RESORT KRABI</p> <p>Centra by Centara Phu Pano Resort Krabi</p>		<p>WATERFRONT SUITES PHUKET BY CENTARA</p> <p>Waterfront Suites Phuket by Centara</p>



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CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT

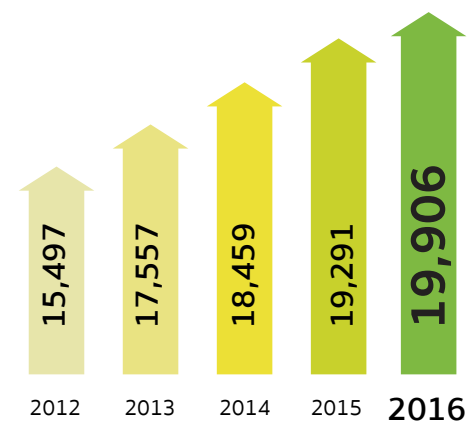
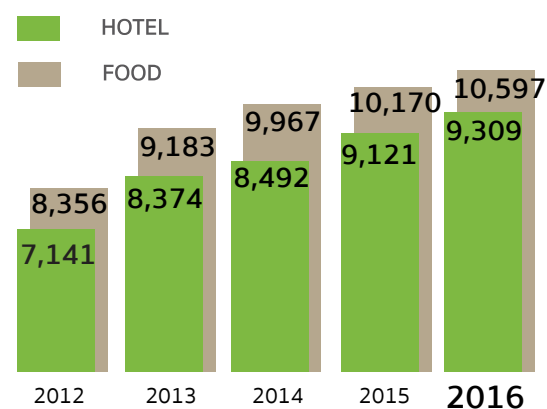
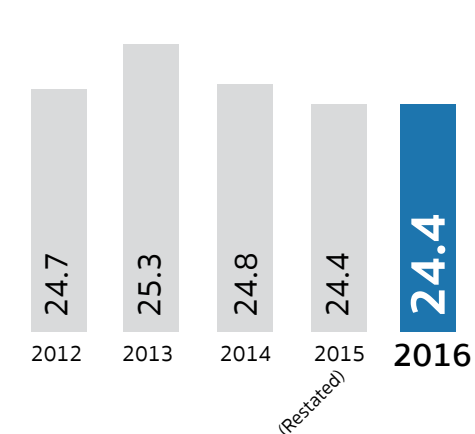
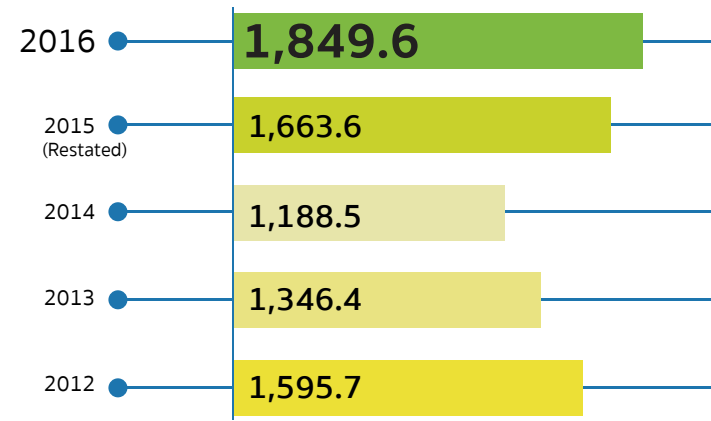
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FINANCIAL STATEMENTS

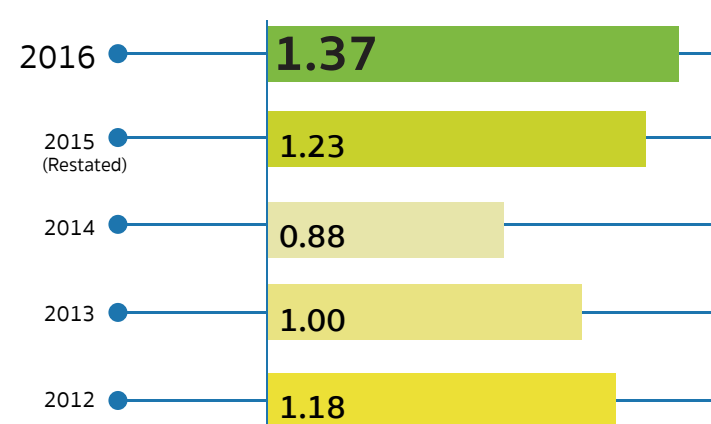
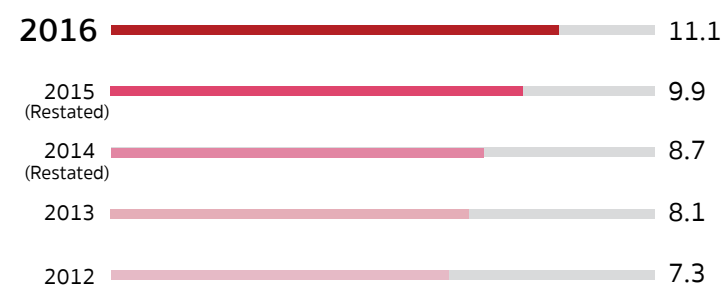
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TOTAL CONSOLIDATED REVENUE
(Baht Millions)HOTEL AND FOOD REVENUE
(Baht Millions)**TOTAL : 19,906**TOTAL CONSOLIDATED ASSETS
(Baht Billions)NET PROFIT (LOSS) AFTER TAX
(Baht Millions)

2016 Extra - Ordinary loss totaling Baht 1.8 million*
 2015 Extra - Ordinary loss totaling Baht 102.2 million*
 2014 Extra - Ordinary gain totaling Baht 33.7 million*
 2013 Extra - Ordinary loss totaling Baht 12.4 million*
 2012 Extra - Ordinary gain totaling Baht 632 million*

EARNINGS (LOSS) PER SHARE
(Baht)SHAREHOLDERS EQUITY
(Baht Billions)

FINANCIAL HIGHLIGHTS

(Unit : Million Baht)

	2016		2015 (Restated)		2014 (Restated)	
	Consolidated	Separated	Consolidated	Separated	Consolidated	Separated
Operating Results						
Revenues from sales	19,448.2	2,157.9	18,822.7	2,203.3	17,850.6	2,015.0
Total revenues	19,906.2	3,438.3	19,291.4	3,614.2	18,459.2	3,031.4
Gross profit	10,863.0	1,263.9	10,563.4	1,282.7	9,875.4	1,187.3
Earnings before interest expenses and income tax	2,635.1	1,207.7	2,614.4	1,418.2	2,162.2	1,019.8
Net profit	1,849.6	962.9	1,633.6	1,095.8	1,188.5	662.6
Financial Position						
Total assets	24,396.8	14,690.4	24,443.5	14,360.5	24,769.9	14,492.6
Total liabilities	13,279.5	8,002.8	14,522.7	7,960.9	16,059.9	8,630.9
Interest bearing debts ⁽¹⁾	7,767.6	6,410.3	8,698.6	6,277.0	10,256.2	6,976.6
Shareholders' equity	11,117.3	6,687.6	9,920.8	6,399.6	8,710.0	5,861.7
Retained earnings ⁽²⁾	7,852.3	4,367.6	6,677.6	4,079.6	5,604.6	3,541.7
Weighted Average Number of ordinary shares (million shares)	1,350	1,350	1,350	1,350	1,350	1,350
Key Financial Ratios						
Net profit margin (%) ^{(3), (4)}	9.3%	8.1%	9.0%	15.0%	6.3%	12.9%
Return on assets (%) ⁽⁴⁾	7.6%	6.6%	7.1%	7.6%	4.7%	4.6%
Return on equity (%) ⁽⁴⁾	16.7%	14.4%	17.5%	17.1%	13.3%	11.3%
Interest bearing debts / Equity (times)	0.7	1.0	0.9	1.0	1.2	1.2
Total liabilities / Equity (times)	1.2	1.2	1.5	1.2	1.8	1.5
Earnings per share (Baht)	1.37	0.71	1.23	0.81	0.88	0.49
Dividend per share (Baht)	n/a	TBA	n/a	0.50	n/a	0.40
Book value per share (Baht)	8.24	4.95	7.35	4.74	6.45	4.34

(1) Interest bearing debts in Consolidated and Separated financial statements include loans from related parties. Retained earnings include appropriated retained earnings for legal reserve.

(2) Net profit margin in Separated financial statements exclude dividend income.

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

FY/2016 - extra-loss from investment in property fund accounted for equity method totaling Baht 1.8 million.

FY/2015 - extra-loss from investment in property fund accounted for equity method totaling Baht 102.2 million.

FY/2014 - extra-loss from investment in property fund accounted for equity method and gain from business acquisition and gain on re-measuring to fair value of investments totaling Baht 33.7 million.

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

MESSAGE FROM THE CHAIRMAN



Dear Shareholders,

On behalf of the Board of Directors, I am honoured to present the Annual Report of Central Plaza Hotel Public Company Limited for the fiscal year ending 31 December 2016. The Company has enjoyed another successful year of business expansion and operating performance in both the hotel and restaurant sectors, despite continued economic instability globally and difficult market conditions locally.

In 2016, Thailand mourned the greatest loss of His Majesty King Bhumibhol Adulyadej – the late and revered monarch who had ruled the country for 70 years. Following the passing of the King, the overall climate of the Thai tourism industry has been rather subdued. However, Centara Hotels and Resorts managed to remain strong without significant impact on the Company's overall business, while continuing to develop business of managing hotels in Thailand, such as Centra by Centara Phu Pano Resort Krabi, and Centara Azure Hotel Pattaya. The start of the year also saw the re-opening after refurbishment of Centara Q Resort Rayong.

The Company keeps extending Centara's brand presence in the international markets by carefully looking for business opportunities and signing new management contracts in world-class tourist destinations. One of the most significant milestones in 2016 was the recent partnership with UAE's major developer Nakheel in signing a joint venture agreement to create an upscale, 550-room, beach resort with waterpark at Deira Islands in Dubai. This partnership was considered a ground-breaking move for Centara Hotels and Resorts as the new property will be Centara's first hotel in Dubai and in fact in the UAE and represents our arrival in the Middle East's key gateway city. As of the end of 2016, Centara Hotels and Resorts has a total of 65 properties, 37 in operation and 28 under development, across Thailand and 11 international destinations.

With regards to the restaurant business, Central Restaurants Group Co., Ltd (CRG) continue to strengthen its position as one of Thailand's leaders in the restaurant / QSR sector. Although the competition in the restaurant business remains high, by the end of 2016, CRG had added 69 new restaurants and presently has a total of 830 restaurant outlets across eleven brands in its portfolio.

Whilst staying true to its quality and long-time reputation among consumers, CRG has made strategic developments to remain relevant to consumers' changing lifestyles. As an innovative leader of chain restaurants, the Company continues evolving to provide convenience for customers through a wider range of services, such as Drive Thru outlets and lunch express delivery. CRG will continue to forge ahead in 2017 in order to keep expanding its business presence both domestically and internationally, and to gain even more as one of the leading players in the restaurant industry of the ASEAN region.

I would like to take this opportunity to express my sincere appreciation for all the support from our shareholders, business partners, suppliers, management and staff members of both the hotel and restaurant businesses, as well as our valued customers. Your hard work, dedication and commitment will lead the Company to its ambitions and goal – continue growing and prospering for many years to come.

(Mr. Suthikiati Chirathivat)
Chairman of the Board

BOARD OF DIRECTORS

CENTRAL PLAZA HOTEL PUBLIC COMPANY LIMITED



Mr. Suthiporn Chirathivat

- Honorary Advisor of Board Committee



Khunying Suchitra Mongkolkiti

- Honorary Advisor of Board Committee



Professor Viroj Lowhaphandu

- Honorary Advisor of Board Committee



Mr. Suthichart Chirathivat

- Director



Mr. Sudhisak Chirathivat

- Director



Mr. Sudhitham Chirathivat

- Director
- Member of Nomination and Compensation Committee
- Member of Risk Management and Corporate Governance Committee



Mr. Prin Chirathivat

- Director
- Member of Nomination and Compensation Committee
- Member of Risk Management and Corporate Governance Committee



Mr. Suthikiati Chirathivat

- Chairman of The Board



Mr. Suthichai Chirathivat

- Vice Chairman



Mr. Thirayuth Chirathivat

- Chief Executive Officer
- Member of Risk Management and Corporate Governance Committee



Mr. Bhisit Kuslasayanon

- Independent Director
- Chairman of Audit Committee
- Member of Nomination and Compensation Committee



Dr. Chanvitaya Suvarnapunya

- Independent Director
- Chairman of Nomination and Compensation Committee
- Member of Audit Committee



Mr. Vichien Tejapaibul

- Independent Director
- Member of Audit Committee
- Member of Nomination and Compensation Committee



Mr. Gerd Kurt Steeb

- Independent Director

HOTEL BUSINESS OVERVIEW





**MESSAGE FROM
CHIEF EXECUTIVE
OFFICER**
CENTARA HOTELS & RESORTS

The year 2016 is undeniably a tough one for the hotel industry worldwide. Centara Hotels & Resorts (CHR); however, managed to continue with our success in business expansion with profitable operating results; from new property openings and management services. To kick-start the year, we re-opened the intimately Centara Q Resort Rayong, followed by the opening of our third resort in Krabi, Centra by Centara Phu Pano Resort Krabi. In addition, we also introduced Centara's seventh property in Pattaya area, Centara Azure Hotel Pattaya, expanding our brands' coverage to cater to all segments of travellers.

One of the highlights in 2016 was our investment in the form of joint venture to develop a 550-room beachfront resort in Dubai, with Nakheel, a top UAE/Dubai government-sponsored developer as our partner. The resort hotel is on the new Deira Islands in Dubai. Currently, CHR has 65 hotels in total, and operates in 11 countries with 22 properties outside Thailand and is developing two new properties in Thailand, while 10 other hotel investment and/or, management opportunities countries.

The year also filled joyful bliss to all of us at CHR by receiving numerous domestic and international accolades. To name a few of these prestigious awards, these include Thailand's Top Corporate Brand Values 2016: Centara Hotels & Resorts, Excellent Organization with Outstanding Performance in Corporate Social Responsibility and Environmental Promotion from Ministry of Social Development and Human Security: Centara Hotels & Resorts, Virgin Holiday Awards 2016 - Gold Winners - Best Hotel Far East and Africa 2016: Centara Grand Beach Resort & Villas Hua Hin and Centara Ras Fushi Resort & Spa Maldives, TTG Travel Awards 2016 - Best Meetings & Convention Hotels: Centara Grand & Bangkok Convention Centre at CentralWorld, Tui Holly Winner 2016: Centara Grand Beach Resort & Villas Hua Hin, and 2016 Top 10 People's Choice Awards Thailand Voted by Chinese Tourists Best City Hotels: Centara Grand & Bangkok Convention Centre at CentralWorld and Centara Hotel Hat Yai.

In addition to excellence in product and services, Centara Hotels & Resorts also received many distinguished environmental accreditations; among others, the highlight recognitions include, Green Hotel Awards 2016 - Gold Level: Centara Nova Hotel & Spa Pattaya, Earthcheck Gold Certified 2016: Centara Grand Beach Resort Samui and Centara Grand Beach Resort & Villas Hua Hin.

Moving forward into 2017, The Middle East and China will be our main focus to expand our numerous Centara brand's reputation. With two properties scheduled to open in mid-2017, Centara Grand Hotel Doha in West Bay area and Centara Muscat Hotel, along with the opening of Centara Residence & Suites Doha in the third quarter of 2017, Qatar and Oman are to become Centara's first destinations in the Middle East. Properties in China are also in the business pipeline; to further strengthen Centara's international portfolio.

I would like to take this opportunity to extend my sincere gratitude to all stakeholders, business partners, customers, executives and team members of Centara Hotels & Resorts in their relentless support and dedications to provide our guests with unforgettable holiday experience with an extra layer of Thai hospitality. I strongly believe that in the year 2017, our company will continue to prosper and achieve our singular goal - to continue growing, not only the volume of Centara properties, but also the quality of service and the promising results.

(Mr. Thirayuth Chirathivat)
Chief Executive Officer
Centara Hotels & Resorts



HOTEL BUSINESS GROUP HISTORY

ABOUT CENTARA HOTELS & RESORTS

Centara Hotels & Resorts is a leading Thailand-based hotel chain. The company is owned by Central Plaza Hotel Public Company Limited, which was founded in 1980. Initially the company operated under the brand name of Central Hotels & Resorts until rebranding as Centara Hotels & Resorts in 2007.

Central Plaza Hotel Pcl is a division of Thailand's largest retail conglomerate, Central Group, which is owned by the Chirathivat family.

Centara currently has 65 hotels and resorts in 11 countries, either open or in the construction phase. The properties cover all the main tourism destinations in Thailand, and overseas are located at key destinations in Vietnam, Indonesia, Laos, Sri Lanka, China, Maldives, Qatar, Oman, Turkey and Cuba.

Central Plaza Hotel Pcl has received a Royal Warrant of Appointment from His Majesty King Bhumibol Adulyadej, the first hotel company in Thailand to receive this honour.



HISTORY

Centara Hotels & Resorts has its origins in a venture that was begun late in the 1970s by Central Group at a large plot of land in Bangkok's Chatuchak district. The company was aiming to create a first for Thailand, with a megamall, a five-star hotel, and a convention centre. With the Thai economy having been in some turmoil during most of the decade, as indeed had the world economy, the venture was viewed as being a considerable risk.

The hotel and convention centre comprised a significant portion of the massive total project that revolved around the Central Plaza shopping complex, a project championed by Samrit, the oldest brother of the Chirathivat family. Construction of the entire project was being carried out in near simultaneous fashion, and the success of each element was inextricably interconnected.

By this period, Central had become an increasingly familiar retail name with Thai consumers, and shoppers could choose from five Central Department Store branches in Bangkok - Wang Burapha, Ratchaprasong, Silom, Chidlom and Lad Ya.

Elsewhere in the city, small shops were still pervasive, and this was especially the case with the Ladprao district, a growing residential and business suburb on the northern side of Bangkok. For the Chirathivat family, the new Ladprao shopping mall was a bold bet that the city's shoppers would embrace an entirely new retail model.

Construction of a hotel with a minimum of 600 rooms, plus a convention centre, had been part of the terms when purchasing the land. This represented a move in a challenging new direction for the Chirathivat family, who had no experience in hotels or convention centres. They did however have confidence that the tourism sector was on its way to becoming one of the country's largest revenue earners.

The Chirathivat family founded Central Plaza Hotel Pcl to handle this project, and the doors opened for the first time at what was initially the Hyatt Central Plaza & Bangkok Convention Centre on 23 April 1983. The name of the hotel was later changed to the Sofitel Centara Grand Bangkok, and was rebranded to its present name of Centara Grand at Central Plaza Ladprao Bangkok on 1 January 2012.

In 1986 the family, urged by the fifth sibling, Suthikiati Chirathivat, decided to expand its hotel interests by acquiring the Railway Hotel in Hua Hin, which was being offered for leasehold tender by the State Railway.

The Railway Hotel was steeped in history, having originally opened in October 1922 when the newly laid railway line from Bangkok to Malaysia had turned the village of Hua Hin into Thailand's first beach resort.

Hua Hin had become a preferred destination for the Thai royal family and the country's aristocracy, and the hotel was an elegant architectural achievement regarded as one of the classic hotels of Asia. That gave Suthikiati a reason to believe Central Group should pursue the bid. He was convinced the company was capable of doing what was needed to restore the hotel to its heyday.

With the bid a success, the process of renovating the Railway Hotel began. Today branded as Centara Grand Beach Resort & Villas Hua Hin, and still with the elegance of the railway era, the lovely old property is a member of the Leading Hotels of the World, while Hua Hin itself has become one of Thailand's preferred tourism destinations for Thai and foreign visitors alike, noted for its air of quiet charm.

By the early 1990s, tourism was generating enormous demand for hotel rooms in Thailand, and the company decided on further expansion.

One of the most dramatic developments was the five-star hotel opened at Chaweng Beach on the island of Samui in 1995. Samui had until then been primarily a backpacker destination, but the hotel, now known as Centara Grand Beach Resort Samui, was one of the main catalysts for change. Occupying a prime position at Chaweng Beach, the hotel is now one of Samui's most successful and has been followed by two other Centara resorts on the island, Centara Villas Samui, and Centra Coconut Beach Resort Samui.

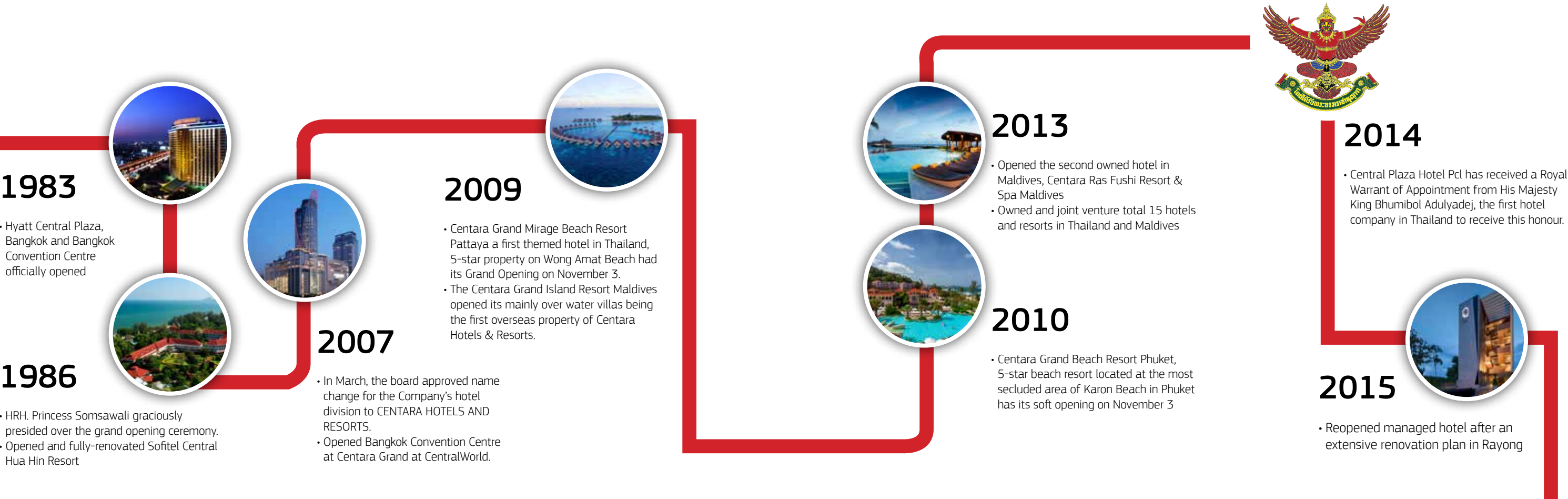
Not only was Central Group willing to invest in other hotels, there were hotel owners viewing the success of the group and wondering if the company could manage their properties. The group had progressed until this time as Central Hotels & Resorts, and had been a hotel-owning company. As a hotel management company, now contemplating expansion through the acquisition of management contracts from other owners, the name "Central" could be considered misleading, especially if applied to secluded resorts. In 2007 the decision was made to change Central Hotels & Resorts to Centara Hotels & Resorts.

Centara Hotels & Resorts has in recent years pursued an asset-light expansion strategy through acquiring management contracts from other property owners in Thailand and overseas. The company also acquires ownership of other properties when suitable opportunities arise.

Late in 2009 Centara opened its first hotel overseas when it acquired ownership of an existing resort in the South Ari Atoll in Maldives and redeveloped the property as a five-star resort named Centara Grand Island Resort & Spa Maldives. The venture proved an immediate success, and a second property, Centara Ras Fushi Resort & Spa Maldives, has since opened near to the capital island Male. As an adults-only resort, Centara Ras Fushi caters for a different market to the family-friendly resort of Centara Grand Island.

Centara Hotels & Resorts continues ceaselessly to grow and to expand its business in Thailand and overseas.

GROUP HISTORY



- 1983

- Hyatt Central Plaza, Bangkok and Bangkok Convention Centre officially opened
- 1986

- HRH. Princess Somsawali graciously presided over the grand opening ceremony.
 - Opened and fully-renovated Sofitel Central Hua Hin Resort
- 1988

- Entered into Hotel Management Agreement for Central Wong Amat Beach Resort
- 1990

- Listed on Stock Exchange of Thailand
 - Acquired Central Mae Sot Hotel
- 1995

- Opened Central Sukhontha Hotel, Hat Yai
- 1996

- HRH. Princess Somsawali graciously presided over the grand opening ceremony of Central Samui Beach Resort
- 1998

- Rebranded the group as Central Hotels & Resorts.
- 1999

- Opened Central Karon Village, Phuket
- 2003

- Opening of ZICO's Brazilian Grill and Bar in Samui.
- 2006

- HRH. Princess Ubonrattana graciously presided over the grand opening ceremony of Central Krabi Bay Resort on November 12, 2006.
- 2007

- The board approved name change for the Company's hotel division to CENTARA HOTELS AND RESORTS.
 - Opened Bangkok Convention Centre at Centara Grand at CentralWorld.
- 2008

- Centara Grand at CentralWorld and Bangkok Convention Centre (BCC), the new Flagship of the company celebrated its official Grand Opening on December 2 in the presence of HRH Princess Ubonrattana.
- 2009

- Centara Grand Mirage Beach Resort Pattaya a first themed hotel in Thailand, 5-star property on Wong Amat Beach had its Grand Opening on November 3.

- 2010

- The Centara Grand Island Resort Maldives opened its mainly over water villas being the first overseas property of Centara Hotels & Resorts.
 - Centara Grand Beach Resort Phuket, 5-star beach resort located at the most secluded area of Karon Beach in Phuket has its soft opening on November 3
- 2011

- Acquired 11 managed hotels & resorts in Thailand
 - Acquired 12 managed hotels & resorts overseas including new locations in Bali, Sri Lanka, China and Mauritius
- 2012

- Opened Centra Government Complex Hotel & Convention Centre Chaeng Wattana
 - Acquired 3 management contracts in Thailand
 - Acquired 2 management contracts in Vietnam and Maldives
- 2013

- Opened the second owned hotel in Maldives, Centara Ras Fushi Resort & Spa Maldives

- 2014

- Opened managed hotel in Phang Nga, Centara Seaview Resort Khao Lak
 - Acquired 8 management contracts in Thailand
 - Acquired 2 management contracts in Ethiopia and Qatar
 - Owned and joint venture total 15 hotels and resorts in Thailand and Maldives
 - Central Plaza Hotel Pcl has received a Royal Warrant of Appointment from His Majesty King Bhumibol Adulyadej, the first hotel company in Thailand to receive this honour.
 - Rebranded 4 star hotel in Phuket: Centara Blue Marine Resort Phuket
 - Opened managed hotel in Pattaya: Centra Avenue Hotel Pattaya
 - Acquired 3 management contacts in Thailand
 - Acquired 8 management contacts in Oversea (Lao, Indonesia and Oman)
- 2015

- Reopened managed hotel after an extensive renovation plan in Rayong
 - Acquired 1 hotel management and rebranding 1 convention centre in Thailand
 - Acquired 3 hotel managements in China
 - Acquired 4 hotel management agreements in Vietnam, Turkey, Doha and Cuba
 - Invested in COSI hotel in Samui

2016	Open 3 new hotels in Thailand	
	• Centra by Centara Maris Resort Jomtien	282 keys
	• Centra by Centara Phu Pano Resort Krabi	158 keys
	• Centara Azure Hotel Pattaya	96 keys
	Signed 1 hotel management in Thailand	180 keys
	Signed 1 hotel management in Doha, Qatar	290 keys
	Investment (JV) 1 hotel in Dubai, United Arab Emirate	550 keys
	Investment COSI hotel in Pattaya, Thailand	280 keys
	As end of 2016, we own and operate 15 hotels and resorts in Thailand (13) and Maldives (2) plus 2 COSI hotels and 1 Centara hotel in pipeline	4,806 keys
	For managed business, we operate 22 hotels and resorts in Thailand, Vietnam, and Sri Lanka plus 25 hotels and resorts in pipeline including Thailand, Vietnam, Indonesia, China, Laos, Sri Lanka, Doha, Qatar, Cuba and Turkey	9,330 keys
	Total portfolio 65 hotels and resorts	14,136 keys

THAILAND’S TOURISM INDUSTRY OVERVIEW

Tourism in 2016 was a key driving force of Thailand’s economy. Data from the Department of Tourism shows that the number of foreign visitors to Thailand increased by 8.86 percent to over 32.5 million, generating over 1.6 trillion baht tourism revenue that represented a 12.40 percent increase over 2015.

The number of Thai tourists also increased by 6.49 percent, resulting in an 8.27 percent increase in domestic tourism revenue to 0.87 trillion baht. This contributed to Thailand’s total tourism revenue of 2.5 trillion baht, which was higher than the 2.4 trillion target.

Tourism industry growth became evident from the first quarter of the year. The BOT Business Outlook Report suggested that this could be a result of the increased number of Asian tourists, especially Chinese, who could more conveniently travel to Thailand due to the introduction of new routes and the increased number of flights by many airlines.

The number of tourists continued to increase in the second quarter. Aside from Chinese, the number of European and Russian visitors also increased. Further, the government’s tax measure for supporting domestic tourism and seminars had effectively boosted the home sector, and the announcement of extra public holidays had created new domestic tourism growth.

However, the suppression of illegal tours in the third quarter had led to a decrease in the number of Chinese tourists, especially the tour groups which were highly sensitive to price. The effect could be clearly seen in the fourth quarter, where the number of Chinese tourists had dramatically decreased. Notwithstanding its negative effect, most entrepreneurs believed that the policy would have a positive effect in the long term. It is worth noting that despite the decrease in foreign tourists, tourism revenue has actually increased.

In the domestic sector, after October 14 and the passing of His Majesty King Bhumibol Adulyadej, many Thai people refrained from any festive activities and some entrepreneurs, particularly in the food and beverage business, have been affected.

Although 2016 ended with overall tourism industry growth, tourism entrepreneurs still worry about the increasing costs, the slow recovery of the Thai economy, and intense competition in the industry.

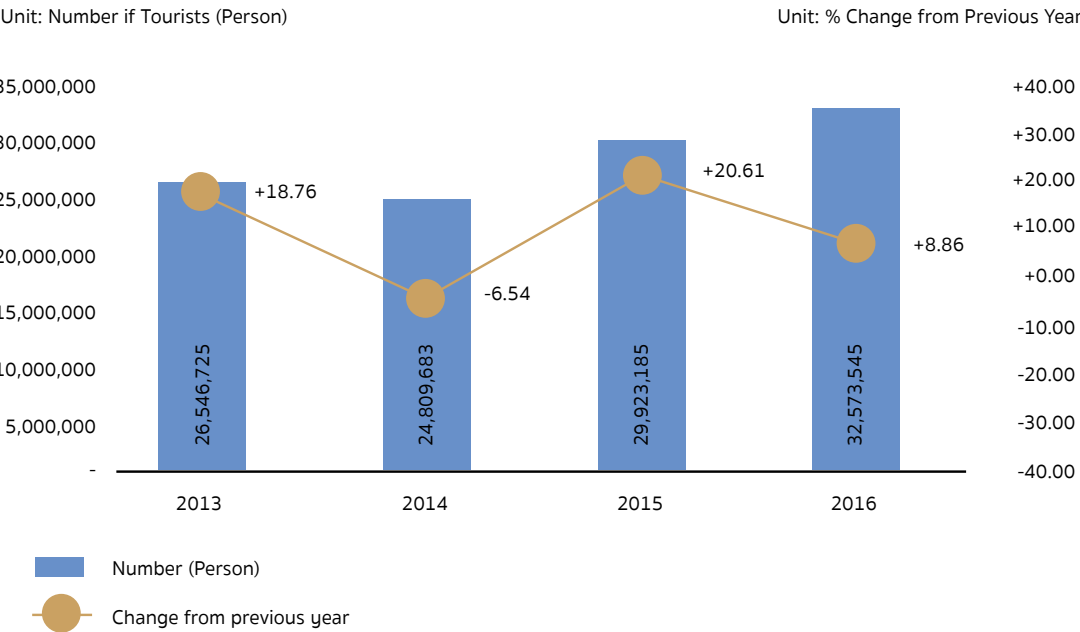
For Thailand’s tourism industry in 2017, the Tourism Economic Review suggests a positive trend according to world tourism growth. Amongst the factors to take into consideration here are cheap air tickets for international flights, the growth of low-cost airlines around the world, and an increase in tourism demand following the economic growth of many countries, especially the emerging markets like China and India.

Aside from the economic growth, Thailand’s tourism also has a positive direction in the reconstruction of the tourism sector, which is ready to provide higher quality services. This corresponds to the estimated average expenditure per foreign tourist, which is expected to dramatically increase in 2017.

For the tourism forecast in 2017, the Thailand Tourism Confidence Index Q4 suggests that the number of tourists would depend on the government’s long-term policy on illegal tours. Nonetheless, it is anticipated that Thailand would have around 34 million foreign visitors, a 4.77 percent increase over 2016, and generate about 1.84 trillion baht, or a 9.88 percent increase.

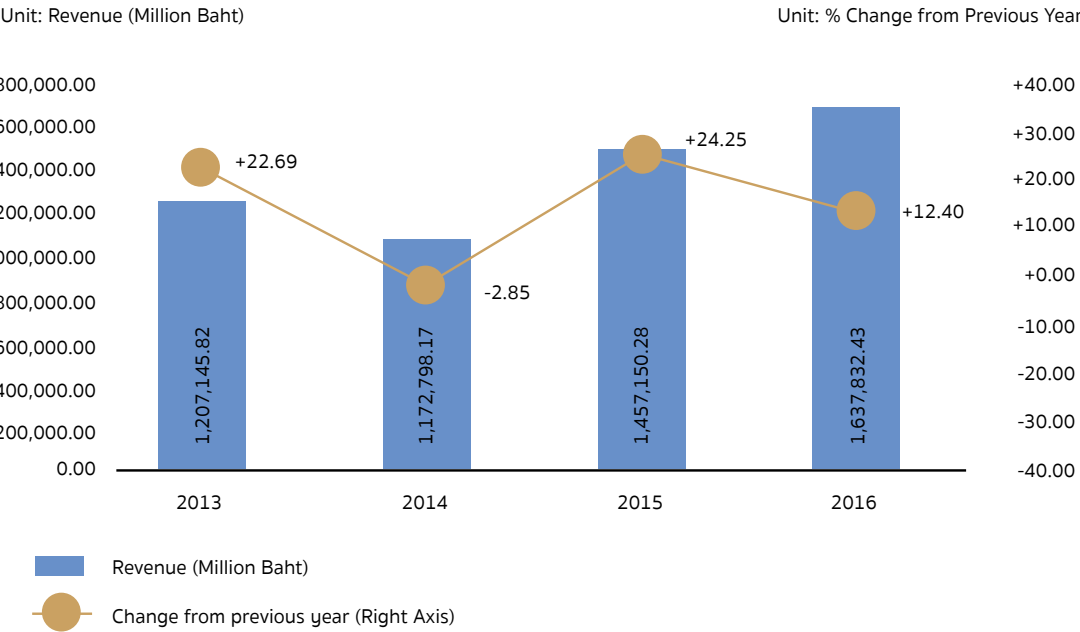
- References:
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 - Tourism Economic Review, Office of the Permanent Secretary, Ministry of Tourism and Sports
 - Department of Tourism, Ministry of Tourism and Sports
 - Thailand Tourism Confidence Index under the Tourism Situation and Forecast of Tourists’ Behaviour and Confidence Index of Thailand’s Tourism Industry Project by Tourism Authority of Thailand, Tourism Council of Thailand, and Faculty of Economics, Chulalongkorn University

Number of Foreign Tourists in 2013-2016^E



Note: E - Estimated Data (on December 17, 2016)
Source: Department of Tourism

Revenue from Foreign Tourists in 2013-2016^E



Note: E - Estimated Data (on December 17, 2016)
Source: Department of Tourism

CENTARA FAMILY

Today, we have 6 different Hotel brands, 3 Spa brands and a loyalty programme within the Centara family



CENTARA GRAND HOTELS & RESORTS

Set in prime city and beachfront locations, all hotels and resorts in the Centara Grand category are five-star, offering outstanding facilities and service to delight our guests. Each Grand hotel has a number of restaurants, a luxurious SPA Cenvaree and a fitness centre, along with sports and games facilities.



CENTARA HOTELS & RESORTS

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



CENTARA RESIDENCE & SUITES

Conveniently located to attract the corporate and the leisure long-stay guest, these spacious serviced apartments offer value and provide a moderate level of facilities and services.



SPA CENVAREE / CENSE BY SPA CENVAREE

Experience the touch of Thailand with the award-winning SPA Cenvaree and Cense by SPA Cenvaree. Operated and owned by Centara Hotels & Resorts, spa therapies draw from the innate healing traditions of Thailand, as well as other South East Asian Countries. SPA Cenvaree prides itself on offering guests the highest-standard therapies by the best-trained therapists. Therapists undergo an extensive training program incorporating anatomy, physiology, guest service techniques and over 40 styles of spa treatments.



CENTARA BOUTIQUE COLLECTION

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



CENTRA BY CENTARA HOTELS & RESORTS

The Centra by Centara brand offers quality, value hotels in the most convenient locations. The service is warm and friendly and the experience and facilities are designed to meet and exceed expectations without over-delivering to a point superfluous to guest needs.



COSI HOTELS

The latest brand from Centara, COSI, offers affordable lifestyle hotels for the tech-savvy, smart-minded traveller. The hotels offer their young-at-heart customers a seamless and efficient stay experience, and always in tune with their local environment, they provide the perfect base from which to explore and experience the surroundings



REFRESH ZONE

Refresh Zone is the brain child of Centara Hotels & Resorts, who recognised the need for a modern, fun brand that offers an innovative retail spa experience. Refresh Zone are the refresh experts, almost like an energy pit stop. We refresh your energy, recharge your body and renew your attitude. Our therapists are 'Massage Magicians'—they have magic hands (and wands too!) and ensure customers walk out renewed. The brand is supported by extensive resources at Centara Hotels & Resorts, as well as the Central Retail Group.



CENTARA THE1CARD

With Centara's loyalty programme, CentaraThe1Card, members earn points when staying at our designated properties in Thailand and overseas. The more points you earn, the higher you will progress through the membership levels, and the range of benefits available are enhanced at each level. Members also have the privilege of getting 10% off all our best available online rates. For more information, please visit our website at www.centarathe1card.com

PERFORMANCE HIGHLIGHTS

Revenue from our hotel business in 2016 was 9,309 million baht, which when compared to the revenue earned in 2015 represented an increase of 2.00 percent, and an increase of 13.30 percent in net profit over the previous year.

Our 15 company-owned hotels and resorts generated revenues that were up by 2.40 percent over the previous year to 8,908.1 million baht, while revenues from hotel management fees increased by 7.10 percent to 216 million baht.

The total number of our company-owned and managed hotels and resorts at the end of this year was 65 properties. We announced the acquisition of new management contracts both in Thailand and overseas, and invested in our new project under the COSI brand in Pattaya.

The 2016 performance report for Centara Hotels & Resorts reveals that the overall business was affected by increasing costs, intense competition in the industry, suppression of illegal tours from China, and the passing of His Majesty King Bhumibol Adulyadej, which brought great grief to the Thai people. All sectors had agreed to mourn by refraining from, or postponing, any festive events during the closing months of the year.

The effect could be seen in the lower-than-expected revenues and profits of many hotels and resorts across the country. **Centara Grand & Bangkok Convention Centre at Central World**, for example, earned revenues less than expected in 2016. The hotel, however, still recorded a profit of over 21.7 million baht higher than expected, at a net profit of 302.5 million baht within a 3.43 percent increase in average room rate and a 83.14 percent occupancy rate. This was higher than in 2015.

Conversely, **Centara Grand at Central Plaza Ladprao Bangkok** was not only affected by the general situation of the country, but also by the partial closure of Phahonyothin Road during the construction of the BTS. Thus, its 2016 revenues and profits were 9.00 percent and 10.40 percent lower than expected respectively. The hotel nonetheless had a 5.00 percent increase in room rate compared to 2015, and a 79.42 percent occupancy rate, which was 1.58 percent higher than expected.

Centara Watergate Pavillion Hotel Bangkok also had lower-than-expected revenues, but still had an increased net profit, occupancy rate and revenue per available room compared to the previous year. During 2017, the hotel planned to add 300 guestrooms, a ballroom with a maximum capacity of 500.00 percent, and a swimming pool. Construction of the new facilities was anticipated to commence in the first quarter.

As for the two Centra by Centara brand hotels in Bangkok, the reports revealed that **Centra by Centara Central Station Hotel Bangkok** had a little lower than expected occupancy rate, revenues and profits in 2016, but the average room rate was increased by

11.55 percent compared to 2015. **Centra by Centara Government Complex Hotel & Convention Centre Chaeng Watthana** had continued good performance from early to mid year, leading to overall growth in income and net profit with an 88.00 percent occupancy rate, an increase from 2015 of 3.00 percent and a 7.20 percent increase in revenue per available room.

The hotel business in Pattaya found 2016 another challenging year due to a continued decrease in the number of Russian tourists during the first half of the year and a decrease in the number of Chinese tourists during the second half of the year. This led to a decrease in the average room rate of many hotels. Revenues for **Centara Grand Mirage Beach Resort Pattaya** were 12.00 percent lower than expected. However, the hotel managed to maintain its room rate and increased its occupancy rate, leading to an increase in the total revenues.

TripAdvisor named **Centara Grand Mirage Beach Resort Pattaya** as the Best Hotel for Families in Thailand, for the second year in a row. The hotel maintained its share of Thai tourists, its largest market, which at 27.00 percent of the guest mix was the same as for the previous year.

Centara Grand Phratamnak Pattaya was highly affected by the decreasing number of Chinese tourists. Income from Chinese tourists decreased by 90.00 percent, resulting in lower-than-expected revenues, but the hotel's revenues and profits increased in general compared to the previous year. The hotel had a 72.74 percent occupancy rate, which was an increase of 30.40 percent compared to the previous year.

Reports on other hotels in Pattaya revealed that **Centara Pattaya Hotel** and **Centara Nova Hotel & Spa Pattaya** had a decrease in their average room rates and a slight decrease in their occupancy rates, leading to lower-than-expected profits. **Centra by Centara Maris Resort Jomtien**, which opened in late January 2016, made a profit, even though it was lower than expected as the occupancy rate was less than anticipated.

The lower tourism demand in Pattaya also affected seaside hotels in Trat, including **Centara Chaan Talay Resort & Villas Trat**. In 2016, the hotel's occupancy rate decreased by 3.50 percent, but its profit was not much less than expected due to an increase in the average room rate. Hotels on Koh Chang, however, fared better. **Centara Koh Chang Tropicana Resort** had satisfactory revenues and profits with a 77.00 percent occupancy rate, which was the highest in its competitors set.

For the situation in Hua Hin in 2016, it appeared that multiple explosions near tourist attractions on August 12 were another negative factor that had an impact on the local tourism industry. **Centara Grand Beach Resort & Villas Hua Hin** reported lower-than-expected revenues and profits with an 81.10 percent occupancy rate. And yet, it had the highest revenue per available room that year.

The situation of the hotels on the Andaman coast was quite varied, depending on the area. **Centara Grand Beach Resort & Villas Krabi** had higher-than-expected revenues and profits, with a 5.98 percent increase in average room rate compared to the previous year and a high occupancy rate of 89.91 percent. **Centara Seaview Resort Khao Lak** had over 20.00 percent increase in occupancy rate, and its average room rate, revenues and profits also increased.

The performance of many hotels in Phuket, where most of the company's Andaman hotels and resorts are located, was not as anticipated, due to the national events and also due to other factors, namely multiple explosions in Patong Beach on August 12 and the continued heavy rain in late October, causing floods in many areas of the province.

Flooding caused **Centara Grand Beach Resort Phuket** to close for four weeks when the electrical control room was inundated. Notwithstanding the lower-than-expected revenues, the hotel maintained its high occupancy rate of 89.21 percent. **Centara Karon Resort Phuket** experienced a decreased and lower-than-expected occupancy rate, average room rate and profits because the guestrooms on the lowest floor of its Lagoon Building were flooded, causing the hotel to indemnify and transfer customers to other hotels, and to twice close the swimming pool for repair.

Centara Kata Resort Phuket had a better overall performance compared to the previous year, as Russian tourists took the place of Chinese tourists. The hotel had an 82.46 percent occupancy rate, which was higher than expected, and **Centara Villas Phuket**, likewise, had a higher-than-expected net profit due to a high occupancy rate of 90.48 percent, although the average room rates of both hotels were lower than the previous year.

Centara Blue Marine Resort & Spa Phuket and **Waterfront Suites Phuket by Centara**, despite the decrease in occupancy rate compared to 2015, both had satisfying profits because of the continued increase in the average room rates.

Flooding in the South did not only occur on the Andaman side, but also on the Gulf of Thailand side of the Isthmus. On Koh Samui, **Centara Grand Beach Resort Samui** had lower-than-expected revenues and profits in 2016 due to a large number of reservation cancellations and the high cost of travel. However, the hotel had a 3.25 percent increase in the average room rate compared to the previous year, and an 88.12 percent occupancy rate. **Centara Villas Samui** had a decrease in the average daily rate compared to 2015, and yet its occupancy rate increased to 78.71 percent due to the increasing number of European and Asian tourists.

For the destinations like Chiang Mai, which is popular among Chinese tourists, the suppression policy on illegal tours and the restriction of caravan tours from China that enter the country via the Thai-Lao Friendship Bridge between Chiang Khong and

Chiang Rai, caused a dramatic decrease in the number of Chinese tourists. As a result, the revenues of **Khum Phaya Resort & Spa, Centara Boutique Collection** were lower than expected, but since the average room rate increased, the profits were still higher than those of the previous year.

Mae Sot's economy improved over the previous year. Thus, **Centara Mae Sot Hill Resort**, which received the Thailand MICE Venue Standard award in the meeting room category from Thailand Convention and Exhibition Bureau that year, had a 14.09 percent increase in revenues and a satisfying increase in profits.

Hotels in big tourism cities like Rayong, Hat Yai and Udon Thani were also affected by the aforementioned negative factors. **Centara Q Resort Rayong**, which had opened only in December 2015, had lower-than-expected revenues and profits with a 14.50 percent decrease in the average room rate. Its occupancy rate, however, increased to 60.24 percent.

Centara Hotel & Convention Centre Udon Thani, another hotel certified for Thailand MICE Venue Standard by Thailand Convention and Exhibition Bureau, experienced cancellations of reservations for events and guestrooms, especially during the 30 days after October 13, 2016. As a result, its 2016 revenues were a little lower than expected, while the lower-than-expected profits were still higher than that of 2015 as the occupancy rate increased to 75.05 percent.

Bombs in seven southern provinces on August 12 and the fluctuations of the Malaysian ringgit led to lower-than-expected revenues for **Centara Hotel Hat Yai**. The hotel, however, had higher profits than the same period of the previous year from the occupancy rate, which was 4.90 percent higher than expected.

The 2016 performance reports of Centara Hotels & Resorts overseas showed that the hotels in the Republic of Maldives had satisfying revenues and profits, although the figures were lower than expected. The occupancy rate of **Centara Grand Island Resort & Spa Maldives** increased to 84.89 percent while **Centara Ras Fushi Resort & Spa Maldives** had a 90.15 percent occupancy rate.

In Sri Lanka, **Centara Ceysands Resort & Spa Sri Lanka** demonstrated positive performance in terms of revenues and profits, with a 5.89 percent increase in the average room rate and a 71.85 percent occupancy rate, which increased from 2015. The revenues and profits of **Centara Sandy Beach Danang**, on the contrary, were not as expected due to a delay in construction. Its overall performance, however, was better than the previous year with an increase in occupancy rate.

GROUP BUSINESS DEVELOPMENT BY CENTARA INTERNATIONAL MANAGEMENT (CIM)

2016 was another successful year for Centara Hotels & Resorts during which we continued our business expansion in the Middle East by entering into a joint venture agreement with Nakheel to develop a 550 key 4-star hotel in Dubai and signing our third management contract for a property in Doha, Qatar. As for Thailand, we continued to expand our Centara and COSI brands by signing a hotel management contract for a 180 key 4-star hotel in Ao Nang, Krabi and investing in a 280 key COSI Hotel in Pattaya.

Centara Hotels & Resorts closed the year with a portfolio of 65 properties in 11 countries: Thailand, Vietnam, Indonesia, Laos, Sri Lanka, Maldives, China, Qatar, Oman, Turkey and Cuba. Out of the said 65 properties, 47 are managed, 18 are owned and 37 have opened and are operating. In general, we aim to operate over 50 properties within 2019. Further details regarding the growth of Centara Hotels & Resorts in 2016 in terms of new investment and management agreement projects are set out below:

A. 4 NEW HOTEL MANAGEMENT PROPERTIES:

a. Thailand

- i. Centara Ao Nang Beach Resort & Spa Krabi (180 keys)

b. Overseas

- i. Centara Residences & Suites Doha (290 keys)

B. 2 NEW INVESTMENT PROJECTS APPROVED;

- i. Centara Deira Islands Beach Resort Dubai (550 keys)
- ii. COSI Pattaya Naklua Beach (280 keys)

In line with Central Group's strategy, for 2017 we will further focus our expansion on AEC countries by way of investments and management agreements. As for the Indian Ocean and the Middle East, we will continue to strengthen our brand presence in existing territories including the Maldives, Sri Lanka, Mauritius, Oman, Qatar and UAE.

GROUP MARKETING

For full year 2016, Centara Hotels and Resorts once again posted year on year revenue growth which is testament to the Commercial and Operational teams' abilities to drive revenues in often challenging conditions. Furthermore, Thailand's tourism industry continued to demonstrate its resilience in the face of adversity, with total tourism arrivals to Thailand growing by 9.00 percent vs. 2015, despite the well-publicised August bombings which occurred in key tourist destinations including Hua Hin and Phuket, and the passing of His Majesty King Bhumibol Adulyadej and subsequent mourning period.

Centara's commitment to maintaining a diverse geographical customer mix was a key factor in achieving total revenues of THB 8,919 million, a 2.00 percent increase vs. 2015. Whilst Australia, a traditionally strong market for Centara showed a decline in visitors, and China growth slowed in the second half of the year following the ban on zero dollar tours as well as the price hike for entry visas, the Russian market began to rebound a little, the US saw double digit growth and regional markets such as Singapore and Malaysia climbed significantly.

The majority of the growth came from rooms revenue, which represents 62.00 percent of total revenue, and was driven by occupancy of 82.00 percent (+2.00 percent vs. 2015) more so than rate which stood at THB 4,851 (+1.00 percent vs. 2015), with increases in supply putting pressure on the ADR across Thailand and particularly the Maldives. 2016 ended with RevPar for the group of THB 3,975 (+3.00 percent vs. 2015). The revenue growth was slow and steady across the Thailand properties whilst the Maldives contributed 21.00 percent of total revenue, and was the most significant growth contributor, particularly Centara Grand Island Resort and Spa Maldives which drove a revenue increase of 18.00 percent vs. 2015.

The restructured sales, marketing and revenue organisation that began to take shape at the end of 2015 was able to bed in and mature in 2016 and the dedicated focus given to each area, whilst maintaining full synergy through aligned leadership and collaboration, meant that core business strategies were executed to effectively deliver financial results. Both cost-saving and revenue generating initiatives were put in place to ensure strong top line revenues had maximum flow-through to the bottom line.

Regional sales offices were closed in markets with either low revenue potential or where the workload could be reallocated such as the Philippines, Japan and Malaysia, while an office was opened in South Korea, a high potential market, and further resource is planned in the Middle East where five new properties will be opening over the next few years. Meanwhile the sales account management structure was revised to streamline resources and take focus away from non-revenue producing markets, and following the success of clustering senior sales roles across multiple units in key regions such as Samui and Pattaya, this trend will continue.

The marketing strategic priorities were focused around three key business drivers in 2016, all with significant success; advertising and promotions, digital and customer loyalty. In addition to global marketing and advertising programmes, tailored, country and region-specific promotions and campaigns were developed as a highly targeted and relevant marketing approach was adopted, taking into account national holidays, school breaks and seasonal differences. Flash sales were introduced to drive tactical spikes in business soft spots and geo-specific content and pricing was introduced via CHR websites.

The continued focus on digital developments and growth saw CHR web revenues grow by 20.00 percent vs. 2016, the fastest growth of any channel, taking CHR web revenues to 8.00 percent of total rooms revenue. This was driven by the introduction of new online advertising channels including dynamic display advertising, a revised search advertising strategy and onsite search engine optimisation enhancements and booking conversion tools. In recognition of the rise in mobile, email marketing and web developments were built with a "mobile-first" approach which resulted in the proportion of online bookings being made on mobile devices increasing from 11.00 percent of total web bookings in 2015 to 22.00 percent in 2016.

Customer loyalty remained at the forefront of the Centara marketing strategy in 2016 and will continue to do so for the foreseeable future. Data is power and the CentaraThe1Card database is the most engaged, valuable database at Centara Hotels & Resorts that allows for impactful, targeted and personalised CRM and communications. According to Bain & Co. a 5.00 percent increase in customer retention can increase a company's profitability by 75.00 percent and in 2016 the CentaraThe1Card database exceeded the one million member mark. With a strong focus on building a relationship with, and communicating relevant messages and benefits to these members, it was possible to stimulate repeat visits and drive high value revenue and loyalty. CentaraThe1Card members had a 12.00 percent higher stay frequency than non-members during 2016 and spent 23.00 percent more per stay. Additionally, the programme was leveraged not only as a tool to drive loyalty but also to drive brand.com as the preferred booking channel, further highlighting its value.

Through the aligned efforts of Sales, Marketing and Revenue teams, working in tandem with the Group Directors of Operations and General Managers, successful initiatives to drive revenues, streamline costs and optimise the guest experience served to drive positive growth for Centara Hotels & Resorts in 2016. Furthermore, the largest growth occurred in the online sector which is the most profitable distribution channel, and this will be the continued trend that drives a gradual shift in the booking channel mix and continues to increase the profitability of Centara Hotels & Resorts.

RESTAURANT BUSINESS OVERVIEW





MESSAGE FROM CHIEF EXECUTIVE OFFICER

CENTRAL RESTAURANTS GROUP
CO., LTD.

Central Restaurants Group Co Ltd (CRG) in 2016 remained one of the leaders in Thailand's chain restaurant business. With the focus on an operation of high efficiency, we continued to improve business performance to increase revenues and profits. CRG adjusted the strategies of business portfolio management to control the raw material costs and seek new sources of high quality raw materials. We also developed our management system to improve performance efficiency and support the upcoming business expansion. During the year CRG added 69 restaurants, resulting in a total of 830 restaurants, and among these new stores service development was introduced to fit the lifestyle of new generation customers, such as KFC Drive Thru and Pepper Lunch Express.

The company for 2017 has planned an improvement of product and service innovation in various aspects in order to respond to the rapid change of customers' demands and behaviour patterns, as well as to harmonise with lifestyles in the age of Thailand 4.0. CRG will emphasise on customer experience management to build customers' satisfaction through product and service experiences. This will also lead to building strong brand experience. Ultimately, customers' loyalty and appreciation towards the services of CRG's brands are consistent in both the short and long term.

Besides the aforementioned framework, we also plan to introduce new brands to give further variety of choice to customers, and to expand our business overseas. The company has prepared for human resource development at all levels in order for personnel to be the main force for rapid and stable growth of the business. CRG is committed to the goal of constantly being a leader in Thailand's chain restaurant sector, as well as to gain preparedness to become a sector leader at the regional platform in the future.

(Mr. Thiradej Chirathivat)
Chief Executive Officer
Central Restaurants Group Co., Ltd.

RESTAURANT BUSINESS GROUP HISTORY

Central Restaurants Group Co, Ltd. (CRG) is one of the leaders in Thailand's chain restaurant business, established in 1978 with the intention and vision to respond to Thai customers' daily needs with quality food products and excellent services. We therefore have relentlessly devoted ourselves to continually creating quality products, along with constantly improved restaurant decoration and ambiance that are modern and befitting to customers' behaviour patterns. Above all, CRG is committed to operating our business with a customer-oriented strategy, in which building

and maintaining good customer relationships is prioritised through customer relationship management (CRM) with our long-established membership scheme.

CRG is thus a franchisee with long expertise and experience in the management of the quick service restaurant (QSR) business, as accepted by the franchisor, and with a multi-brand portfolio that covers a great variety of food types in this sector. As of January 2017, CRG has a total of 830 restaurants nationwide.



1978

Firstly introduced the **MISTER DONUT** brand to Thai consumers as a pioneer of the QSR business in Thailand.

1984

Became authorised franchisee of **KFC**, the strong and widely accepted international brand.

1998

Entered snack segment in Thailand with the premium soft pretzel brand **AUNTIE ANNE'S** from the USA.

2007

Brought in the new Japanese fast casual restaurant, **PEPPER LUNCH**, to Thailand.



2010

- Brought **CHABUTON RAMEN**, the "TV Champion Chef's Japanese Ramen Restaurant", into the Thai market.
- Became authorised franchisee of **COLD STONE CREAMERY** from the USA.
- Launched **RYU SHABU SHABU**, the Japanese food restaurant, in Thailand.
- Opened **THE TERRACE**, a Thai restaurant.

2011

- Became authorised franchisee of **YOSHINOYA**, the authentic Japanese rice bowl restaurant.
- Became authorised franchisee of the well-known premium Japanese home cooking style restaurant, **OOTOYA**.

2013

Became authorised franchisee of **TENYA**, the leading tempura and tendon Japanese restaurant from Tokyo.

2014

Became authorised franchisee of **KATSUYA**, the renowned Tonkatsu and Katsudon restaurant.

RESTAURANT BUSINESS OVERVIEW

BUSINESS AND COMPETITION SITUATION

The consumer foodservice market in Thailand was estimated to have a market value at 382 billion baht in 2016 with an estimated growth rate of 2 percent over the previous year. When regarded as being composed of independent foodservice and chain foodservice, the chain foodservice sector acquired a revenue share of 114 billion baht or approximately 30 percent of the total market. This sector achieved a growth rate of 3-5 percent over the past year. The independent foodservice sector, having small- and medium-sized restaurants as its major players, earned revenue of 268 billion baht or about 70 percent of the total market, and had a growth rate of 1-2 percent. The growth rate of chain foodservice, with high potential, demonstrates the behavioural change of consumers with the increasing need for convenience, promptness, hygiene, quality standards, and health. The expansion of department stores in provincial cities was also one of the factors that helped chain foodservice gain greater popularity.

An overview of the improved Thai economic situation and consumer confidence, including the modern lifestyle of consumers who have an increasing preference for dining out, reveals the overall restaurant industry is still a growing business. However, in the past two or three years, a great number of new entrepreneurs have entered the restaurant business, resulting in an intense competition between them. In response to such competition, the restaurant business operated by major entrepreneurs such as chain restaurants adopted the strategy of rapid store expansion to reach customers in all areas with new types of food product, along with a pricing strategy to attract customers and increase sales volume. That includes an introduction of new-style restaurants to better answer Thai consumer lifestyle.

In terms of small and medium restaurant business entrepreneurs, new innovations have been introduced to match different and unique needs for various groups of people in society, along with adding value to the food in the customers' view. This could be, for example, an authentic restaurant for those preferring an authentic taste; a fusion restaurant for those seeking new excitement; an organic and clean food restaurant for health-conscious people; a specific café for bikers; and a co-working space for freelancers. Transportation entrepreneurs have additionally played an increasingly important role in the business by providing food delivery services, allowing restaurants to respond to customer lifestyles, especially in Bangkok and the surrounding areas.

Such competition brings about new types of restaurant and product, including greater variety of food service for customers to choose from, whether for a daily meal or a special occasion. Consequently, people try more new restaurants instead of staying with the familiar older ones.

2016 PERFORMANCE REPORT



Central Restaurants Group Co Ltd (CRG) in 2016 continued to place a consistent emphasis on the strategy of expansion, efficiency improvement, and product development. The company earned total revenue of 10,529 million baht, with an increase of 4 percent in growth and a total number of 830 stores at the end of 2016. CRG manages altogether 11 brands. The company's profits increased at 15 percent over the previous year. CRG management planned an approach strategy to expand the group's restaurants, with importance placed on the operating location that is suitable for the target group of each brand, in order to ensure that the company's restaurant business will receive an excellent feedback from customers along with success and profits from the operation.

Additionally, the company placed importance on the development of business performance to increase profits and control costs; the management of procurement and human resources; use of modern marketing through digital and social media; and research on consumer insight towards the company's brands with an objective to respond to customer demand and sustainably strengthen the brands. Apart from the growing turnover, CRG also received an award for excellence in corporate social responsibility for Private Sector Support of the Disabled in 2016 from the Ministry of Social Development and Human Security, and for the Best Practice Workplace on Employment of Part-time Students from the Ministry of Labour.

CENTRAL RESTAURANTS GROUP FAMILY

Today, we have 11 brands under the Central Restaurants Group Co.,Ltd.



MISTER DONUT

Mister Donut is the leading brand in the donuts market in Thailand, with a market share of over 54 percent. The brand is committed to making quality donuts under the slogan of “Do What You Love”, with the dedication and determination to do things with love and the delivery of delicious happiness to customers. Under the concept of an innovative brand, the focus is also on product value to win customer affection. Leadership in Thailand’s donuts market is maintained with consistent in-depth research and consumer behaviour analysis, resulting in the continual development of new products, effective advertising and public relations planning, and a focus on store expansion across the country to reach as many customers as possible.

During 2016, Mister Donut continued to introduce new products, such as Hello FEB Berry donuts, and Mister Donut Batman vs Superman, which is a unique donut creation in Thailand with a very cool donut look illustrated through the all-time famous characters of Batman and Superman. There was a campaign named “Chef Ian’s Secret Recipe”, which was a development of donuts with the nationally well-known Chef Ian from Iron Chef Thailand; a campaign named “SushiDo”; and a campaign to bid farewell to the end of the year with “Mister Donut LINE Friends”, where the smash hit characters from the popular application were used to create a new buzz with various forms of cute donut that everyone adored.

The brand also took corporate social responsibility into consideration, with the creation of soldier donuts of which part of the sales revenue was given to soldiers on duty in the three southern border provinces. Customers had a very high response to this campaign and it was very successful. The determination of continually creating products under effective marketing



communications is an emphasis on customers’ strong brand awareness. Mister Donut during 2016 was expanded with another 21 stores, making the total number of 328 stores to cover over 70 provinces nationwide.

KFC

In Thailand, KFC is a QSR brand managed by Yum! Restaurants International (Thailand) Co Ltd with Central Restaurants Group Co Ltd, as the first franchisee in the country. The first KFC store was opened at Central Ladprao in 1984. Since then, the number of KFC stores under the management and operation of CRG has been expanded all over the country, with a current total number of 218 stores in Thailand.

KFC remains engrossed in creating and introducing new menus with uniqueness, quality and safety according to world-class standards, by selecting quality raw materials and fresh chicken with no growth hormone, to be prepared with a specific method and process as continually practiced since Colonel Sanders invented the recipe. Every piece of KFC fried chicken is freshly cooked and fried in-store, and it must be served within the specified time.

In order to offer a service experience directly in line with the demand of new age customers who have their own unique lifestyle, KFC has improved the service provision to be more diversified, whether dining in, taking away, home service delivering by online and 1150, and including KFC Drive Thru for customers’ convenience and fast service in which they can easily enjoy KFC without getting out of the car. In 2016, KFC Tiwanon-Pakkret 36 was the first store to offer the drive-thru service under the management of CRG.



AUNTIE ANNE'S

Auntie Anne's is the leader in the soft pretzel market in Thailand, and strongly retains brand uniqueness under the concept of “Uniquely Delicious”. During 2016, Auntie Anne's opened 14 new branches, resulting in a total number of 139 branches as the brand expanded to more provincial cities and hospital groups.

During the year, Auntie Anne's operated with the strategy to reach customers under the theme of “Auntie Anne's... Up Your Feeling...” to fulfil happiness anytime at Auntie Anne's. The brand focused on reaching and understanding consumers with the will to be the giver. This concept is to make a fan to become a big fan, a friend to become a fan, and a stranger to become a friend. This is undertaken with new products and beverages launched, along with continual great promotion sets such as Stromboli Pretzel in bite sizes with thrilling long ham cheese to be enjoyed in eight pieces, or the Healthy Up Menu that is delicious and good for health with sausage, spinach and tuna corn. The campaign included freshly made beverages with a variety of menus and a mixture of healthy raw materials such as Coffee Impression, Fruity Lemonade, and Better Blend and Smoothie as blended glass by glass.

Auntie Anne's also expanded new sales channels, including through hospitals and catering, coupled with effective advertising and public relations via online media to reach changing customer behaviour patterns in the digital era. Joint promotions with related business partners have expanded our customer base, and the rollout of corporate social responsibility activities among club members has helped promote brand loyalty.



OOTOYA

During 2016, Ootoya adjusted its strategies in marketing, management efficiency and service image, receiving good feedback from customers. An example is the “Speed of Service” activity. Additionally, Ootoya improved the grand menu by adding new various menus while maintaining Japanese standards and taste to emphasise on being an authentic Japanese home cooking restaurant with delicacy and care in selecting the quality of raw food materials. The brand also communicated with its customers and expanded the base through advertisements in different channels such as television, BTS Skytrain, signboards, digital advertising signboards, radio and social media. The brand planned an increase to its stores in Bangkok and major cities. Ootoya now has a total of 44 branches in Thailand, and plans to increase the service with a focus on home delivery in Bangkok and provincial cities.

OTHER BRANDS

CRG has expanded the store number and relocated some branches to better spots to be increasingly profitable. Marketing activities and advertising have been implemented through various media, particularly in various forms of digital and social media. Product and service patterns have been developed for the brands to be in line with changing consumer lifestyles. Hence, delivery service patterns have been increased. CRG also develops new products and menus on a continual basis for Pepper Lunch, Chabuton Ramen, Yoshinoya, The Terrace, Cold Stone Creamery, Tenya, and Katsuya. With opening of 20 new stores in 2016, the total store number amounts to 100 branches.



BUSINESS DEVELOPMENT

The government's economic stimulus policy throughout 2016 benefitted the retail business overall. Different sectors of the retail business still however had to adapt in order to cope with increasingly intense competition. As a consequence of the city planning and redevelopment law, shopping malls, department stores and large retailers were under pressure from the constraints of space, causing limitations and even more difficulty in finding large areas to expand the business. As a result, entrepreneurs had to find other income sources to make up for the slower sales growth, for example expanding the existing building in order to increase the sales space.

In the restaurant sector in 2016, the continual entry into the market of new restaurant entrepreneurs resulted in the business in Thailand offering more diversified food choices than ever. These newcomers are both direct and indirect competitors of the company's chain restaurants.

Under these circumstances, CRG nonetheless continued to expand the number of its stores in 2016 by opening 69 new restaurants at shopping centres, department stores, and large retailers to cover services nationwide. By the end of the year this had resulted in a total number of 830 branches across the country, enhancing the company's leadership in the restaurant and beverage business in Thailand.

In 2017 and the upcoming years, the company will continue to focus on branch expansion to cover as many areas as possible with consideration mainly of the geography, community distribution, and target customers of direct business competitors. To achieve this, the company continually carries out research and develops new ways of expansion such as Drive Thru, expanding into theme parks, non-malls and special economic zones, and the possibility of the restaurant business expansion into our neighbouring countries.

Carefully selecting the locations that are suitable for each type of business, and ensuring that consumers readily accept the new food business, underlies expansion of the number of branches. Thus, the selection of better store locations than those of our competitors, and the branch expansion into new market segments in order to increase revenues, are the company's top priority and are included in the company's yearly expansion plan.

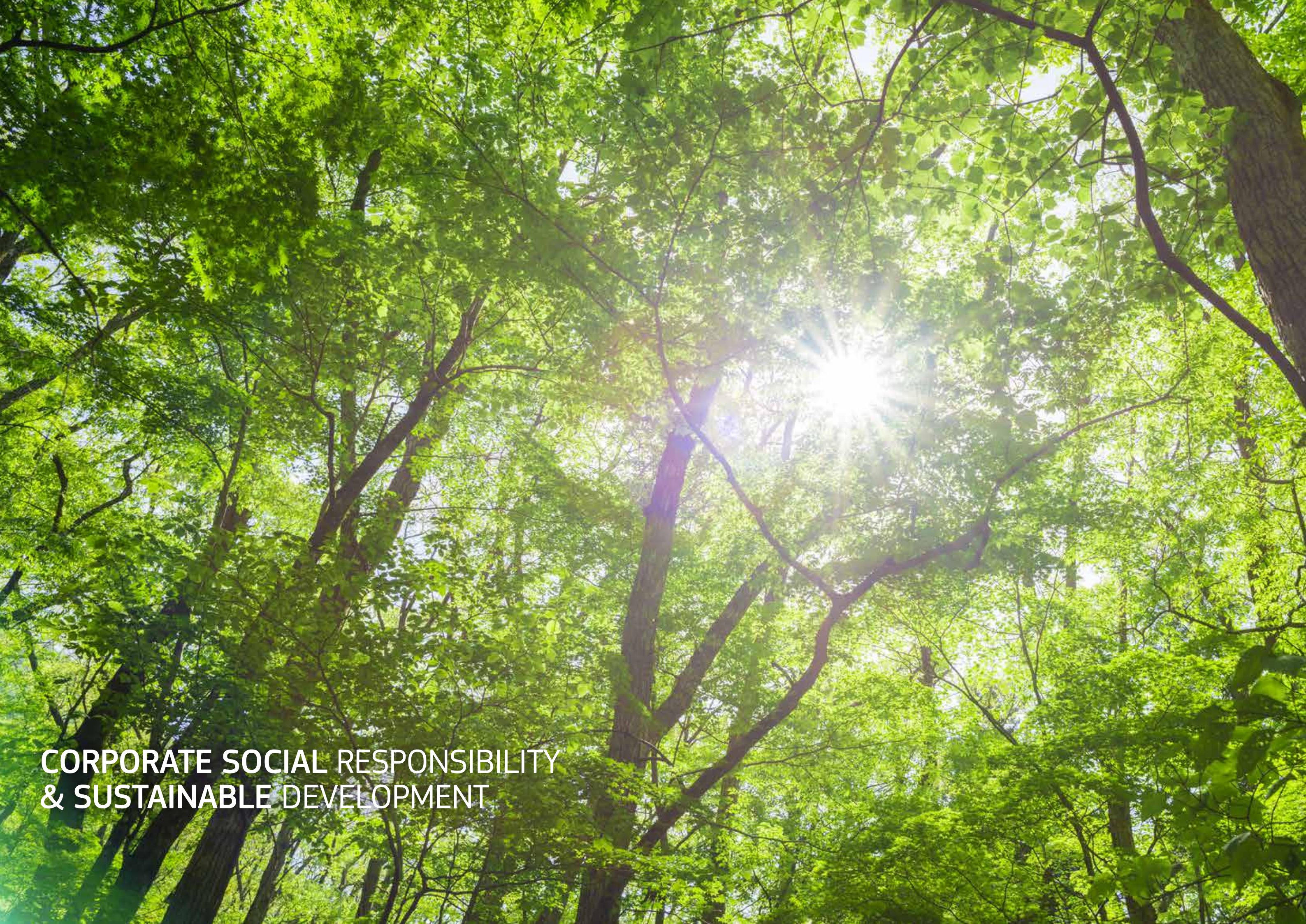
HUMAN RESOURCES DEVELOPMENT

During 2016 CRG cooperated with the group's central human resource management in recruiting new generation people with high potential under a project named "Management Trainee", which brought in new blood with a high level of skills and the capacity to be part of the organisation. The company laid the plan for training and career path development for this group of people to become future leaders.

The company also focused on the development of staff at all levels by providing training courses that were suitable for the needs of each level; for instance, the Business Acumen course for high-level and medium-level executives. For the development of branch staff, trainings were given to enhance the knowledge of effective restaurant and customer service management.

The company has also supported education for the new generation of young people, in order to build their career path into restaurant business management as well as to be in line with the government's civil state policy, by expanding the number of colleges and students in bilateral vocational education programmes. This was done in collaboration with the Ministry of Education, which signed a bilateral deal with the increased number of colleges in 2016. In addition, the company granted scholarships for employees to pursue a master's degree as an educational opportunity and personnel improvement to support our people to efficiently grow together with the company.





**CORPORATE SOCIAL RESPONSIBILITY
& SUSTAINABLE DEVELOPMENT**

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT

We are determined to become Thailand's biggest hotel chain with an international reputation and standards, as well as a leader in all kinds of restaurant business in the ASEAN region, while encompassing the commitment to providing excellent services to customers under the warm and gracious hospitality that is uniquely Thai. Our determination is also to present products of the highest quality on a professional basis in order to bring satisfaction and happiness to all our customers, and to strengthen the organisation and develop the business for sustainable growth over all dimensions including environment, society and good governance.

SUSTAINABLE BUSINESS DEVELOPMENT

As an operator of hotels and food businesses, we have always committed to the principle of corporate governance with the manoeuvrability of internal structure and operating process, in order to direct and supervise the overall operation for utmost value. We also aim to promote and carry forward stable and sustainable business operation in accordance with the demand of interested parties, both in the short and the long run, covering the key issues set out below.

GOOD CORPORATE GOVERNANCE AND FAIR OPERATING PRACTICES

The company carries out its business while looking for an opportunity to lawfully expand to a new business, and fights against corruption both internally and externally, with the purpose to have our business transparent and verifiable. We operate our business according to the direction as specified in the company's strategy in hotel and restaurant businesses for benefits of all interested parties from shareholders, employees, communities and society, to trading partners and state agencies.

For the 2016 Annual Compliance Assessment conducted by the Thai Institute of Directors Association, the company was assessed as "very good".



For the 2016 Annual General Meeting Quality Assessment of companies listed on the Stock Exchange of Thailand, conducted by the Thai Investors Association, the company was rated at 95.675 percent.

Result of Annual General Meeting Quality Assessment

2016	2015	2014	2013	2012	2011	2010
95.675	99.63	98.75	98.13	97.63	92.75	97.25

ANTI-CORRUPTION

The company prioritises transparent business practices. This includes the transparency of internal operating process and inter-organisational coordination, as the company participated in the Private Sector Collective Action Coalition Against Corruption on October 15th, 2015 and was certified as a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on April 22nd, 2016. Additionally, the company continually provides knowledge on such topics for employees in order to build an awareness of anti-corruption and a goal determination of zero corruption in the organisation.

HUMAN RIGHTS AND FAIR TREATMENT OF EMPLOYEES

The company provides support and respect in human rights protection. Fair treatment is given to its employees in all aspects without discrimination in spite of the difference of race, religion, gender, age, and education background. Employment of locals is encouraged along with reasonable welfare and employee wellbeing.

CONSUMER RESPONSIBILITY

The company's service and product development is aimed to respond to demand and to meet the expectations of service users and customers under fair terms, confidentiality, and privacy.

ENVIRONMENT AND SAFETY

The company has business operating procedures that take into consideration environmental impact, the intention being to ensure that all service and business processes make the most effective and economical use of resources. We also conduct the follow-up of possible impact, including the importance of operational safety as our priority.

INVOLVEMENT IN SOCIAL AND COMMUNITY DEVELOPMENT

Our business process encourages participation in activities to strengthen society and communities in all contexts.

INNOVATION DEVELOPMENT AND PROMOTION BY CORPORATE SOCIAL RESPONSIBILITY

The company supports and promotes the development of creative innovation that generates value to the business as well as to society, communities and the environment in a sustainable manner.

Determination of main stakeholders having direct and indirect involvement and effects from the business operation is as detailed below.

Stakeholders	Policy & Strategy	Method & Channel
Customers	<ul style="list-style-type: none"> The company aims to create highest customer satisfaction by providing care and responsibility; Provides services to customers according to specified standards; Keeps customers' confidential information without disclosure unless permitted by customers. 	<ul style="list-style-type: none"> The company conducts a survey of customers' satisfaction towards rooms and services; The company has the system and units to receive customers' complaints; With guidelines to address and fairly settle issues, for fastest solution to such complaint.
Employees	<ul style="list-style-type: none"> The company takes care of its employees as if family members; With good fringe benefits; Good working environment; Modern and well-maintained office supplies; All employees are entitled to equal rights, with no exclusion or discrimination; Promoting career progress at all levels. 	<ul style="list-style-type: none"> The company has an internal communication channel to create correct understanding; With activities to build good relationships; A town hall meeting for the executives to constantly talk and meet up with the employees; Surveys of employees' satisfaction towards organised welfare and activities; Internal promotion for existing employees prior to recruiting outsiders.
Shareholders & Investors	<ul style="list-style-type: none"> Conducting the business for utmost returns; Conducting the business with good governance and in accordance with the principle of corporate governance; Complying with the laws; With good corporate governance. 	<ul style="list-style-type: none"> With a channel to contact the company through Investor Relations; Equality to both shareholders and investors; Constant presentation of information based on transparency and integrity.
Suppliers & Business Partners	<ul style="list-style-type: none"> Transparency and sincerity in business contact for suitable benefits. 	<ul style="list-style-type: none"> Collaborating and adjusting contract terms to be fair upon request; Hearing problems and consulting for settlement.
Community & Society	<ul style="list-style-type: none"> Supporting and promoting related activities; Generating employment and income; Sharing knowledge from the organisation to the society. 	<ul style="list-style-type: none"> Carrying out field work study, survey and discussion with community leaders; Participating in various activities.
Environment	<ul style="list-style-type: none"> Campaigning for wise use of natural resources to reduce environmental impacts. 	<ul style="list-style-type: none"> Surveying the volume of energy uses; Setting the goal for wise energy uses to reduce expenditures.
Government & Audit Department	<ul style="list-style-type: none"> Complying with regulations and procedures. 	<ul style="list-style-type: none"> Participating in meetings to present ideas and in related activities.

The company has **new innovations** to support better service provision in all steps of the business operation.

The hotel business uses technologies to fine-tune the customer service system to be continually diverse and up-to-date. In 2016, the company introduced new payment channels to customers, with PayPal and Red Dot, along with the service of Mobile Concierge implemented at Centara Grand & Bangkok Convention Centre at CentralWorld as the first hotel in Thailand. In addition, the Digital Magazine service was provided for customers in order to reduce paper consumption.

Regarding the food business, the company has created CRG PLUS+ card, as the first cash card in this industry, which covers payment, discount, and point collection within a single card. The all-in-one CRG PLUS+ card completely helps facilitate customers in purchasing products and using restaurant services of the 10 brands within the CRG Group. Its purpose is to answer to the customers' lifestyle of the cashless society. With a current member base of 500,000 persons, the annual spending value through the card was over 300 million baht. The main customer group of CRG PLUS+ includes students and working people. The estimated business trend is to better link benefits to inter-organisational members.



EMPLOYEES ARE KEY TO THE ORGANISATION'S SUSTAINABILITY

The company's employees in both the hotel and food businesses are deemed as important interested persons in propelling the sustainability of the organisation. Hence, the company has a policy that prioritises manpower planning and capacity improvement for employees in all sections in order to support the business growth, as well as delivering good quality of life to them, encouraging learning, and developing personnel with the purpose to build their engagement with the organisation.

HUMAN RESOURCE DEVELOPMENT IN THE HOTEL AND FOOD BUSINESSES

4CS PROJECT: CENTARA CAREER CREATIVE FOR CHILDREN

This project aims to improve, train and prepare for workmanship readiness of underprivileged young people graduating at Mattayom 6, or secondary education year 6, from Suksa Songkro School and Ratprachanukhro School under The Royal Patronage, as well as the School of Deaf and School of Visually Impaired. At present, a memorandum of understanding has been signed between the Office of the Basic Education Commission at the Ministry of Education, the Department of Skill Development at the Ministry of Labour, and Plan International Organisation of England.

Our Human Resources Department is responsible for choosing students to join the project for five-month preparedness training. Participants will be able to learn and practice the work in relation to hotel room, food and beverage service, and cooking. During the training, the participants are supported with accommodations, uniform, equipment, allowance, and health insurance. Upon the completion of training they will be granted a certificate, and an opportunity to become full-time employees at Centara Hotels & Resorts properties in various provinces. Over 600 students have successfully completed this training since 2011, and 443 of them have been accepted to work in Centara Group hotels.

MANAGEMENT DEVELOPMENT PROGRAMME (MDP)

In order to develop personnel capacity in the hotel industry towards management work, this project was initiated in 2002 with a total of 12 generations of employees having participated in the programme. In 2016, there were 113 participants, and at present a total of 53 employees having been trained in this project are working for properties within Centara Hotels & Resorts.

SIGNING AN MOU WITH EDUCATIONAL INSTITUTES IN ALL REGIONS

The objective of this project is for training and preparing students to be ready for working in the hotel business. Since 2011, the company has signed MOUs with a total of 63 educational institutes, with over 1,059 students having been trained at properties within Centara Hotels & Resorts. MOUs were signed during 2016 with 14 educational institutes, with 53 students training within Centara Hotels & Resorts.



PREPAREDNESS TRAINING FOR INTERNS IN HOTEL MANAGEMENT FROM FOREIGN EDUCATIONAL INSTITUTES

Centara Hotels & Resorts offers an opportunity for students from foreign educational institutes to be trained as interns in various sections. The project was initiated in 2011, in which 98 foreign interns from a total of 45 foreign educational institutes attended the training. In 2016, a total of 44 institutes with 79 interns participated; of these, four have been employed to work at Centara Hotels & Resorts.

DEVELOPMENT TRAINING FOR POTENTIAL EMPLOYEES

This project is intended to select potential employees for one-year succession training in three aspects, namely specialised skills, leadership, and project management. In 2016, 318 employees participated in this programme.

SETUP OF EMPLOYEES' LEARNING AND RELAXATION CENTRE: INSPIRATION ROOM

A prototype Inspiration Room was set up at Centara Grand & Bangkok Convention Centre at CentralWorld, in which employees can relax, study online lessons, and hold small group meetings. In 2016, the Inspiration Room was further extended to Centara Grand Mirage Beach Resort Pattaya in response to employees' needs.

EMPLOYMENT AGE PERIOD EXTENSION FOR ELDERLY IN ESTABLISHMENTS OF CENTARA HOTELS & RESORTS

A memorandum of understanding was made between the Ministry of Labour, the Thai Health Promotion Foundation (ThaiHealth) and the Foundation of Thai Gerontology Research and Development Institute (TGRI), in order to propel the policy of extending the employment age period for elderly in the working place as a model. In 2016, over 130 elderly people were employed in the level of personnel consultant.

The Division of Potential Development of Older Persons, Department of Older Persons, on September 3rd, 2016 chose the company for the Corporate Social Responsibility (CSR) Excellence Award of 2016 from the Ministry of Social Development and Human Security. This is based on numerous arranged activities that are beneficial to society and the elderly. For instance, the employment of elderly persons; a policy to value long-working and over 55 years-old personnel for reemployment with flexible working hours; and support for the employment of retired persons. The company has also joined the network of Age-Friendly Business by the Department of Older Persons, and supports them through the procurement of products from elderly persons and sponsoring living allowance for the elderly.

EMPLOYMENT OF PERSONS WITH DISABILITIES

In the hotel business, an increasing number of disabled persons have been hired, exceeding the legal requirements. In 2016, a total of 86 disabled persons were employed without having to contribute the payment to the Fund for Empowerment of Persons with Disabilities.

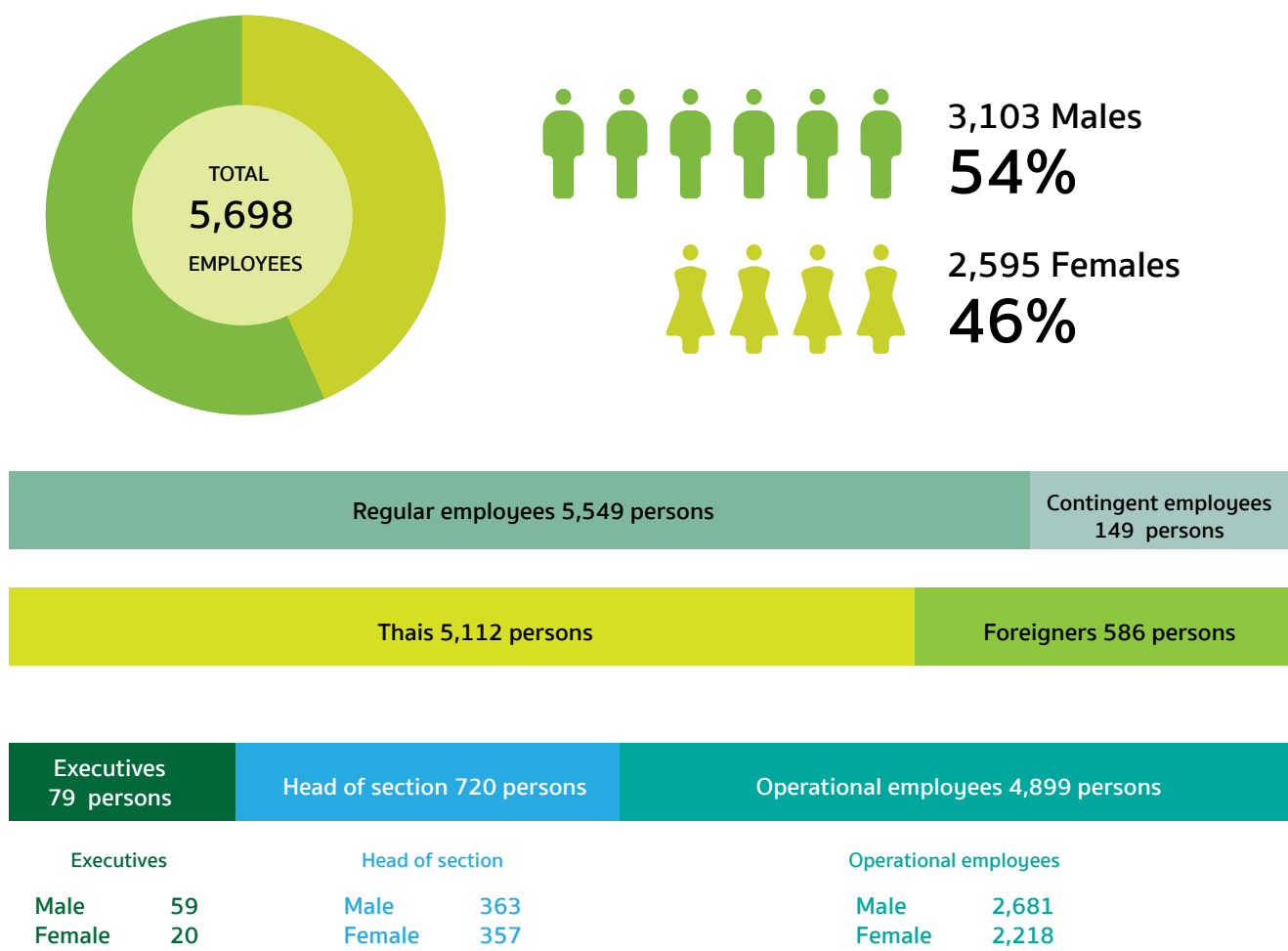
In the food business, the project of **Opportunity and Honour for Equal Dignity of Disabled Friends** was organised in collaboration with the Ministry of Social Development and Human Security, with the aim to offer a career opportunity to our disabled friends and enable them to live in Thai society with dignity equal to others.

Centara Grand Beach Resort & Villas Hua Hin and Central Restaurant Group Co Ltd were in 2016 awarded with the Outstanding Employment Support for Persons with Disabilities Award 2016 from the Ministry of Social Development and Human Security.

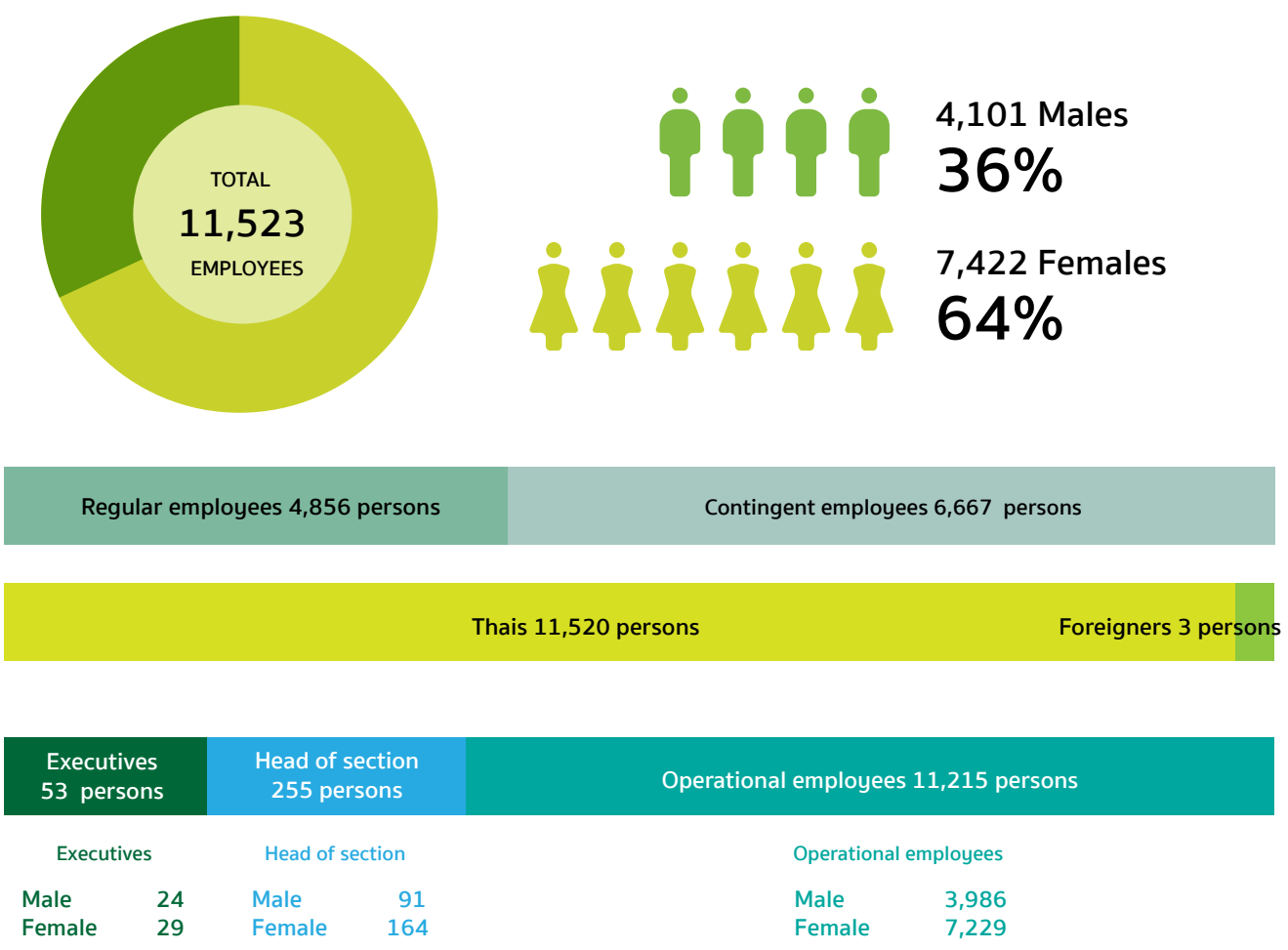
OUR ONE BIG FAMILY

INFORMATION ON THE COMPANY’S EMPLOYEES IN THE HOTEL AND FOOD BUSINESSES

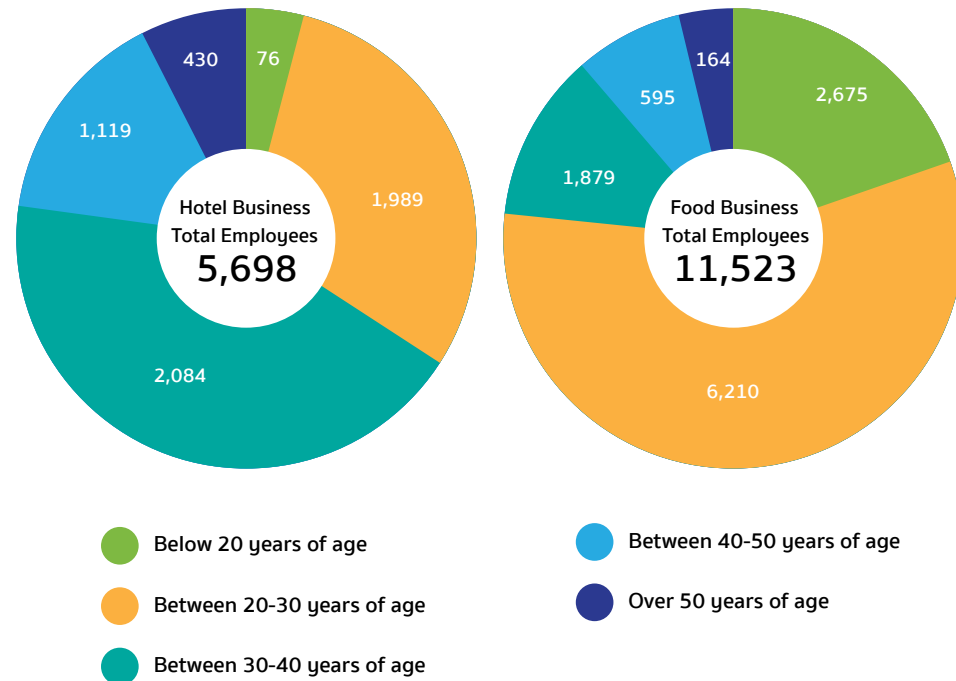
Hotel Business



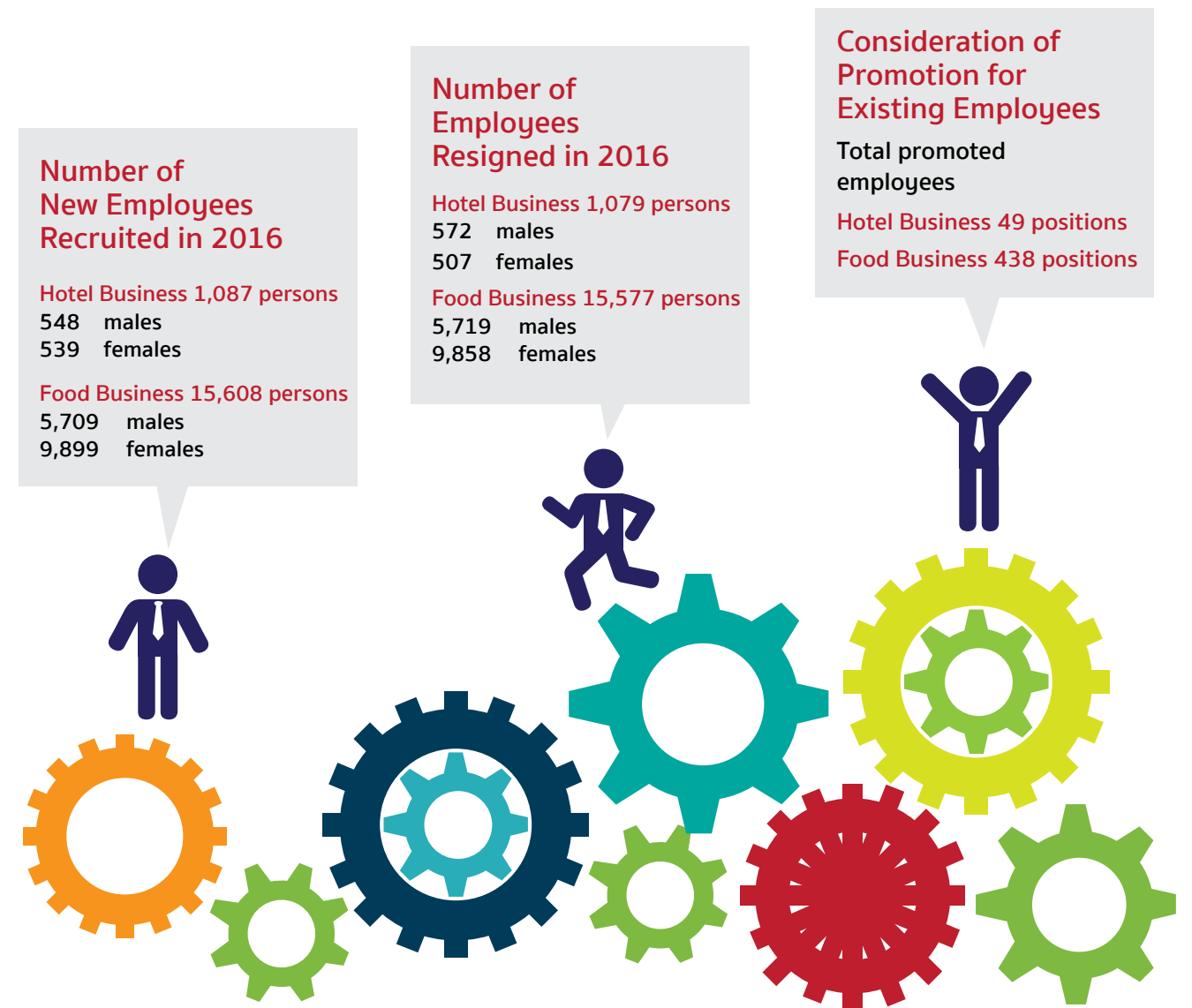
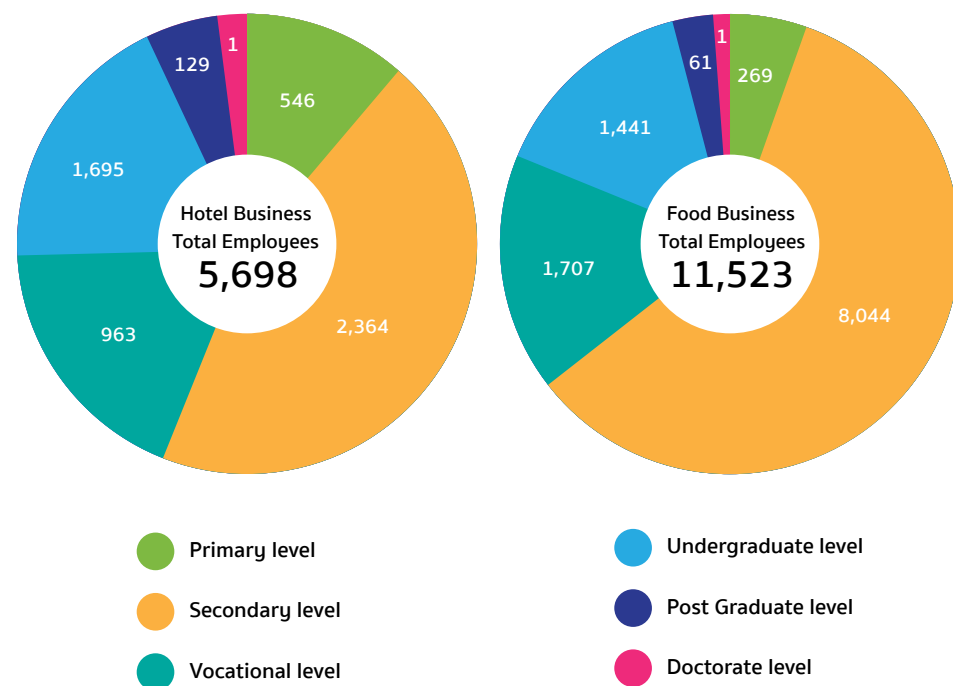
Food Business



Employees' Age: Number of Employees in Each Age Range



Educational Level



The company gives priority to occupational safety, and therefore knowledge training is continually given to employees as a preparation for all of them to act properly in case of emergency. In 2016, the number of occupational accidents was as follows:

	Hotel Business	Food Business
Occupational accident with days off	74 persons	67 persons
Occupational accident without days off, individually	10 persons	52 persons

In addition to employees' work responsibility, the company also gives them opportunities to show their abilities or take charge of a special task other than their own regular work, for instance, participation in the committees of safety, welfare, energy conservation, and environment. This is to allow them to become an important part of the organisation development.

The company also places importance on employees' fringe benefits for their good quality of life, which subsequently affects their happiness at work. Employees receive reasonable pay and fringe benefits based on ability and experience. The company also provides scholarships to employees and their children.

PARTICIPATION IN PROMOTING AND SUPPORTING SUSTAINABLE DEVELOPMENT OF SOCIETY AND COMMUNITIES

HOTEL BUSINESS

In the hotel business, we set our policy to have participation with society and the communities in several dimensions. This includes giving consideration and special opportunity in employing locals or those who live in the nearby area within 20 kilometres from the hotel, so as to support the community employment and to reduce greenhouse gas due to long-distance travel. In addition, in many hotels of our group, dormitories are provided for employees along with scheduled shuttle buses.

On a monthly basis, Centara Hotels & Resorts organises activities with nearby communities, temples, schools, or local government agencies, in terms of knowledge support and promotion. We also purchase local products to be used as souvenirs for customers, such as banana candies from Krabi community and traditional coconut bean candies from Koh Chang community. Additionally, we give our support to the Tsunami Victims' Handicraft Centre by using their elephant rag dolls as souvenir gifts for customers during numerous festivals at Centara Villas Phuket.

Moreover, the company offers an opportunity for communities in the proximity of hotels to bring their local products such as Thai desserts, fruits, herbal inhalers, handmade dolls, herbal drinks, and many other products, to be sold to employees and interested persons at our hotel areas. For example, Centara Grand at Central Plaza Ladprao Bangkok and Centara Grand & Bangkok Convention Centre at CentralWorld held the activity **Wai Kao On Sale**, or golden age on sale, for older persons to sell their community products for earnings income. Also at Central Chaengwattana, an open space was provided for communities to directly sell their products to consumers, which was warmly received.

In 2016, the project **Better Water, Better Life** was organised for students to have clean drinking water under the collaboration of Centara Villas Phuket and Centara Grand Beach Resort Phuket, in donating two water purifiers to Muang Krathu Municipality school(2). Likewise, Centara Grand Beach Resort & Villas Krabi installed a water purifier for Thongkham Wittayanusorn School.



Support to community agricultural products is another policy prioritised by Centara Hotels & Resorts. In the past year, Centra by Centara Government Complex Hotel & Convention Centre Chaeng Wattana **supported organic farming products** by purchasing organic Jasmine rice and organic Jasmine brown rice from Ban Thap Thai Organic Agriculture Cooperative, Prasat District, Surin Province. The rice was to be used as raw material in the hotel and to help farmers to have market availability. In this respect, the hotel ordered approximately one ton of organic rice per month from the Ban Thap Thai farmers' group. The hotel also built relationships with nearby communities by organising the project **CGC Bike Rider** every month throughout 2016. This Campaign encouraged employees and people nearby to jointly exercise, and enjoyed the cooperation of Lak Si District Office, Lak Si Bike Club, and private companies.

There were various activities in many provinces where we engaged with the communities in the proximity of hotels and resorts, for instance:

Centara Grand Beach Resort & Villas Hua Hin in collaboration with other hotels in Hua Hin District held the activity **Saving Life Together** to raise awareness of wearing anti-knock helmets to young people and students in Hua Hin Municipality and its nearby areas. The campaign aimed for the reduction of motorcycle accidents by giving knowledge on traffic regulations and sponsoring helmets for students.

Centara Grand Mirage Beach Resort Pattaya donated 46,264 baht, raised from the hotel's sixth anniversary celebrations and the annual Christmas Tree Lighting Ceremony, to Father Ray Foundation.

Centara Karon Resort Phuket and Centara Kata Resort Phuket organised the activity **Centara Run & Fun Charity** at Karon Beach, with over 600 runners participating. All earnings were given to two employees of Centara Grand Beach Resort Phuket and their families, who suffered from cancer and severe heart disease.

Centara Grand Beach Resort Samui collaborated with Central Festival Samui in holding an activity to sell coconut pies and cookies. All earnings, without deducting expenses, were contributed to the building construction of Samui Learning Centre for Special Needs.

Centara Grand Beach Resort & Villas Krabi jointly made 200 new pillows out of materials from used pillows to be distributed to people, schools and governmental agencies in Krabi Province.



FOOD BUSINESS

The **Hygienic Kitchens** project donated cooking equipment to vulnerable schools, and promoted to students, teachers and staff knowledge on food safety, proper sanitary cooking and food preparation, and good nutrition. This project was organised during 2016 in three schools, and all will be completed and delivered in 2017. The schools are Sakae Rat Wittayakhom School, Pak Thong Chai District, Nakhon Ratchasima Province; Ban Khuan Ngoen School, Cha-Uat District, Nakhon Si Thammarat Province; and Chiang Rai-Phayao Border Patrol Police Vocational School, Chiang Khong District, Chiang Rai Province. Altogether, 857 students and 55 teachers participated in this project; the budget used was 8.4 million baht.

The Terrace joined hands with the Tiang Chirathivat Foundation in **supporting the products of community enterprises** in order to generate income to the communities. In this connection, Riceberry rice from Chai Nat Province and LeumPua glutinous rice from Tak Province, in a total of 1,142 kilograms, were used as the main raw material in creating nine nutritious and delicious menus in the promotion called **Rice Variety, the Seed of Happiness**.

Mister Donut held the **Donut Day 2016** event with a free giveaway of 63,800 Pon De Ring donuts at all branches nationwide, along with an auction of special donuts and celebrities' favourite items. The activity also included the sale of 362,099 Brave Soldier donuts in four flavours throughout June of 2016, for which Mister Donut contributed five baht to charity for the purchase of each donut at its 319 branches. The objective was to participate in the donation of necessary supplies to performing soldiers in the three Southern Border Provinces, for which we raised the total of 2,328,786 baht.

The Terrace organised the **Food 4 Good** project to donate 10 baht from the sale of each dish in six special menus at its 16 branches to support the cost of food for 280 children under the care of three foundations, namely the Sahathai Foundation, Foundation for Children With Disabilities, and Baan Nokkamin Foundation. By the end of the project, 5,000 dishes of participating menus had been sold, resulting in the donation of a total 50,000 baht, which means 2,500 meals were supported for the children under the care of the said foundations.

Pepper Lunch held the **Pepper Lunch 10 years, 10 Homes for Society** activity, in which one baht from the sale of all hot plate menus was contributed to assist 10 participating homes and foundations for lunch support and necessary supplies. The donated sum at the end of the activity was 915,925.50 baht, to be funded to 10 homes: Home for Disabled Babies (Baan Fuengfah), Foundation for the Blind in Thailand under the



Royal Patronage of HM the Queen, Baan Nokkamin Foundation, Home For Mentally Handicapped Girls (Baan Rachawadee Ying), Foundation for Slum Children under the Royal Patronage (Baan Sau Yai), Foundation For Children, Phayathai Babies' Home Foundation, Ban Bang Khae 2 Home For Elderly Foundation, Thungmahamek School for the Deaf, and Home For Handicapped Animals Foundation.

Chabuton Ramen organised the activity **Charity for Children: We are Full, and so are They** to sell the "authentic ramen in dried fish soup" menu, each set of which Chabuton contributed five baht, in order to deliver scholarships to 30 children at Mon Village Jungle Rafts School, Kanchanaburi Province, and to build a playground for all the children. At the end of this project, a total of 74,420 baht was funded for school improvement, learning materials and sports equipment.



ENVIRONMENTAL CARE FOR SUSTAINABILITY

Our hotel and food businesses enacted care towards the management of the environment and natural resources under a number of diverse activities.

ENERGY MANAGEMENT

The goal for energy saving of the hotel business in 2016 was set to decrease electricity consumption by 5 % from the previous year; the saving average was at 60 kWh/occupied room. In many of our hotels, energy saving is an on-going campaign.

In the past year, LED light bulbs were used as replacement in the areas where electricity was used for over six hours. From the campaign of sustainable energy consumption, Centara Grand & Bangkok Convention Centre at CentralWorld was awarded for outstanding effective use of energy in business buildings from the Department of Alternative Energy Development and Efficiency in conjunction with the United Nations Development Programme (UNDP) under the support of the Global Environment Fund (GEF), with the objective to reduce energy consumption and carbon dioxide emissions.

For energy saving, motion sensors were installed at Centara Kata Resort Phuket in public toilets, staff lockers and the fitness centre.

Solar energy was used in 11 hotels where it was applied to generate hot water, resulting in the reduction of electricity use at 135 baht per cubic meter.

In Maldives, solar cells were utilised to generate electricity at night for lighting on walking paths. Additionally, solar cells are being installed at the staff building. The use of fuel for the generator has decreased by over 30 percent.

Major hotels with more than 500 rooms, and hotels with a seminar area such as Centara Grand at Central Plaza Ladprao Bangkok, are equipped with a centralised system to control electricity use and air-conditioners; the energy use is thereby thoroughly controlled.

Earth Hour is on every last Saturday of March. On March 19th 2016, our hotels participated in the activity to turn the lights off for an hour, between 20.30 and 21.30 hrs. The 16 hotels which participated in this campaign were able to save 4,090.78 kW of electricity.

WATER USE MANAGEMENT

Every hotel during 2016 set a goal of water use reduction at 15% from the previous year, and the average result was 460 litres per hotel guest. Aerators were installed to faucet taps to reduce water use, which saved about 6-13 litres of water per minute.

At Centara Ras Fushi Resort & Spa Maldives, water meters were installed and monitored hourly at the areas of high volume usage such as swimming pools, kitchens and laundry, in order to prevent water leaks.

In many hotels, the treated wastewater is reused to water gardens, and each hotel can save over a million baht per year. For example, at Centara Grand Beach Resort & Villas Krabi, a high quantity of water is needed for the extensive gardens and varieties of plant.

“Going Greener” or towel & linen reusing programme has been implemented as the standard in our group. As a result, the hotels were able to reduce the use of water, electricity, and detergents by 30%.

In 2016, we campaigned for more customer participation in environmental conservation under the project **My Green Day**. For four-star resorts, if the guests stay for over two nights and choose not to have their room cleaned during the day, they will receive a complimentary beverage coupon as reward for their participation in the programme. An average of 15% of customers per day joined the project. As a result, the hotels were able to decrease the use of water, electricity and cleaning chemicals, and gained better waste management.



WASTE MANAGEMENT

The policy of waste management in the hotel business can be divided into 4 types: general waste, recyclable waste, organic waste, and hazardous waste. Besides this, the campaign Reduce, Reuse, Recycle and Disposal reduced the generation of waste and encouraged the use of environment friendly materials that are compostable and cause no pollution to the environment.

All Centara Group resorts brought natural materials such as banana leaf or other leaves to use in serving desserts or food, in order to reduce the quantity of plastic plates that are difficult to be degraded. At Centara Karon Resort Phuket, straws made of garden lemongrass were invented to help reduce plastic use. The used lemongrass straws are reused in sauna rooms as herbal aroma for customers.

In all hotels, the provided shopping bags, beach bags and laundry bags are now made from fabric material that can be reused, rather than using plastic bags.

Many hotels began to use rechargeable flashlights in order to reduce the use of dry cells that become hazardous waste after use.

A special project was held to sell drinking water from the bottle made of corn sugar, also known as bioplastic, which is degradable in landfills and a part of earnings were contributed to foundations for society and the environment.

The problem of food waste is being observed by society in general. Centara Grand Mirage Resort Pattaya created a signboard to ask for customers' cooperation to take food in appropriate portions in order to reduce the quantity of wasted food.

For the production of biodiesel, Centara Grand Beach Resort & Villas Hua Hin delivered used water to the Chaipattana Foundation, Prachuap Khiri Khan Province.

At Centara Grand Beach Resort & Villas Hua Hin and Centara Grand Beach Resort Samui, organic wastes were used to produce bio-extract to be used as a cleaning agent for drains and toilets in the hotels. Such bio-extract was also donated to nearby temples and communities.

Drinking water bottles serviced to customers in the hotel room are glass bottles; empty bottles are returned to the manufacturing company in order to reduce the use of plastic bottles.

All hotels have to measure of garbage disposal in accordance with the regulations: The garbage is disposed in a facility as prescribed by the law, such as to the related municipality or unit, along with the payment of fees for hazardous waste such as dry batteries or light bulbs. Waste separation is also practiced and the separated waste is sent to the particular collecting unit for proper disposal. All six hotels in Phuket use the disposal service of Phuket City Municipality, and general waste is sent to be disposed at Saphanhin Disposal Facility for electricity production.

ECOSYSTEM CARE AND ENVIRONMENTAL EQUILIBRATION

For the hotels and resorts at seaside locations, there are “Centara Care” activities regularly arranged to clean the beach front or public or nearby areas at least once a month.

Home grown vegetables are cultivated in the hotel and resort area to be used in the hotel activities; for example, various herbs such as galangal, lemongrass, and aloe vera are used as raw materials for Thai cooking classes and herbal welcome drinks for customers. In case of location availability, trees will be planted around the hotel to increase green space.

To restore the habitat of various aquatic creatures and land animals, the annual mangrove reforestation in many locations remains an activity held regularly at the hotels and resorts nearby the sea. In 2016, Centara Villas Phuket planted mangrove forest at the Mangrove Forest Resource Development Station located at No. 23 Wichit Sub-district, Mueang District, Phuket Province. Centara Grand Mirage Beach Resort Pattaya joined the mangrove reforestation at the Mangrove Forest Conserve and Natural Study Centre, Samet Sub-district, Mueang District, Chon Buri Province. In Phuket, Centara Grand Beach Resort Phuket together with Centara Villas Phuket jointly planted mangroves at Koh Kiam Village, Bang Phat Community, Phang Nga Province. Other hotels, for example Centara Ras Fushi Maldives, joined in coral planting in order to restore the coral reefs and increase aquatic habitats.

Hotels and resorts in Phuket Province and Samui Island cooperated in the construction of a check dam to reduce soil erosion, restore sedimentation, and increase moisture to the forest for a better ecosystem. This will also help reduce the problem of flash flooding and inundation, and solve the problem of drought.



In the food business, management for more effective energy use during 2016 initiated the following projects:

Replacement of Light Bulbs with LED Bulbs: LED bulbs were installed at the central office in various branches of each brand. As a result, electricity cost savings amounted to 9,196,124 baht/year. The total investment was 8,819,240 baht/year.

Installation of Pull Switch: pull switches were installed at the central office, Central Silom Tower on the 6th and 8th floors, and at the parking building on the 9th, 10th and 11th floors for electricity saving; savings were approximately 26,282.04 baht/year. The cost for 362 pull switches including the cost of installation and all equipment was at the total of 35,000 baht

Closing the Lid of Electric Fryers during Non-Using Period of Each Brand: the result of energy saving in the project to close the lid of electric fryers when no raw food materials of each brand were being fried:

1. Energy saving result by Katsuya: approximately 32,015 baht/year
2. Energy saving result by Yoshinoya: approximately 49, 949 baht/year
3. Energy saving result by Mister Donut: approximately 562,991 baht/year
4. Energy saving result by KFC: approximately 3,000,000 baht/year

Summary of energy saving result by all brands: approximately 3,644,955 baht/year



FINANCIAL STATEMENTS



REPORT OF THE **AUDIT** COMMITTEE



**TO : THE SHAREHOLDERS OF THE
CENTRAL PLAZA HOTEL PLC.**

The Audit Committee of the Central Plaza Hotel Plc. comprises of 3 Independent Directors, namely: Mr.Bhisit Kuslasayanon as the Chairman of the Audit Committee, and Dr.Charnvithaya Suvarnapunya and Mr.Vichien Tejapaibul as members of the Audit Committee, all of whom have the full qualifications specified by the regulatory requirements of the Stock Exchange of Thailand (SET) and are fully independent in performing their duties in accordance with the Charter for the Audit Committee.

During 2016, there were 8 Audit Committee meetings; whereby all Members of the Committee attended every meeting. At these meetings, members of the Management group together with respective Chief Accounts of the Company and Subsidiary Companies involved as well as the Director of Internal Audit Unit and the external Auditor joined

and participated in the discussions of the relevant agenda items being considered, in order to present comments and additional useful inputs. Further, regular briefings of the outcome of these meetings were presented to the Board of Directors during the year, a summary of which is as follows:

1. QUARTERLY AND FULLY YEAR FINANCIAL STATEMENTS FOR 2016

The Audit Committee, together with the Auditors and members of the Management responsible for their preparation, reviewed every quarterly and the annual financial statements, to assess the correctness and accuracy of these financial reports and any associated information disclosures, important estimates, and any restatements of the financial accounts having a significant impact on the financial statements prior to submitting them for consideration and acceptance by the Board of Directors. Additionally, the Audit Committee met once with the external Auditors without any members of the Management being present, to assess and review the degree of independence of their audit activities, together with other specific issues that may have resulted in possible damages or acts of corruption. As such, the Auditors reported and confirmed that they have not found any suspicious issues relating to any misconduct on the part of the Directors and members of the Management, as defined by Clause 89/25 of the Securities and Stock Exchange Act.

The Audit Committee is of the opinion that the financial statements are accurate

and present all relevant information in a fully correct, comprehensive and timely manner, corresponding to generally accepted standards of financial reporting.

2. INTERNAL CONTROLS SYSTEM

The Audit Committee assigned the Internal Auditor to join in reviewing and evaluating the internal controls system every quarter. Based on the evaluation reports of the Internal Audit Unit during 2016 and associated comments from the Auditors (if any), the Audit Committee has made recommendations to the Management group to undertake corrective actions as well as to make various improvements accordingly.

The Audit Committee also evaluated and approved the annual internal audit plans that also covered all operational aspects involving high risks together with important areas of control, which included all Subsidiary Companies and management services companies in order to reflect the current business operational environment. Additionally, the Audit Committee regularly advised and made recommendations to the Internal Auditor, so as to enable the Internal Audit Unit to achieve international standards of operations and increased effectiveness.

3. COMPLIANCE WITH APPLICABLE SECURITIES LAWS AND LEGAL REQUIREMENTS OF THE SET, TOGETHER WITH OTHER RELEVANT LEGAL REGULATIONS.

The Audit Committee reviewed and assessed, together with the Legal Department and the Office of the Company Secretary, the overall compliance of the Company relating to all applicable securities laws and legal or regulatory requirements of the SET, as well as any other laws relevant for the Company's business operations. The Audit Committee is of the opinion that the Company has effectively ensured that its operations have complied with all applicable and relevant laws as well as regulatory requirements in an adequate and appropriate manner.

4. TRANSACTIONS WITH POTENTIAL CONFLICT OF INTERESTS

The Audit Committee reviewed and assessed, ever quarter, any proposed connected transactions to be undertaken with related parties or businesses. The Committee has determined that the Company used pricing policies for the products or services relating to such transactions involving related parties or businesses which may have a conflict of interests, that are comparable to those used for normal transactions with outside parties and without resulting in any conflict of interests situations arising; and that the Company has adequately disclosed the associated information in a comprehensive manner.

5. REVIEW OF AND PROPOSED APPOINTMENT OF THE EXTERNAL AUDITORS FOR 2016

The Audit Committee considered and reviewed the selection of the external Auditors for 2017; whereby various leading Thai Audit Firms submitted their proposals to undertake the audit of the Company and companies within the Group. After taking into consideration the degree of their respective independence, knowhow, good standards of audit practices and the adequacy of their people resources, together with the appropriateness of the proposed audit fee, the Audit Committee has proposed to Board of Directors to submit, for approval by the Annual General Shareholders Meeting, that any one of the following persons: Ms. Viphavan Patawanvivek (CPA No. 4795), Ms. Vilaivan Pholprasert (CPA No. 8420), or Ms. Orawan Siriratanawong (CPA No. 3757), or Ms. Marisa Tharathornbunpakul (CPA No. 5752) from KPMG Poomchai Audit Ltd., be appointed as the authorized external Auditor, with an annual audit fee of Baht 2,100,000.- (Baht two million and one hundred thousands).

In the self-evaluation process of its own performance, the Audit Committee has compared its activities and performance with those specified in Charter of the Audit Committee; whereby the evaluation result has achieved what can be considered as a 'good' score.

In summary, the Audit Committee is of the opinion that the Board of Directors and the Management group are fully committed to carrying out their respective

duties and responsibilities in a professional manner, with the aim of the Company achieving its stated objectives and goals in accordance with the applicable laws and established business plans. Further, the external Auditors have been certified by the Federation of the Accounting Profession, under the Royal Patronage of HM the King; and the Company has also fully complied with the principles of good corporate governance.

On behalf of the Audit Committee

(Mr. Bhisit Kuslasayanon)
Chairman, Audit Committee

REPORT OF THE **NOMINATION** AND COMPENSATION COMMITTEE



In 2016, the Nomination and Compensation Committee has performed its duties and responsibilities under its Charter by held two meetings, with a summary of the meetings as follows:

- Considering and recruiting qualified candidates for directorship and submitting them to the Board of Directors and Shareholders' meetings for their consideration and nomination to replace the directors retired by rotation in 2016. The Company offered minor shareholders a chance to nominate directors since October 16, 2015 to February 1, 2016. Since no such nomination emerged, the Committee recommended that the retired directors who finished their terms in 2016 should be reappointed to another term. The 2016 AGM approved every nominated director.
 - Considering the succession plan for the Company's senior executives to ensure continuity and consistency with Centel's strategic plans.
 - Considering and giving opinion on human resource policies and work processes.
 - Considering, determining goal setting and providing performance assessment for CEO's performance in the preceding year and worked with CEO in setting goals and evaluation methods for his performance in the current year.
 - Considering duties and responsibilities, as well as performance under the Nomination and Compensation Committee charter and reviewing the charter for more alignment with the situation and best practice of regulators.
- The Nomination and Compensation Committee has performed its assigned duties independently and properly for the highest benefit of the Company, shareholders and other stakeholders. The Committee has reported its summarized performance and findings to the Board of Directors for its acknowledgment every times.

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

REPORT OF RISK MANAGEMENT & **CORPORATE GOVERNANCE COMMITTEE**



The Executive Committee of the Central Plaza Hotel Public Company Limited attaches great importance to risk management, through being fully committed to developing various risk management practices and measures, in accordance with the principles and guidelines of good corporate governance, that are an integral component of the management tools used by the Executive Committee in identifying and managing various risks factors in an effective and efficient manner.

The Company's Board of Directors is responsible for overseeing the determination of risk management policies; whereby the Risk Management Committee and the Corporate Governance Committee provide overall support, together with the various risk management working groups at the operating levels, in implementing the established risk management policies. As such, the Executive Committee meets regularly to assess various risk factors, and determines the Key Risk Indicators as well as associated risk management plans and measures, together with reviewing the resultant impacts on a continuing basis.

The Company focuses on managing the following 4 key areas of risk: 1) Strategic Risk; 2) Operational Risk; 3) Financial Risk; and 4) Compliance Risk; whereby these key risk areas are summarized below :

1. Strategic Risk

The Company is focused on conducting its businesses in accordance

with the established corporate strategies, operating guideline and the defined mission of the Company; as well as believes that the defined strategies and associated business plans correspond to the determined risk appetites relating to the various identified risks with regards to the business expansion plans for Thailand and overseas, together with its additional overseas investment plans; whereby the Company has determined various measures to closely oversee the development of new business projects, and has undertaken a detailed study of all the relevant operating information before deciding to proceed with such investment projects.

2. Operational Risk

The Company is focused on closely reviewing the relevant operating procedures at every stage of the business in a thorough and comprehensive manner with regard to: 1) investments in the information and technology systems, that will effectively support its ongoing business requirements; 2) the recruitment of qualified and capable personnel together with establishing a positive relationship and close connection, on their part, with the organization, so as to effectively support the organization's requirements for its planned continuing growth; 3) risks relating to being safe and secure from various potential external factors - including natural disasters, that may have any adverse effects on people's lives and corporate assets; whereby the Company has determined various protective measures as well as proactive business rescue and recovery actions; and 4) the effective management of any situation resulting from any ongoing potential political uncertainties, so as to prevent any possible business interruptions; or various measures to reduce, as much as possible, the potential negative impacts to its business operations.

3. Financial Risk

The Company is focused on determining and implementing various financial policies within the framework of the established budgets, so as to

ensure that the various established risk management practices and internal controls procedures are effective against the identified risk factors, together with being adequate to achieve the agreed risk appetite levels as well as appropriate to the ever-changing business situation or environment. As such, this is to enable all Stakeholders to benefit from the appropriate level of financial returns.

4. Compliance Risk

The Company is focused on operating in full compliance with all the relevant and applicable rules as well as regulations - both internally and external to the organization. Additionally, various risks relating to any legal restrictions - locally in Thailand and overseas - are fully recognized by the Company; and as such, the Company is well-prepared by having legal experts regularly assessing and analyzing such laws together with the resultant impacts and obstacles to the ongoing growth of the business operations.

Furthermore, so as to promote and further develop risk management practices within all sections of our businesses, the Company has arranged to hold various training programs, aimed at refreshing both the knowledge and full understanding, on the part of the Staff at all levels, as well as at creating a positive corporate culture and full awareness of the vital importance of corporate risk management.

(Mr. Sudhitham Chirathivat)
Acting Chairman,
Risk Management & Corporate
governance Committee



REPORT OF RESPONSIBILITY OF THE **BOARD** OF **DIRECTORS** TO FINANCIAL STATEMENTS

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

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

In this regard, the Board of Directors is of an opinion that internal control systems of the Company are in satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statement of the Company and its subsidiaries as at December 31, 2016.

(Mr. Suthikiati Chirathivat)
Chairman

(Mr. Thirayuth Chirathivat)
Chief Executive Officer

AUDITOR’S REPORT

To the Shareholders of Central Plaza Hotel Public Company Limited

OPINION

I have audited the consolidated and separate financial statements of Central Plaza Hotel Public Company Limited and its subsidiaries (the “Group”) and of Central Plaza Hotel Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2016, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

BASIS FOR OPINION

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the

Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

EMPHASIS OF MATTER

I draw attention to note 5 a) 2) to the financial statements describes the uncertainties over the rental rate consequent to the extension of a sublease agreement between a subsidiary and an associate which expired in September 2014. The subsidiary has continued to process and operate the hotel since the expiry of the agreement. My opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming

my opinion thereon, and I do not provide a separate opinion on these matters.

IMPAIRMENT ON INVESTMENTS IN AN ASSOCIATE. SUBSIDIARIES AND LOANS TO SUBSIDIARIES AND GOODWILL	
REFER TO NOTES TO THE FINANCIAL STATEMENTS 10, 11, 15 AND ACCOUNTING POLICIES 4 (G) (J) (M)	
THE KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
<p>There is a risk in respect of the possible impairment due to inability to achieve the expected profits of certain hotels, which might affect to the recoverable amounts of the investments in an associate and subsidiaries and loans to subsidiaries.</p> <p>In addition, the Group has goodwill amounting to Baht 199 million, arising from an indirect interest in a company. The Group has a risk of impairment of goodwill as future cashflows of the underlying business may not reach expectations.</p> <p>In performing the impairment of investment in the associate, the recoverable amount is estimated by using the net asset value. The valuation of the investment in properties, given it represents the majority of the net assets of the associate, is evaluated by an independence valuer engaged by the associate, by considering the net present value of the projected cash flows expected to be generated.</p> <p>For impairment of investments in and loans to subsidiaries and goodwill, the recoverable amounts are estimated by using the projected cash flows, approved by the management and assumptions used in management’s review.</p> <p>Due to the assessment of the recoverable amount of investments, loans and goodwill required judgments, this is one of the key areas of focus in my audit.</p>	<p>My audit procedures included obtaining the information of net asset value per unit and assessing the valuation report of the investment in properties for investment in an associate and assessing the projected cash flows for investments in and loans to subsidiaries, goodwill, and performing the following:</p> <ul style="list-style-type: none">• evaluated the qualifications, competence and independence of the independence valuer;• assessed the process for identifying impairment indicators and obtained an understanding of impairment assessment process performed by the management;• considered the valuation methodologies used and tested the appropriateness of inputs of the projected cash flows used in the valuation, compared the key assumptions against historical results and available comparable industry data, and other market factors;• assessed the appropriateness of the key components of the discount rate calculation by comparing to weighted average cost of capital of the Group and average rate of the industry in which the Group operated; and• considered the adequate of the disclosures in accordance with Thai Financial Reporting Standard.

AUDITOR'S REPORT (continued)

OTHER INFORMATION

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably

be thought to bear on my independence, and where applicable, related safeguards.

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



(Vipavan Pattavanvivek)
Certified Public Accountant
Registration No. 4795
KPMG Phoomchai Audit Ltd.
Bangkok
23 February 2017

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of financial position

		Consolidated financial statements			Separate financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
Assets	Note	2016	2015	2015	2016	2015	2015
			(restated)	(restated)		(restated)	(restated)
				(in Baht)			
Current assets							
Cash and cash equivalents	6	1,089,295,408	448,313,671	645,650,173	32,932,202	39,945,571	27,866,505
Current investment		53,746,050	-	-	-	-	-
Trade and other receivables	7	937,882,984	923,111,781	870,849,255	236,831,894	310,245,638	305,226,414
Short-term loans to other parties		12,464,439	109,685,557	24,464,440	-	-	-
Short-term loans to related parties	5	-	-	-	813,800,000	597,200,000	321,500,000
Inventories	8	780,760,220	675,074,370	634,966,623	27,274,561	25,421,245	24,409,942
Other current assets	9	168,586,160	179,218,089	136,810,475	18,093,083	44,404,431	41,239,538
Total current assets		3,042,735,261	2,335,403,468	2,312,740,966	1,128,931,740	1,017,216,885	720,242,399
Non-current assets							
Investment in an associate	10	594,316,525	626,108,585	724,811,852	594,316,525	626,108,585	787,412,874
Investments in subsidiaries	11	-	-	-	5,602,582,405	5,132,582,405	4,907,582,405
Other long-term investments		996,083	1,030,511	843,663	-	-	-
Long-term loans to related parties	5	-	-	-	2,747,750,000	2,820,690,000	3,192,200,000
Investment properties	13	424,930,451	441,014,088	457,678,588	263,903,264	276,823,081	289,742,897
Property, plant and equipment	14	18,288,243,456	18,915,480,683	19,010,338,798	4,175,620,640	4,275,989,584	4,357,750,155
Goodwill	15	314,602,238	314,602,238	314,602,238	-	-	-
Leasehold rights	16	704,629,299	730,137,799	752,255,579	107,115,869	101,091,647	95,410,682
Other intangible assets	17	372,018,684	384,909,119	419,813,463	17,445,358	22,974,600	25,602,190
Deferred tax assets	18	115,003,930	166,568,661	245,786,685	47,516,982	74,256,741	95,535,241
Other non-current assets	19	539,332,351	528,243,611	530,994,634	5,190,923	12,739,583	21,146,991
Total non-current assets		21,354,073,017	22,108,095,295	22,457,125,500	13,561,441,966	13,343,256,226	13,772,383,435
Total assets		24,396,808,278	24,443,498,763	24,769,866,466	14,690,373,706	14,360,473,111	14,492,625,834

The accompanying notes are an integral part of these financial statements.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of financial position

		Consolidated financial statements			Separate financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
Liabilities and equity	Note	2016	2015	2015	2016	2015	2015
			(restated)	(restated)		(restated)	(restated)
		(in Baht)					
Current liabilities							
Bank overdrafts and short-term loans							
from financial institutions	20	719,988,320	465,543,320	1,312,784,323	6,342,705	257,479,242	1,302,831,309
Trade and other payables	21	2,232,781,678	2,502,540,150	2,506,751,136	337,917,223	356,333,580	292,394,023
Current portion of long-term loans							
from financial institutions	20	127,198,985	756,786,060	935,518,700	-	288,000,000	288,000,000
Current portion of debentures	20	1,000,000,000	3,300,000,000	-	1,000,000,000	3,300,000,000	-
Short-term loans from other parties	20	-	1,804,430	32,963,000	-	-	-
Short-term loans from related parties	5, 20	66,381,746	66,859,545	61,068,902	424,300,000	661,900,000	716,300,000
Current portion of finance lease liabilities	20	-	5,860,528	20,165,339	-	4,973,847	13,160,218
Current portion of deferred income	5	168,447,991	177,182,938	183,492,768	87,970,002	91,836,360	95,806,535
Income tax payable		154,228,281	159,103,345	77,377,106	-	13,571,808	-
Other current liabilities	22	236,625,446	207,973,226	235,845,859	39,655,825	51,642,676	61,606,885
Total current liabilities		4,705,652,447	7,643,653,542	5,365,967,133	1,896,185,755	5,025,737,513	2,770,098,970
Non-current liabilities							
Long-term loans from financial							
institutions	20	874,269,080	2,402,706,610	3,588,612,850	-	66,000,000	354,000,000
Debentures	20	4,979,716,195	1,698,670,388	4,297,317,315	4,979,716,195	1,698,670,388	4,297,317,315
Finance lease liabilities	20	-	317,507	7,761,904	-	-	4,973,847
Deferred income	5	2,221,647,061	2,328,175,980	2,444,863,041	1,043,623,745	1,093,957,078	1,144,290,411
Deferred tax liabilities	18	161,940,695	131,742,474	112,741,570	-	-	-
Employee benefit obligations	23	218,556,765	199,539,149	136,790,634	67,079,479	63,895,561	49,238,797
Provision for decommissioning	24	97,470,532	91,353,596	87,289,720	-	-	-
Other non-current liabilities		20,275,472	26,586,981	18,508,682	16,145,394	12,641,820	11,003,598
Total non-current liabilities		8,573,875,800	6,879,092,685	10,693,885,716	6,106,564,813	2,935,164,847	5,860,823,968
Total liabilities		13,279,528,247	14,522,746,227	16,059,852,849	8,002,750,568	7,960,902,360	8,630,922,938

The accompanying notes are an integral part of these financial statements.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of financial position

		Consolidated financial statements			Separate financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
Liabilities and equity	Note	2016	2015	2015	2016	2015	2015
			(restated)	(restated)		(restated)	(restated)
		(in Baht)					
Equity							
Share capital	25						
Authorised share capital		1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000
Issued and paid-up share capital		1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000	1,350,000,000
Premium on ordinary shares	25	970,000,000	970,000,000	970,000,000	970,000,000	970,000,000	970,000,000
Retained earnings							
Appropriated							
Legal reserve	26	158,080,000	158,080,000	158,080,000	158,080,000	158,080,000	158,080,000
Unappropriated		7,694,201,118	6,519,520,253	5,446,519,348	4,209,543,138	3,921,490,751	3,383,622,896
Other components of equity	26	231,963,322	226,741,066	147,638,236	-	-	-
Equity attributable to owners of the Company		10,404,244,440	9,224,341,319	8,072,237,584	6,687,623,138	6,399,570,751	5,861,702,896
Non-controlling interests	12	713,035,591	696,411,217	637,776,033	-	-	-
Total equity		11,117,280,031	9,920,752,536	8,710,013,617	6,687,623,138	6,399,570,751	5,861,702,896
Total liabilities and equity		24,396,808,278	24,443,498,763	24,769,866,466	14,690,373,706	14,360,473,111	14,492,625,834

The accompanying notes are an integral part of these financial statements.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2016	2015	2016	2015
			(restated)		(restated)
		(in Baht)			
Income					
Revenues from hotel operations and related services		8,919,075,561	8,728,225,731	2,157,858,774	2,203,324,815
Revenues from food and beverage		10,529,092,248	10,094,516,794	-	-
Rental income		114,612,529	114,612,529	50,333,333	50,333,333
Dividend income	10, 11	-	-	743,470,996	652,821,820
Other income	28	343,448,370	354,023,579	486,661,859	707,685,288
Total income		19,906,228,708	19,291,378,633	3,438,324,962	3,614,165,256
Expenses					
Cost of sales - hotel operations and related services	30	5,744,233,738	5,607,416,619	1,424,384,478	1,428,974,793
Cost of sales - food and beverage		5,711,243,164	5,459,095,556	-	-
Selling expenses		822,835,895	840,705,167	242,924,352	260,468,646
Administrative expenses		4,992,778,200	4,748,346,901	563,361,228	508,152,754
Finance costs	31	298,537,239	379,549,371	189,215,717	234,216,627
Total expenses		17,569,628,236	17,035,113,614	2,419,885,775	2,431,812,820
Share of profit (loss) of investment in an associate	10	34,031,534	(73,645,376)	-	-
Profit before income tax expense		2,370,632,006	2,182,619,643	1,018,439,187	1,182,352,436
Income tax expense	32	(414,510,472)	(430,959,218)	(55,513,150)	(86,599,111)
Profit for the year		1,956,121,534	1,751,660,425	962,926,037	1,095,753,325

The accompanying notes are an integral part of these financial statements.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of comprehensive income

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2016	2015 (restated)	2016	2015 (restated)
		<i>(in Baht)</i>			
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Defined benefit plan actuarial losses		-	(52,911,659)	-	(17,885,470)
		<u>-</u>	<u>(52,911,659)</u>	<u>-</u>	<u>(17,885,470)</u>
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Gain on foreign currency translation for foreign operations		7,011,593	105,876,354	-	-
Net change in fair value of available-for-sale investments		(27,542)	149,479	-	-
		<u>6,984,051</u>	<u>106,025,833</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the year, net of income tax	32	<u>6,984,051</u>	<u>53,114,174</u>	<u>-</u>	<u>(17,885,470)</u>
Total comprehensive income for the year		<u><u>1,963,105,585</u></u>	<u><u>1,804,774,599</u></u>	<u><u>962,926,037</u></u>	<u><u>1,077,867,855</u></u>
Profit attributable to:					
Owners of the Company		1,849,554,515	1,663,614,083	962,926,037	1,095,753,325
Non-controlling interests		106,567,019	88,046,342	-	-
Profit for the year		<u><u>1,956,121,534</u></u>	<u><u>1,751,660,425</u></u>	<u><u>962,926,037</u></u>	<u><u>1,095,753,325</u></u>
Total comprehensive income attributable to:					
Owners of the Company		1,854,776,771	1,692,103,735	962,926,037	1,077,867,855
Non-controlling interests		108,328,814	112,670,864	-	-
Total comprehensive income for the year		<u><u>1,963,105,585</u></u>	<u><u>1,804,774,599</u></u>	<u><u>962,926,037</u></u>	<u><u>1,077,867,855</u></u>
Basic earnings per share <i>(in Baht)</i>	33	<u><u>1.37</u></u>	<u><u>1.23</u></u>	<u><u>0.71</u></u>	<u><u>0.81</u></u>

The accompanying notes are an integral part of these financial statements.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of changes in equity

Consolidated financial statements (restated)											
Note	Retained earnings				Other components of equity				Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Unappropriated	Currency translation differences	Net change in fair value of available-for-sale investments (in Baht)	Change in ownership interests in a subsidiary	Total other components of equity			
	1,350,000,000	970,000,000	158,080,000	5,467,921,167	3,612,600	603,636	143,422,000	147,638,236	8,093,639,403	637,843,259	8,731,482,662
3	-	-	-	(21,401,819)	-	-	-	-	(21,401,819)	(67,226)	(21,469,045)
	1,350,000,000	970,000,000	158,080,000	5,446,519,348	3,612,600	603,636	143,422,000	147,638,236	8,072,237,584	637,776,033	8,710,013,617
Transactions with owners, recorded directly in equity											
<i>Distributions to owners of the Company</i>											
34	-	-	-	(540,000,000)	-	-	-	-	(540,000,000)	-	(540,000,000)
	-	-	-	-	-	-	-	-	-	(54,035,680)	(54,035,680)
	-	-	-	(540,000,000)	-	-	-	-	(540,000,000)	(54,035,680)	(594,035,680)
Total transactions with owners, recorded directly in equity											
	-	-	-	(540,000,000)	-	-	-	-	(540,000,000)	(54,035,680)	(594,035,680)
Comprehensive income for the year											
	-	-	-	1,663,614,083	-	-	-	-	1,663,614,083	88,046,342	1,751,660,425
	-	-	-	(50,613,178)	78,953,351	149,479	-	79,102,830	28,489,652	24,624,522	53,114,174
	-	-	-	1,613,000,905	78,953,351	149,479	-	79,102,830	1,692,103,735	112,670,864	1,804,774,599
Balance at 31 December 2015											
	1,350,000,000	970,000,000	158,080,000	6,519,520,253	82,565,951	753,115	143,422,000	226,741,066	9,224,341,319	696,411,217	9,920,752,536

The accompanying notes are an integral part of these financial statements.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of changes in equity

	Note	Separate financial statements (restated)			
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings	
				Legal reserve <i>(in Baht)</i>	Unappropriated
					Total equity
Year ended 31 December 2015					
Balance at 1 January 2015 - as reported		1,350,000,000	970,000,000	158,080,000	3,382,021,093
Impact of changes in accounting policy	3	-	-	-	1,601,803
Balance at 1 January 2015 - restated		1,350,000,000	970,000,000	158,080,000	3,383,622,896
Transaction with owners, recorded directly in equity					
<i>Distribution to owners of the Company</i>					
Dividends to owners of the Company	34	-	-	-	(540,000,000)
<i>Total distribution to owners of the Company</i>		-	-	-	(540,000,000)
Total transaction with owners, recorded directly in equity		-	-	-	(540,000,000)
Comprehensive income for the year					
Profit or loss		-	-	-	1,095,753,325
Other comprehensive income		-	-	-	(17,885,470)
Total comprehensive income for the year		-	-	-	1,077,867,855
Balance at 31 December 2015		1,350,000,000	970,000,000	158,080,000	3,921,490,751

The accompanying notes are an integral part of these financial statements.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
<i>Note</i>	2016	2015 (restated)	2016	2015 (restated)
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	1,956,121,534	1,751,660,425	962,926,037	1,095,753,325
<i>Adjustments for</i>				
Doubtful debts expense (reversal of)	7	692,982	(1,316,735)	(52,872)
Loss on decline in value of inventory (reversal of)	8	562,946	(210,583)	-
Depreciation and amortisation		2,081,571,594	2,092,876,756	346,831,712
Impairment losses on assets		-	443,473	-
Reversal of impairment loss on investment in a subsidiary	11	-	-	(210,000,000)
Impairment loss on investment in an associate	10	-	-	25,450,548
Loss on disposal of plant and equipment		132,003,986	94,394,083	13,383,396
Loss from written off software licence		2,011,048	1,440,694	-
Share of (profit) loss of investment in an associate	10	(34,031,534)	73,645,376	-
Employee benefit obligations		25,748,925	15,244,052	7,571,797
Provision for decommissioning		10,801,122	8,886,555	-
Finance costs		298,537,239	379,549,371	189,215,717
Realisation of deferred income		(222,654,092)	(235,594,715)	(135,928,960)
Reversal of loss from discontinued branch		(20,243,297)	(1,170,774)	-
Dividend income		-	-	(743,470,996)
Income tax expense		414,510,472	430,959,218	55,513,150
		4,645,632,925	4,610,807,196	721,439,529
				979,677,999
<i>Changes in operating assets and liabilities</i>				
Trade and other receivables		(15,464,185)	(44,921,691)	73,466,616
Inventories		(106,248,795)	(36,990,620)	(1,853,316)
Other current assets		41,611,077	(65,368,537)	26,311,348
Other non-current assets		(16,496,870)	10,384,264	3,313,661
Trade and other payables		(126,945,627)	(51,188,393)	(14,988,596)
Other current liabilities		28,652,220	(27,872,633)	(11,986,851)
Deferred income		107,390,226	112,597,824	81,729,269
Employee benefit obligations		(6,731,309)	(18,635,111)	(4,387,879)
Decommissioning paid		(4,684,186)	(4,822,679)	-
Other non-current liabilities		(6,385,184)	(111,708,311)	3,503,574
Cash generated from operating activities		4,540,330,292	4,372,281,309	876,547,355
Income tax paid		(364,702,913)	(226,636,263)	(42,345,200)
Net cash flows from operating activities		4,175,627,379	4,145,645,046	834,202,155
				966,396,491

The accompanying notes are an integral part of these financial statements.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
<i>Note</i>	2016	2015 (restated)	2016	2015 (restated)
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Proceeds from loans to related parties	5	-	-	8,994,270,000
Loans to related parties	5	-	-	(9,137,930,000)
Increase in current investment		(53,746,050)	-	-
Decrease (increase) in loans to other parties		97,221,118	(85,221,117)	-
Purchase of property, plant and equipment		(1,455,240,827)	(1,553,312,864)	(137,236,689)
Purchase of software licences		(66,223,509)	-	(1,121,298)
Purchase of leasehold rights		(167,289,024)	(192,649,515)	(110,730,000)
Paid for investment in a subsidiary		-	-	(50,000,000)
Proceeds from redemption of investment in property funds		6,341,512	-	6,341,512
Decrease (increase) in prepayment for construction		5,408,130	(11,864,104)	4,234,999
Dividends received from subsidiaries		-	-	683,988,914
Dividends received from an associate		59,482,082	25,057,892	59,482,082
Proceeds from disposals of buildings and equipment		8,607,422	17,192,408	164,534
Net cash from (used in) investing activities		(1,565,439,146)	(1,800,797,300)	311,464,054
				535,835,676
<i>Cash flows from financing activities</i>				
Increase (decrease) in short-term loans from financial institutions, net		313,173,230	(942,858,527)	(250,000,000)
Interest paid		(298,589,081)	(345,362,010)	(190,095,544)
Dividends paid to owners of the Company		(674,873,650)	(540,000,000)	(674,873,650)
Dividends paid from subsidiaries to non-controlling interests		(91,704,440)	(54,035,680)	-
Increase in loans from related parties	5	-	-	811,250,000
Repayments of loans from related parties	5	-	-	(1,048,850,000)
Repayments of short-term loans from other parties		(1,804,430)	(31,158,570)	-
Proceeds from issuing of debentures		4,280,000,000	700,000,000	4,280,000,000
Repayments of debentures		(3,300,000,000)	-	(3,300,000,000)
Finance lease payments		(6,178,035)	(22,535,178)	(4,973,847)
Proceeds from long-term loans from financial institutions		74,122,440	385,262,890	-
Repayment of long-term loans from financial institutions		(2,205,169,000)	(1,749,901,770)	(354,000,000)
Purchase of additional shares of subsidiaries		-	-	(420,000,000)
Net cash used in financing activities		(1,911,022,966)	(2,600,588,845)	(1,151,543,041)
				(1,494,801,034)
Net increase (decrease) in cash and cash equivalents		699,165,267	(255,741,099)	(5,876,832)
Cash and cash equivalents at 1 January		377,124,751	632,865,850	32,466,329
Cash and cash equivalents at 31 December		1,076,290,018	377,124,751	26,589,497
				32,466,329
Cash and cash equivalents		1,089,295,408	448,313,671	32,932,202
Bank overdrafts		(13,005,390)	(71,188,920)	(6,342,705)
		1,076,290,018	377,124,751	26,589,497
				32,466,329
<i>Non-cash transaction</i>				
Acquisition of buildings and equipment by payable		46,948,547	189,709,550	6,215,612
				8,763,545

The accompanying notes are an integral part of these financial statements.

CENTRAL PLAZA HOTEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO **FINANCIAL STATEMENTS**For the year ended **31 DECEMBER 2016**

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38	THAI FINANCIAL REPORTING STANDARDS (TFRS) NOT YET ADOPTED
39	RECLASSIFICATION OF ACCOUNTS

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 23 February 2017.

1 General information

Central Plaza Hotel Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1695 Phaholyothin Road, Chatuchak, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand on 10 January 1990.

The Company’s major shareholders during the financial year were Chirathivat group (64.2% shareholding).

The principal businesses of the Company and its subsidiaries are to operate the hotel business, hotel management and food and beverage business. Details of the Company’s subsidiaries as at 31 December 2016 and 2015 are given in notes 5 and 11.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. The application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. The effects of these changes, where such effects are considered material to the financial statements, are disclosed in note 3.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2017 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 38.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

<i>Items</i>	<i>Measurement bases</i>
Available-for-sale investments	Fair value
Defined benefit liability	Present value of the defined benefit Obligation as explained in note 4 (o)

(c) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand, unless otherwise stated.

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(d) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following note:

Note 10	Classification of investment in associate
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(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 4 (t)	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
Notes 10, 11 and 15 Note 23	Impairment test: key assumptions underlying recoverable amounts; Measurement of defined benefit obligations: key actuarial assumptions; and
Note 24	Recognition and measurement of provision: key assumptions about the likelihood and magnitude of an outflow of resources.

Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

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When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the relevant notes.

3 Changes in accounting policy

From 1 January 2016, consequent to the adoption of new TFRS as discussed in note 2 (a), the Group has changed accounting policy by applying TFRIC 21, Levies. Such changes in accounting policy have been applied retrospectively.

The impact on the 2015 financial statements is as follows:

Consolidated financial statements			
	As previously reported (after reclassification)	Effect of change in accounting policy (in million Baht)	As restated
Statement of financial position			
At 1 January 2015			
Trade and other payables	2,485	22	2,507
Retained earnings - unappropriated	5,468	(22)	5,446
		-	
Statement of financial position			
At 31 December 2015			
Trade and other payables	2,469	33	2,502
Retained earnings - unappropriated	6,553	(33)	6,520
		-	
Statement of comprehensive income			
For the year ended 31 December 2015			
Administrative expenses	4,736	12	4,748
Profit for the year	1,764	(12)	1,752
Basic earnings per share (in Baht)	1.24	(0.01)	1.23

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Separate financial statements			
	As previously reported (after reclassification)	Effect of change in accounting policy (in million Baht)	As restated
Statement of financial position			
At 1 January 2015			
Trade and other payables	294	(2)	292
Retained earnings - unappropriated	3,382	2	3,384
		-	
Statement of financial position			
At 31 December 2015			
Trade and other payables	348	8	356
Retained earnings - unappropriated	3,930	(8)	3,922
		-	
Statement of comprehensive income			
For the year ended 31 December 2015			
Administrative expenses	498	10	508
Profit for the year	1,106	(10)	1,096
Basic earnings per share (in Baht)	0.82	(0.01)	0.81

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which addresses changes in accounting policy.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associate.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

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Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in an associate.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

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Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve in equity until disposal of the investment except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) Hedging

Hedge of interest rates

Interest differentials under swap arrangements are accrued and recorded as adjustments to the interest expense relating to the hedged debentures.

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(d) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

(e) Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the first in first out principle for food and beverage, finished goods, raw materials for manufacturing and spa products and using the moving average principle for ice-cream products, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate average cost.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Investments

Investments in an associate and subsidiaries

Investments in an associate and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investment in an associate in the consolidated financial statements is accounted for using the equity method.

Investments in other equity securities

Marketable equity securities are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses are recognised directly in equity. Impairment losses are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

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If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(h) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Buildings and building improvements	15 and 30 years
Equipment	15 years

No depreciation is provided on freehold land.

(i) Property, plant and equipment

Recognition and measurement

Owned assets and assets under sublease agreement

Property, plant and equipment and assets under sublease agreement are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net in profit or loss.

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Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	10 - 25 years or lease period
Buildings and building improvements	10 - 50 years
Machinery and equipment	5 - 30 years
Furniture, fixtures and office equipment	3 - 19 years
Leasehold improvements	3 - 20 years
Vehicles	5 - 10 years

No depreciation is provided on freehold land, hotel operating equipment and assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Goodwill

Goodwill arises upon the acquisition of subsidiaries. The measurement of goodwill at initial recognition is described in note 4 (a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

(k) Leasehold right

Leasehold right is prepaid rental expense that is capitalised and amortised using the straight-line method over the lease period. Leasehold right is stated at cost less accumulated depreciation and impairment losses.

(l) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

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Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Software licences	10 years
Licence agreements	10 years
Deferred initial fees	10 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(m) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Trade and other payables

Trade and other payables are stated at cost.

(o) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed regularly by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(q) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Revenues from hotel operations and related services

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

Loyalty programmes

The Group has a customer loyalty programme whereby customers are awarded credits (points) entitling customers to the right to purchase products from the Group at a discount or qualify for a free gift.

Revenues from food and beverage

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

Rental income

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

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

(r) Finance costs

Interest expense and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial year of time to be prepared for its intended use or sale.

(s) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

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Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(t) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(v) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries and an associate are described in notes 10 and 11. Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Key management personnel		Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Thai Business Fund 4	Thailand	Related parties
Central Department Store Co., Ltd.	Thailand	Common shareholders and directors
Harn Central Department Store Co., Ltd.	Thailand	Common shareholders and directors
Central International Development Co., Ltd.	Thailand	Common shareholders and directors
Central Pattana Public Company Limited	Thailand	Common shareholders and directors
Power Buy Co., Ltd.	Thailand	Common shareholders and directors
Central World Co., Ltd.	Thailand	Common directors
Tieng Chirathivat Co., Ltd.	Thailand	Common directors
AAPC (Thailand) Co., Ltd.	Thailand	Shareholder of a subsidiary

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Interest income and interest expense	Bank interest rate
Management fee income	Contractually agreed prices
Income from loan guarantee	Contractually agreed prices

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Transactions	Pricing policies
Dividend income	Dividend announcement
Management fee expense	Contractually agreed prices
Rental income and rental expense	Contractually agreed prices
Electricity expense	Contractually agreed prices
Other income and other expenses	Agreed prices
Other service fees	Agreed prices

Significant transactions for the years ended 31 December with related parties were as follows:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Subsidiaries				
Rental income	-	-	4,774	9,210
Interest income	-	-	124,920	133,338
Management fee income	-	-	312,043	450,165
Income from loan guarantee	-	-	20,436	20,643
Dividend income	-	-	683,989	627,764
Interest expense	-	-	13,052	31,255
Other expenses	-	-	5,308	2,647
Rental expense	-	-	8,690	10,147
Management fee expense	-	-	66,566	-
Associate				
Rental income	100,333	100,333	50,333	50,333
Dividend income	59,482	25,058	59,482	25,058
Rental expense	172,067	161,136	-	-
Other related parties				
Rental income	14,279	14,279	-	-
Management fee income	11,921	12,815	-	-
Other income	18,908	22,815	-	-
Rental expense	152,407	142,738	112,727	104,748
Electricity expense	36,436	42,197	36,436	42,197
Management fee expense	30,699	22,250	13,230	12,600
Other service fees	15,649	15,316	-	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	83,845	71,174	83,845	71,174
Post-employment benefits	2,852	1,159	2,852	1,159
Total key management personnel compensation	<u>86,697</u>	<u>72,333</u>	<u>86,697</u>	<u>72,333</u>

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Balances as at 31 December with related parties were as follows:

<i>Receivables - related parties</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	52,268	68,049
Other related parties	<u>55,995</u>	<u>64,183</u>	<u>2,145</u>	<u>8,240</u>
Total	<u>55,995</u>	<u>64,183</u>	<u>54,413</u>	<u>76,289</u>

<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015	2016	2015
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans						
Subsidiaries	3.5 - 4.15	4.15	<u>-</u>	<u>-</u>	<u>813,800</u>	<u>597,200</u>
Long-term loans						
Subsidiaries	2.00 - 4.15	3.00 - 4.15	<u>-</u>	<u>-</u>	<u>2,747,750</u>	<u>2,820,690</u>
Total			<u>-</u>	<u>-</u>	<u>3,561,550</u>	<u>3,417,890</u>

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

<i>Loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Subsidiaries				
At 1 January	-	-	3,417,890	3,513,700
Increase	-	-	9,137,930	2,554,275
Decrease	-	-	(8,994,270)	(2,650,085)
At 31 December	<u>-</u>	<u>-</u>	<u>3,561,550</u>	<u>3,417,890</u>

<i>Payables - related parties</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	14,982	2,706
Other related parties	<u>21,219</u>	<u>50,458</u>	<u>4,249</u>	<u>3,438</u>
Total	<u>21,219</u>	<u>50,458</u>	<u>19,231</u>	<u>6,144</u>

<i>Loans from related parties</i>	Interest		Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015	2016	2015
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans						
Subsidiaries	1.57 - 4.15	3.00 - 4.15	-	-	424,300	661,900
Other related parties	3.00	3.00	<u>66,382</u>	<u>66,860</u>	<u>-</u>	<u>-</u>
Total			<u>66,382</u>	<u>66,860</u>	<u>424,300</u>	<u>661,900</u>

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Movements during the years ended 31 December of loans from related parties were as follows:

<i>Loans from related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Short-term loans				
Subsidiaries				
At 1 January	-	-	661,900	716,300
Increase	-	-	811,250	2,619,000
Decrease	-	-	(1,048,850)	(2,673,400)
At 31 December	-	-	424,300	661,900
Other related parties				
At 1 January	66,860	61,069	-	-
Effect on exchange rate	(478)	5,791	-	-
At 31 December	66,382	66,860	-	-
Total loans from related parties				
At 1 January	66,860	61,069	661,900	716,300
Increase	-	-	811,250	2,619,000
Decrease	-	-	(1,048,850)	(2,673,400)
Effect on exchange rate	(478)	5,791	-	-
At 31 December	66,382	66,860	424,300	661,900

Significant agreements with related parties

a) Long-term lease agreements

The Company

1) Sofitel Centara Grand Bangkok Project

Under the terms of a reciprocal agreement entered into with Central International Development Co., Ltd. (“CID”) who entered into long-term land lease agreement with State Railway of Thailand (“SRT”), the Company was granted the right to construct a hotel building on the sublease property from CID and to operate the hotel for the Company's benefits up to 18 December 2008. This agreement is renewable for period of 10 years each.

As at 18 December 2008 which was the expiration date of the said reciprocal agreement, the Company was required to transfer the construction on sublease land, fixtures and improvements, including part of equipment to SRT. The net book value at the expiration date of agreement was Baht 23.9 million, which resulted in the Company incurring a loss from disposal of the assets of the same amount.

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

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In 2009, the Company entered into a sublease agreement with CID (“sublessor”) for the subleasing of Sofitel Centara Grand Bangkok Hotel’s building (formerly Central Plaza Ladprao Hotel) and hotel building improvements including durable goods for a period of 20 years. The lease will expire on 18 December 2028. The Company was required to pay the sublessor of Baht 2,556 million for the subleasing right and annual rent for the whole lease term. In addition, the Company was required to pay durable goods rental fee totalling Baht 31 million for the whole lease term. The Company recorded durable goods rental fee as asset under finance lease.

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

Subsidiaries

2) Centara Grand Beach Resort Samui Project

Agreements between Central Plaza Hotel Public Company Limited and its subsidiaries and Centara Hotels & Resorts Leasehold Property Fund

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

- 1 Central Samui Beach Resort Co., Ltd. (“CSBR”) entered into the land lease agreement with CTARAF for lease the land to CTARAF for the period of 30 years commencing from the date on which both parties register the lease agreement (26 September 2008). CTARAF agreed to pay the land lease fee in the total amount of Baht 1,500 million with full payment on the date on which the lease was registered. CSBR recognised such proceeds from lease as deferred income in its financial position and amortises to income using the straight line method over the lease term of 30 years. As at 31 December 2016, the balance of deferred income was Baht 1,086.7 million (*2015: Baht 1,136.7 million*) in the consolidated financial statements.
- 2 Central Plaza Hotel Public Company Limited (“CPH”) entered into the property lease agreement with Centara Grand Beach Resort Samui Hotel, including the utility facilities and related equipment with CTARAF in order to lease to CTARAF for the period of 30 years commencing from the date that both parties registered the lease agreement (26 September 2008). CTARAF agreed to pay the property lease fee in the total amount of Baht 1,510 million with full payment on the date on which the lease was registered. CPH recognised such proceeds from lease as deferred income in the statement of financial position of the company and amortises to income using the straight line method over the lease term of 30 years. As at 31 December 2016, the balance of deferred income was Baht 1,094.1 million (*2015: Baht 1,144.4 million*).

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

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

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

- 3 CSBR entered into the agreement for sale of furniture and equipment installed/used within the Centara Grand Beach Resort Samui Hotel with CTARAF, under which CTARAF agreed to pay for rights transferring of the said furniture and equipment in the amount of Baht 80 million (including VAT) by making a full payment on the day that the rights are transferred (26 September 2008).
- 4 CTARAF entered into the sublease agreement of Centara Grand Beach Resort Samui Hotel with Central Samui Hotel Management Co., Ltd. (“CSHM”) for lease the land, building and utility facility and relating equipment, and furniture and equipment to CSHM to use in operating the hotel business. The lease term is 3 years commencing from 26 September 2008. CTARAF promised to CSHM that CSHM is able to lease the assets for another 3 years from the end of the lease term. CSHM must inform CTARAF for exercise of the promised right in writing not less than 6 months before the end of the lease term to mutually negotiate a new fixed lease fee. However, CTARAF is able to exercise the right to discontinue the lease by informing CSHM in writing. According to this agreement, CSHM agreed to pay a monthly lease fee comprising of a fixed lease fee in the amount of Baht 225 million per annum and a variable lease fee at 90 percent of earnings before interest, taxes, depreciation and amortisation.

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

Except in circumstance that CSHM can demonstrate to CTARAF that any event is beyond the control of or prevention by CSHM and such event has caused an adverse material impact on the operations of the hotel and such event occurs temporarily (“Temporary Force Majeure”) and resulting in CSHM being unable to pay the fixed rental to CTARAF in an amount and within the due date specified in sublease agreement, CSHM shall pay rental to CTARAF in the amount equivalent to 100 percent of earnings before interest, taxes, depreciation and amortisation (“EBITDA”) calculated from the operations of the hotel during such period and it shall not be deemed CSHM is in default of payments.

On 24 March 2014, CSHM sent the letter of intent to exercise the right to continue lease of Centara Grand Beach Resort Samui Hotel in accordance with the renewal condition in the sublease agreement which was expired on 25 September 2014. Subsequently, on 23 September 2014, the Fund Manager of CTARAF informed CSHM that CTARAF and CSHM were required to mutually agree on a new fix rental rate for the renewal of the sublease agreement. The Fund Manager of CTARAF has confirmed that new rental rate would be the same as the previous rental rate. Whereas CSHM proposed that new rental rate would be 100% of EBITDA. Therefore, the Fund Manager of CTARAF and CSHM cannot agree on the new rental rate.

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On 3 April 2015, the Fund Manager of CTARAF reported to the Stock Exchange of Thailand that CTARAF and CSHM were still unable to reach an agreement on the rental rate for the renewal of the sublease agreement, which was expired in September 2014. The Fund Manager is in the process of negotiating and considering other possible alternatives, including the process of seeking a new subleasee.

On 19 May 2015, the Fund Manager of CTARAF reported to the Stock Exchange of Thailand that the Fund Manager announced the seeking of a new subleasee and invited the interested parties for bids. On 14 August 2015, the Fund Manager had reviewed bidding documents submitted but that the bids are not in the best interests of the Fund and/or unit holders. Thus, the Fund exercised a right to not select the bidder. Currently, the Fund Manager is considering whether to proceed with the bidding for sublease agreement of Centara Grand Beach Resort Samui Hotel.

CSHM has continued to process and operate Centara Grand Beach Resort Samui Hotel since the expiry of the sublease agreement in September 2014. CSHM recorded and paid rental fee to CTARAF at a rate of 100 percent of earnings before interest, taxes, depreciation and amortisation (“EBITDA”) since the expiry date of the agreement. However, CSHM received the notice letter from CTARAF to make a payment at the rate stated in the former sublease agreement, equivalent to a fixed rental fee of Baht 225 million per annum and a variable rental fee at 90% of earnings before interest, taxes, depreciation and amortisation. As at 31 December 2016, CSHM and CTARAF is in the process of negotiating for the rental rate. The records of rental rate may differ if the rental rate is finalised.

Furthermore, at the unitholders’ meeting of CTARAF held on 28 October 2016 to consider approving Centara Grand Beach Resort Samui Hotel’s sublease proposals, the unitholders would like to receive additional information including a sufficient opinion of the independent financial advisor regarding the sublease proposals before considering approving any sublease proposals. In addition, the unitholders have asked the Fund Manager of CTARAF to explore and consider other alternatives for the unitholders’ consideration. The Fund Manager of CTARAF deemed that it is unnecessary to ask the meeting to consider such agenda in the meeting at this time. However, when the Fund Manager of CTARAF received any additional proposals or alternatives from CSHM or reached any conclusion after exploring the solution available for CTARAF, the Fund Manager shall report on the progress to the Stock Exchange of Thailand, the fiduciary and unitholders for acknowledgement and propose the conclusion to a unitholders’ meeting for further approval.

On 29 December 2016, the Fund Manager of CTARAF reported to the Stock Exchange of Thailand that the Fund Manager have affirmed to appoint a financial advisor to further study and recommend different conditions of the sublease proposals to the Fund Manager together with negotiate such conditions to the greatest advantage to unitholders. Besides, the Fund Manager is on the progress of selecting the independent financial advisor to evaluate on the proposals.

However, CSHM has continued to process and operate Centara Grand Beach Resort Samui Hotel without a written sublease agreement since the expiry of the sublease agreement in September 2014. Therefore, there is an uncertainty over the rental rate after the expiry of the sublease agreement.

3) Central World Hotel Co., Ltd.

On 28 April 2005, Central World Hotel Co., Ltd. (“CWH”), entered into a sublease agreement of hotel land and building with Thai Business Fund 4 (“the Fund”) to develop and to operate a hotel or other related businesses. CWH is required to pay rental in advance and annual rental fee totalling Baht 1,188.8 million to the Fund up to the end of the agreement on 22 December 2032. CWH paid the rental in advance upon signing the agreement of Baht 275 million and recorded the prepayment as leasehold right in the consolidated statement of financial position. For the year ended 31 December 2016, CWH recorded rental expense of Baht 34.7 million (2015: Baht 33.1 million).

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The above agreement requires the rights on buildings and constructions thereon which CWH repair and maintenance or construct on the sublease land to belong to the land owner, the Crown Property Bureau, at the date that those repairs and maintenance or construction completed.

4) Cosi Hotel Co., Ltd.

On 8 August 2016, Cosi Hotel Co., Ltd. (“COSI”) entered into a land sublease agreement of Central Festival Samui Project with Central World Co., Ltd. (“CTW”) to develop Cosi Hotel, Samui. COSI is required to pay sublease fees at Baht 62 million for the total 37 years 2 months sublease period. COSI paid the rental in advance upon signing the agreement of Baht 6.2 million and recorded the prepayment as leasehold right in the consolidated statement of financial position. For the year ended 31 December 2016, COSI recorded rental expense of Baht 1 million.

Future minimum lease payments

At 31 December, the future minimum lease payments under non-cancellable leases were payable as stated in note 5 (a) as follows.

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Within one year	541,333	708,241	117,380	110,730
After one year but within five years	981,917	1,122,264	544,280	513,480
After five years	1,651,219	1,838,107	1,095,650	1,243,830
Total	3,174,469	3,668,612	1,757,310	1,868,040

b) Long-term service agreements

The Company

On 1 July 2004, the Company entered into management agreements with its subsidiaries, effective from 1 January 2004. Management fee would be paid on a quarterly basis. The parties to the agreements have the right to amend the agreements by agreeing in written. Details of the agreements are below:

- The Company entered into management agreements with its 7 subsidiaries in the hotel group to manage the hotel operations. Under the said agreements, the Company would receive management fee as specified in the agreements.
- The Company entered into a management agreement with Central Restaurants Group Co., Ltd. (“CRG”), for the operational management of CRG. Under the said agreement, the Company would receive a monthly fixed management fee.

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

On 31 March 2011 and 26 May 2011, the Company entered into management agreements with Karon Phuket Hotel Co., Ltd. and Kata Phuket Hotel Co., Ltd. to manage the hotel’s operations for 5 years. The agreements are automatically renewable for 5 years. Under the said agreements, the Company would receive management fee as specified in the agreements.

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Nevertheless, above stated agreements among the Company and its 7 subsidiaries in the hotel group, Karon Phuket Hotel Co., Ltd. and Kata Phuket Co., Ltd. were expired on 30 June 2016. Such companies entered into new agreements, which are effective since 1 July 2016 onwards, with a subsidiary.

On 31 January 2014, the Company entered into a service agreement with Harn Central Department Store Co., Ltd. for a period of 1 year in order to receive information and various suggestions, which are beneficial to the Company. The Company agreed to pay service fee of Baht 1,000,000 per month, the agreement is automatically renewable annually with a 5% increase of service fee every year.

Subsidiaries

Central Sukhontha Hotel Co., Ltd. (“CHY”) has entered into a rental and services agreement with Central Department Store Co., Ltd. for a period of 30 years ending on 31 May 2024. Central Department Store Co., Ltd. agreed to lease part of CHY’s building as a shopping center. Total income to CHY throughout the agreement is approximately Baht 428 million. As at 31 December 2016, the balance of deferred income was Baht 111.8 million (2015: Baht 126.1 million) in the consolidated financial statements.

On 31 January 2012, Central Restaurants Group Co., Ltd. (“CRG”) entered into a service agreement with Harn Central Department Store Co., Ltd. for a period of 1 year in order to receive information and various suggestions, which are beneficial to CRG. CRG agreed to pay service fee of Baht 500,000 per month, the agreement is automatically renewable annually with a 5% increase of service fee every year.

On 1 January 2015, Central Restaurants Group Co., Ltd. (“CRG”) entered into legal consultant service agreement with Harn Central Department Store Co., Ltd. in order to receive consultation, explanation and advice of legal matters especially for laws related to its business. The service fee is agreed to pay at Baht 73,000 per month. The agreement has a period of 1 year, commencing from 1 January 2015 to 31 December 2015, unless in practice both parties involve in consultation and advice under the intention of continuing this agreement without the renewal of the agreement. This should be considered as the beginning of the agreement in infinite period and is the right of either party to terminate the agreement, however, the advance notice of the termination should not be less than 30 days.

c) Long-term lease and service agreements

Central Restaurants Group Co., Ltd. (“CRG”) had long-term lease and service agreements with related parties for periods of 3 to 30 years up to 2023. According to the terms of the agreements, CRG has to pay monthly rental and service charges at fixed rates or at certain percentages of gross sales as follows:

	Consolidated financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
Operating lease commitments (only fixed rental and service fees and minimum lease payment)		
Within one year	358,585	309,425
After one year but within five years	274,032	284,466
After five years	2,789	3,996
Total	635,406	597,887

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d) Commitments under agreements with related parties

The Company

As at 31 December 2015, the Company guaranteed the overdraft line, letters of credit line and various guarantees for a subsidiary to a local bank totaling Baht 30 million.

The Company provided guarantee to the various financial institutions for loans of two subsidiaries in the amount not less than Baht 2,007 million. As at 31 December 2016, the outstanding loans were Baht 1,708 million (2015: Baht 2,397 million).

Subsidiary

As at 31 December 2016, Central Restaurants Group Co., Ltd. had commitments to a financial institution for guarantees of bank overdraft and long-term loan facility of a subsidiary totalling Baht 55.8 million (2015: Baht 55.8 million).

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Cash on hand	93,170	76,593	2,028	2,021
Cash at banks - current accounts	187,720	156,912	26,251	35,390
Cash at banks - savings accounts	198,405	214,141	4,653	1,866
Highly liquid short-term investments	610,000	668	-	668
Cash and cash equivalents in the statement of financial position	1,089,295	448,314	32,932	39,945
Bank overdrafts used for cash management purposes	(13,005)	(71,189)	(6,343)	(7,479)
Cash and cash equivalents in the statement of cash flows	1,076,290	377,125	26,589	32,466

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	940,492	385,538	32,932	39,945
United States Dollars (USD)	142,650	57,491	-	-
Chinese Yuan (CNY)	5,221	5,285	-	-
Hong Kong Dollars (HKD)	932	-	-	-
Total	1,089,295	448,314	32,932	39,945

Central Plaza Hotel Public Company Limited and its Subsidiaries
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7 Trade and other receivables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Trade receivables - other parties		424,526	406,183	83,662	88,456
Less allowance for doubtful accounts		(5,016)	(4,323)	(366)	(419)
Trade receivables - net		419,510	401,860	83,296	88,037
Other receivables		357,002	313,844	82,178	131,052
Receivables from related parties	5	55,995	64,183	54,413	76,289
		832,507	779,887	219,887	295,378
Prepaid expenses		68,564	53,949	16,945	14,868
Prepaid promotion expenses		-	56,952	-	-
Advance to suppliers		36,812	32,324	-	-
Total		937,883	923,112	236,832	310,246
Doubtful debts expense (reversal) for the year		693	(1,317)	(53)	(479)

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Other parties				
Within credit terms	341,236	346,052	79,383	80,825
Overdue:				
Less than 3 months	55,052	47,142	2,423	3,852
3 - 6 months	19,264	4,608	327	738
6 - 12 months	2,956	2,442	83	1,817
Over 12 months	6,018	5,939	1,446	1,224
	424,526	406,183	83,662	88,456
Less allowance for doubtful accounts	(5,016)	(4,323)	(366)	(419)
Net	419,510	401,860	83,296	88,037

The normal credit term granted by the Group ranges from 30 days to 45 days.

The currency denomination of trade receivables - net and other receivables which are financial assets as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	684,152	713,687	219,887	295,378
United States Dollars (USD)	148,355	66,200	-	-
Total	832,507	779,887	219,887	295,378

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8 Inventories

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Food and beverage	83,279	77,616	16,899	16,419
Raw materials	525,455	463,419	-	-
Work in process	1,842	2,007	-	-
Finished goods	4,468	4,377	-	-
Operating supplies	147,937	122,988	9,153	8,004
Others	22,242	8,567	1,223	998
	785,223	678,974	27,275	25,421
<i>Less</i> allowance for obsolete stock	(4,463)	(3,900)	-	-
Net	780,760	675,074	27,275	25,421
Inventories recognised as an expense in 'cost of sales':				
- Cost	4,447,711	4,473,999	290,883	311,818
- Write-down to net realisable value (reversal of)	563	(211)	-	-
Net	4,448,274	4,473,788	290,883	311,818

9 Other current assets

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Withholding income tax and value added tax receivable	83,058	119,718	15,888	41,890
Undue input tax	64,102	45,462	2,205	2,514
Others	21,426	14,038	-	-
Total	168,586	179,218	18,093	44,404

10 Investment in an associate

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Associate				
At 1 January	626,109	724,812	626,109	787,413
Share of profit (loss) of investment in an associate	34,032	(73,645)	-	-
Proceeds from redemption of investment	(6,342)	-	(6,342)	-
Allowance for impairment	-	-	(25,450)	(161,304)
Dividend income	(59,482)	(25,058)	-	-
At 31 December	594,317	626,109	594,317	626,109

There was no acquisition and disposal of investment in an associate during the year ended 31 December 2016.

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Investment in an associate as at 31 December 2016 and 2015, and dividend income from the investment for the years then ended, were as follows:

Consolidated financial statements									
	Type of business	Country of incorporation	Ownership interest (%)	Paid-up capital		Cost		Equity	
				2016	2015	2016	2015	2016	2015
				<i>(in thousand Baht)</i>					
<i>Associate</i>									
Centara Hotels & Resorts									
Leasehold Property Fund	Property fund	Thailand	25.3	25.3	3,110,464	781,071	787,413	594,317	626,109
Total						781,071	787,413	594,317	626,109
								59,482	25,058

As at 31 December 2016, the closing price of Centara Hotels & Resorts Leasehold Property Fund was Baht 4.60 (2015: Baht 3.76). The fair value of investment in Centara Hotels & Resorts Leasehold Property Fund was Baht 373 million (2015: Baht 305 million).

Separate financial statements									
	Ownership interest (%)	Paid-up capital	Cost	Impairment		At cost - net		Dividend income	
				2016	2015	2016	2015	2016	2015
				<i>(in thousand Baht)</i>					
<i>Associate</i>									
Centara Hotels & Resorts									
Leasehold Property Fund	25.3	3,110,464	781,071	(186,754)	(161,304)	594,317	626,109	59,482	25,058
Total			781,071	(186,754)	(161,304)	594,317	626,109	59,482	25,058

The Company set up impairment loss on investment in an associate by considering from the net asset value of the property fund.

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11 Investments in subsidiaries

	Separate financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
At 1 January	5,132,582	4,907,582
Acquisitions	470,000	15,000
Reversal of allowance for impairment	-	210,000
At 31 December	5,602,582	5,132,582

In 2nd quarter of 2016, the Company has invested in ordinary shares of Centara Management Headquarter Limited of 100,000 shares at Baht 100 per share, totalling of Baht 10 million, for 100% of paid-up share capital. Such company registered the authorised share capital with the Ministry of Commerce on 28 April 2016 and called for a fully paid-up share capital.

On 14 May 2016, the shareholders of the subsidiary approved for the additional share capital of 400,000 shares at Baht 100 per share, totalling of Baht 40 million and called for a fully paid-up share capital.

On 5 August 2016, the Company has invested in additional share capital of Central Samui Beach Resort Co., Ltd of 4,200,000 shares at Baht 100 per share, totalling of Baht 420 million.

On 10 June 2015, Cosi Hotel Co., Ltd. had called for the additional paid-up share capital of 300,000 shares at Baht 50 per share, totalling of Baht 15 million.

Impairment testing for investments in subsidiaries which consisted of impairment indicators

For the purposed of impairment testing for investments in subsidiaries, the Group determined the recoverable amount based on its value in use, determined by discounting the future cash flows to be generated from the continuing operations of each subsidiary by reference to five years of financial budgeted forecasts.

The assigned assumptions were from the management's assessment by considering the historical results and available comparable industry data, and other market factors. The key assumptions used in the estimation of the recoverable amount included discount rate, room rate, growth rate of average room rate and occupancy rate applied to the forecasted cash flows in the model. The management's assessment of the value in use is judgmental in nature because its forecasted results is based on current economic situation while future economic outcomes is uncertain.

Central Plaza Hotel Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2016

Investments in subsidiaries as at 31 December 2016 and 2015, and dividend income from those investments for the years then ended, were as follows:

Name of subsidiary	Type of business	Ownership interest (%)		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		<i>(in thousand Baht)</i>											
Direct subsidiaries													
Central Samui Beach Resort Co., Ltd.	Hotel	100	100	670,000	250,000	814,383	394,383	-	-	814,383	394,383	125,000	125,000
Central Karon Village Co., Ltd.	Hotel	100	100	37,500	37,500	76,500	76,500	-	-	76,500	76,500	5,625	-
Central Krabi Bay Resort Co., Ltd.	Hotel	100	100	500,000	500,000	500,000	500,000	-	-	500,000	500,000	-	-
Central Hua Hin Beach Resort Co., Ltd.	Hotel	63.9	63.9	185,000	185,000	198,905	198,905	-	-	198,905	198,905	94,648	94,648
Central World Hotel Co., Ltd.	Hotel	100	100	1,800,000	1,800,000	1,800,000	1,800,000	-	-	1,800,000	1,800,000	-	-
Central Koh Kood Hotel Co., Ltd.	Not operate yet	100	100	120,000	120,000	120,000	120,000	-	-	120,000	120,000	-	-
Central Hotel Management Co., Ltd.	Holding company	100	100	250,000	250,000	250,000	250,000	-	-	250,000	250,000	-	-
Central Restaurants Group Co., Ltd.	Food and beverage	100	100	620,000	620,000	669,607	669,607	-	-	669,607	669,607	280,000	270,000
Triplenne Décor Co., Ltd.	Not operate yet	100	100	80,000	80,000	80,000	80,000	-	-	80,000	80,000	-	-
Central Samui Hotel Management Co., Ltd.	Hotel Holding	100	100	1,250	1,250	1,250	1,250	-	-	1,250	1,250	-	-
Centara International Management Co., Ltd.	company and hotel management	100	100	150,000	150,000	150,000	150,000	-	-	150,000	150,000	66,000	12,000
S.P. Realty Had Farang Resort Co., Ltd.	Not operate yet	100	100	88,500	88,500	88,500	88,500	-	-	88,500	88,500	-	-
S.P. Realty Pattaya Beach Co., Ltd.	Not operate yet	100	100	80,000	80,000	80,000	80,000	-	-	80,000	80,000	-	-
Refresh Zone Co., Ltd. (formerly Cenvaree Healthy Spa Co., Ltd.)	Spa	100	100	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Central Bangkok Convention & Exhibition Co., Ltd.	Not operate yet	100	100	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Centara International Management (Thailand) Co., Ltd.	Hotel management	100	100	25,000	25,000	25,000	25,000	-	-	25,000	25,000	21,000	28,000
Karon Phuket Hotel Co., Ltd.	Hotel	99.3	99.3	520,000	520,000	479,187	479,187	-	-	479,187	479,187	77,460	98,116
Cosi Hotel Co., Ltd.	Not operate yet	100	100	30,000	30,000	30,000	30,000	-	-	30,000	30,000	-	-
Centara Import-Export Co., Ltd.	Import and export	100	100	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-

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Separate financial statements													
Name of subsidiary	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015		
Direct subsidiaries													
		<i>(in thousand Baht)</i>											
Così Hotel Management Co., Ltd.	Not operate yet	100	100	1,250	1,250	1,250	1,250	-	-	1,250	1,250	-	-
Centara Loyalty Marketing Co., Ltd.	Offer privileges for customers	100	100	12,500	12,500	12,500	12,500	-	-	12,500	12,500	-	-
Centara Learning Centre Co., Ltd.	Learning centre	100	100	2,500	2,500	2,500	2,500	-	-	2,500	2,500	-	-
Kata Phuket Hotel Co., Ltd.	Hotel	99	99	120,000	120,000	170,000	170,000	-	-	170,000	170,000	14,256	-
Centara Management Headquarter Limited	Hotel management	100	-	50,000	-	50,000	-	-	-	50,000	-	-	-
Total						5,602,582	5,132,582			5,602,582	5,132,582	683,989	627,764
Indirect subsidiaries													
Central Sukhontha Hotel Co., Ltd.	Hotel	100	100	145,000	145,000	-	-	-	-	-	-	-	-
Central Samui Village Co., Ltd.	Hotel	100	100	55,000	55,000	-	-	-	-	-	-	-	-
Central Mae Sot Hill Hotel Co., Ltd.	Hotel	98.4	98.4	190,000	190,000	-	-	-	-	-	-	-	-
CRG Manufacturing Co., Ltd.	Food and beverage	100	100	160,000	160,000	-	-	-	-	-	-	-	-
Central Laundry Services Co., Ltd.	Not operate yet	100	100	1,500	1,500	-	-	-	-	-	-	-	-
CRG International Food Co., Ltd.	Food and beverage	100	100	179,760	179,760	-	-	-	-	-	-	-	-
S.P. Realty Lanta Beach Co., Ltd.	Not operate yet	100	100	36,000	36,000	-	-	-	-	-	-	-	-
Centara Maldives Pvt. Ltd.	Hotel	75	75	1,327,486	618,936	-	-	-	-	-	-	-	-
R.M.L. Leisure Pvt. Ltd.	Hotel	74	74	483,886	483,886	-	-	-	-	-	-	-	-
Centara (Shanghai) Hotel Management Co., Ltd.	Not operate yet	100	100	31,770	16,137	-	-	-	-	-	-	-	-
CIM for Hotel Management Egypt, S.A.E.	Not operate yet	100	100	577	232	-	-	-	-	-	-	-	-
Centara Capital Limited (formerly Centara (Hong Kong) Hotel Management Co., Limited)	Not operate yet	100	100	914	-	-	-	-	-	-	-	-	-
Total													

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All subsidiaries were incorporated in Thailand, except the following subsidiaries;

Subsidiaries	Country of incorporation
Centara Maldives Pvt. Ltd.	Republic of Maldives
R.M.L. Leisure Pvt. Ltd.	Republic of Maldives
Centara (Shanghai) Hotel Management Co., Ltd.	People’s Republic of China
CIM for Hotel Management - Egypt, S.A.E.	Arab Republic of Egypt
Centara Capital Limited (formerly Centara (Hong Kong) Hotel Management Co., Limited)	Hong Kong Special Administrative Region of the People's Republic of China

Central Plaza Hotel Public Company Limited and its Subsidiaries
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12 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has material non-controlling interests, before any intra-group eliminations:

	31 December 2016				
	Central Hua Hin Beach Resort Co., Ltd.	Centara Maldives Pvt. Ltd.	R.M.L. Leisure Pvt. Ltd. <i>(in thousand Baht)</i>	Other individually immaterial subsidiaries	Intra-group eliminations Total
Non-controlling interests percentage	36.05	25	26		
Current assets	239,012	274,588	129,184		
Non-current assets	215,190	1,585,332	1,555,920		
Current liabilities	(110,342)	(118,322)	(706,793)		
Non-current liabilities	(17,672)	(15,752)	(874,269)		
Net assets	326,188	1,725,846	104,042		
Carrying amount of non-controlling interests	117,591	431,462	27,050	7,034	129,899
					713,036
Revenue	624,779	903,041	929,094		
Profit	131,677	191,106	40,665		
Other comprehensive income	-	4,304	2,638		
Total comprehensive income	131,677	195,410	43,303		
Profit attributable to non-controlling interests	47,469	47,777	10,573	748	-
Other comprehensive income attributable to non-controlling interests	-	1,076	686	-	-
					1,762

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	31 December 2015				
	Central Hua Hin Beach Resort Co., Ltd.	Centara Maldives Pvt. Ltd.	R.M.L. Leisure Pvt. Ltd. <i>(in thousand Baht)</i>	Other individually immaterial subsidiaries	Intra-group eliminations Total
Non-controlling interests percentage	36.05	25	26		
Current assets	198,580	198,153	74,820		
Non-current assets	265,267	1,618,860	1,919,442		
Current liabilities	(101,568)	(134,196)	(684,886)		
Non-current liabilities	(17,702)	(757,116)	(936,499)		
Net assets	344,577	925,701	372,877		
Carrying amount of non-controlling interests	124,220	231,425	96,948	7,084	236,734
					696,411
Revenue	649,543	889,195	792,059		
Profit (loss)	147,605	188,541	(23,344)		
Other comprehensive income	(6,366)	73,487	32,889		
Total comprehensive income	141,239	262,028	9,545		
Profit (loss) attributable to non-controlling interests	53,284	47,135	(6,070)	774	(7,077)
Other comprehensive income attributable to non-controlling interests	(2,298)	18,371	8,551	1	-
					24,625

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13 Investment properties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Cost				
At 1 January	643,284	643,284	367,490	367,490
At 31 December	643,284	643,284	367,490	367,490
Accumulated depreciation				
At 1 January	(202,270)	(185,605)	(90,667)	(77,747)
Depreciation charge for the year	(16,084)	(16,665)	(12,920)	(12,920)
At 31 December	(218,354)	(202,270)	(103,587)	(90,667)
Net book value				
At 1 January	441,014	457,679	276,823	289,743
At 31 December	424,930	441,014	263,903	276,823

Investment properties of the Group and the Company comprise of property, plant and equipment that are leased to other parties for rental income.

As at 31 December 2016 and 2015, investment properties appraised by independent property valuers, at market values on an existing use basis are as follows:

		Consolidated financial statements		Separate financial statements	
Independent property valuers	Appraisal date	Net book value		Fair value	
		2016	2015	2016	2015
		<i>(in million Baht)</i>			
C.I.T. Appraisal Co., Ltd.	4 October 2016 15 October 2015	272 -	- 284	2,294 -	- 2,426
American Appraisal (Thailand) Co., Ltd.	21 December 2011	153	157	307	307
Total		425	441	2,601	2,733

		Separate financial statements		Separate financial statements	
Independent property valuers	Appraisal date	Net book value		Fair value	
		2016	2015	2016	2015
		<i>(in million Baht)</i>			
C.I.T. Appraisal Co., Ltd.	4 October 2016 15 October 2015	264 -	- 277	1,151 -	- 1,217
Total		264	277	1,151	1,217

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Measurement of fair value

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio on regularly basis.

The fair value measurement for investment property in the consolidated and separate financial statements of Baht 2,601 million and Baht 1,151 million, respectively *(2015: Baht 2,733 million and 1,217 million, respectively)* has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Inputs used in the fair value measurement
<i>Income method</i> is the valuation of fair market value of assets by converting expected future benefit of the assets to their present values. The expected benefits are visibly identifiable to the utilisation of the assets.	<ul style="list-style-type: none"> • Occupancy rate (between 74% - 85%) • Room rate (Baht 1,680/night by average to 5,000/night by average) • Discount rate (average 11% - 12%) • Expected market rental fee growth (average 3%) • Average rental fee (Baht 393/square metre/month)

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14 Property, plant and equipment

Consolidated financial statements							
	Land	Land improvements	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Hotel operating equipment	Assets under construction
				</			

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	Consolidated financial statements							Total		
	Land	Land improvements	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Hotel operating equipment	Leasehold improvements		Vehicles	Assets under construction
					(in thousand Baht)					
<i>Accumulated depreciation and impairment losses</i>										
At 1 January 2015	-	264,354	4,085,249	3,158,676	1,838,148	-	209,135	133,724	532	9,689,818
Depreciation charge for the year	-	21,647	890,394	529,583	217,254	-	55,625	20,324	-	1,734,827
Impairment losses (reversal of)	-	-	14,297	(1,594)	(13,873)	-	-	-	-	(1,170)
Transfers	-	-	185,801	92,513	(278,314)	-	-	-	-	-
Disposals	-	-	(175,235)	(85,291)	(57,895)	-	(46)	(4,746)	-	(323,213)
At 31 December 2015 and 1 January 2016	-	286,001	5,000,506	3,693,887	1,705,320	-	264,714	149,302	532	11,100,262
Depreciation charge for the year	-	44,960	1,022,839	465,419	213,300	-	34,693	10,284	-	1,791,495
Reversal of impairment losses	-	-	(17,256)	(120)	(7)	-	-	-	-	(17,383)
Transfers	-	-	1,072	(1,068)	(15)	-	-	-	-	(11)
Disposals	-	(456)	(228,792)	(109,901)	(67,665)	-	-	(7,559)	-	(414,373)
At 31 December 2016	-	330,505	5,778,369	4,048,217	1,850,933	-	299,407	152,027	532	12,459,990

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Net book value										
At 1 January 2015										
Owned assets	2,410,744	474,578	10,785,784	3,097,946	997,976	383,229	575,012	71,742	169,230	18,966,241
Assets under finance leases	-	-	6,551	-	5,867	-	30,359	1,321	-	44,098
	<u>2,410,744</u>	<u>474,578</u>	<u>10,792,335</u>	<u>3,097,946</u>	<u>1,003,843</u>	<u>383,229</u>	<u>605,371</u>	<u>73,063</u>	<u>169,230</u>	<u>19,010,339</u>
At 31 December 2015 and 1 January 2016										
Owned assets	2,410,744	458,814	10,513,216	2,863,199	1,346,160	430,695	524,422	78,460	254,530	18,880,240
Assets under finance leases	-	-	6,019	-	53	-	27,982	1,187	-	35,241
	<u>2,410,744</u>	<u>458,814</u>	<u>10,519,235</u>	<u>2,863,199</u>	<u>1,346,213</u>	<u>430,695</u>	<u>552,404</u>	<u>79,647</u>	<u>254,530</u>	<u>18,915,481</u>
At 31 December 2016										
Owned assets	2,410,744	417,164	10,090,315	2,691,210	1,293,252	448,763	523,292	75,050	338,453	18,288,243
Assets under finance leases	-	-	-	-	-	-	-	-	-	-
	<u>2,410,744</u>	<u>417,164</u>	<u>10,090,315</u>	<u>2,691,210</u>	<u>1,293,252</u>	<u>448,763</u>	<u>523,292</u>	<u>75,050</u>	<u>338,453</u>	<u>18,288,243</u>

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2016 amounted to Baht 6,098 million (2015: Baht 5,403 million).

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	Separate financial statements									
	Land	Land improvements	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Hotel	Leasehold improvements	Vehicles	Assets under construction	Total
						operating equipment				
<i>Cost</i>	<i>(in thousand Baht)</i>									
At 1 January 2015	774,987	283,158	2,011,358	1,101,576	487,008	111,856	813,468	74,966	9,119	5,667,496
Additions	-	80	943	8,790	19,512	20,376	950	1,435	82,067	134,153
Transfers	-	1,593	7,108	11,422	14,578	1,210	842	1,861	(42,404)	(3,790)
Disposals	-	-	(5,070)	(813)	(650)	(12,299)	(163)	-	-	(18,995)
At 31 December 2015 and 1 January 2016	774,987	284,831	2,014,339	1,120,975	520,448	121,143	815,097	78,262	48,782	5,778,864
Additions	-	2,776	4,163	20,057	18,365	17,588	1,010	-	74,897	138,856
Transfers	-	-	59,315	19,234	4,924	-	-	250	(86,157)	(2,434)
Disposals	-	-	-	(3,855)	(5,510)	(12,235)	(4,002)	(1,235)	-	(26,837)
At 31 December 2016	774,987	287,607	2,077,817	1,156,411	538,227	126,496	812,105	77,277	37,522	5,888,449
<i>Accumulated depreciation and impairment losses</i>										
At 1 January 2015	-	89,751	277,333	421,558	263,901	-	201,591	55,612	-	1,309,746
Depreciation charge for the year	-	13,287	38,431	59,594	34,334	-	48,649	2,479	-	196,774
Disposals	-	-	(2,566)	(587)	(447)	-	(46)	-	-	(3,646)
At 31 December 2015 and 1 January 2016	-	103,038	313,198	480,565	297,788	-	250,194	58,091	-	1,502,874
Depreciation charge for the year	-	15,738	40,726	73,237	40,998	-	48,038	504	-	219,241
Disposals	-	-	-	(2,960)	(5,092)	-	-	(1,235)	-	(9,287)
At 31 December 2016	-	118,776	353,924	550,842	333,694	-	298,232	57,360	-	1,712,828

Notes to the financial statements

Separate financial statements

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2016 amounted to Baht 259 million (2015: Baht 201 million).

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The recoverable amount of the CGU was determined to be higher than the carrying value.

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The key assumptions used in the estimation of value in use were as follows.

	Consolidated financial statements			
	Central Restaurants Group Co., Ltd.		CRG International Food Co., Ltd.	
	2016	2015	2016	2015
	<i>(%)</i>			
Growth rate				
Year 1 - 5	5	5	5	7
After year 5	-	-	-	-
Gross margin	64	65	69	71
Discount rate	8.6	6.1	8.6	6.1

Five years of cash flows were included in the discounted cash flow model. The growth rate used was consistent with the industry forecasts. Gross margin was based on past performance and its expectations of market development. The discount rate was a post-tax measure estimated based on the weighted average cost of capital of the Group and average rate of the industry in which the Group operated.

16 Leasehold rights

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
At 1 January	730,138	752,256	101,092	95,411
Additions	167,289	192,650	110,730	104,640
Effect of movements in exchange rates	(2,743)	41,921	-	-
Disposal	(119)	-	-	-
Amortisation charge for the year	(189,936)	(256,689)	(104,706)	(98,959)
At 31 December	704,629	730,138	107,116	101,092

17 Other intangible assets

	Consolidated financial statements			
	Software licences	Licence agreements	Deferred initial fees	Total
	<i>(in thousand Baht)</i>			
Cost				
At 1 January 2015	244,465	239,926	301,261	785,652
Additions	16,684	-	30,140	46,824
Transfers	4,715	-	-	4,715
Disposals	(1,352)	-	(22,073)	(23,425)
Effect of movements in exchange rates	136	-	-	136
At 31 December 2015 and 1 January 2016	264,648	239,926	309,328	813,902
Additions	12,331	-	53,894	66,225
Transfers	3,308	-	-	3,308
Disposals	(6,993)	-	(15,093)	(22,086)
Effect of movements in exchange rates	(249)	-	-	(249)
At 31 December 2016	273,045	239,926	348,129	861,100

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	Consolidated financial statements			
	Software licences	Licence agreements	Deferred initial fees	Total
	<i>(in thousand Baht)</i>			
Accumulated amortisation and impairment losses				
At 1 January 2015	161,307	79,976	124,556	365,839
Amortisation charge for the year	32,679	23,993	28,023	84,695
Impairment loss (reversal of)	(166)	-	609	443
Disposals	(1,346)	-	(20,638)	(21,984)
At 31 December 2015 and 1 January 2016	192,474	103,969	132,550	428,993
Amortisation charge for the year	29,390	23,993	29,629	83,012
Transfers	11	-	-	11
Impairment loss	(12)	-	(2,848)	(2,860)
Disposals	(6,318)	-	(13,757)	(20,075)
At 31 December 2016	215,545	127,962	145,574	489,081
Net book value				
At 1 January 2015	83,158	159,950	176,705	419,813
At 31 December 2015 and 1 January 2016	72,174	135,957	176,778	384,909
At 31 December 2016	57,500	111,964	202,555	372,019
			Separate financial statements	
			Software licences	
			<i>(in thousand Baht)</i>	
Cost				
At 1 January 2015				85,134
Additions				3,106
Transfers				3,790
Disposals				(1,042)
At 31 December 2015 and 1 January 2016				90,988
Additions				1,121
Transfers				2,434
At 31 December 2016				94,543
Accumulated amortisation and impairment losses				
At 1 January 2015				59,532
Amortisation charge for the year				9,521
Disposals				(1,040)
At 31 December 2015 and 1 January 2016				68,013
Amortisation charge for the year				9,085
At 31 December 2016				77,098
Net book value				
At 1 January 2015				25,602
At 31 December 2015 and 1 January 2016				22,975
At 31 December 2016				17,445

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18 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Total	153,843	191,232	(200,780)	(156,405)
Set off of tax	(38,839)	(24,663)	38,839	24,663
Net deferred tax assets (liabilities)	115,004	166,569	(161,941)	(131,742)

	Separate financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Total	57,744	74,257	(10,227)	-
Set off of tax	(10,227)	-	10,227	-
Net deferred tax assets	47,517	74,257	-	-

Movements in total deferred tax assets and liabilities during the year were as follows:

	Consolidated financial statements			
	(Charged) / Credited to:			At 31 December 2016
	At 1 January 2016	Profit or loss	Other comprehensive income	
		(Note 32)		
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Difference on depreciation	36,652	(1,363)	-	35,289
Finance lease liabilities	53,415	(5,032)	-	48,383
Employee benefit obligations	39,384	3,609	-	42,993
Loss carry forward	40,791	(40,791)	-	-
Others	20,990	6,188	-	27,178
Total	191,232	(37,389)	-	153,843
Deferred tax liabilities				
Difference on depreciation	(155,742)	(44,070)	-	(199,812)
Finance lease liabilities	(475)	(312)	-	(787)
Others	(188)	-	7	(181)
Total	(156,405)	(44,382)	7	(200,780)
Net	34,827	(81,771)	7	(46,937)

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	Consolidated financial statements			
	(Charged) / Credited to:			At 31 December 2015
	At 1 January 2015	Profit or loss	Other comprehensive income	
		(Note 32)		
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Difference on depreciation	75,871	(39,219)	-	36,652
Finance lease liabilities	60,503	(7,088)	-	53,415
Employee benefit obligations	26,845	(689)	13,228	39,384
Loss carry forward	80,753	(39,962)	-	40,791
Others	18,156	2,834	-	20,990
Total	262,128	(84,124)	13,228	191,232
Deferred tax liabilities				
Difference on depreciation	(128,478)	(27,264)	-	(155,742)
Finance lease liabilities	(454)	(21)	-	(475)
Others	(151)	-	(37)	(188)
Total	(129,083)	(27,285)	(37)	(156,405)
Net	133,045	(111,409)	13,191	34,827

	Separate financial statements			
	(Charged) / Credited to:			At 31 December 2016
	At 1 January 2016	Profit or loss	Other comprehensive income	
		(Note 32)		
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Difference on depreciation	12,033	(12,033)	-	-
Finance lease liabilities	49,361	(5,225)	-	44,136
Employee benefit obligations	12,779	756	-	13,535
Others	84	(11)	-	73
Total	74,257	(16,513)	-	57,744
Deferred tax liabilities				
Difference on depreciation	-	(10,227)	-	(10,227)
Net	74,257	(26,740)	-	47,517

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	At 1 January 2015	Separate financial statements (Charged) / Credited to:		At 31 December 2015
		Profit or loss	Other	
			comprehensive income (Note 32) (in thousand Baht)	
Deferred tax assets				
Difference on depreciation	32,702	(20,669)	-	12,033
Finance lease liabilities	52,890	(3,529)	-	49,361
Employee benefit obligations	9,847	(1,540)	4,472	12,779
Others	96	(12)	-	84
Total	95,535	(25,750)	4,472	74,257

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Loss carry forward	36,747	35,095	-	-

The tax losses expire in 2017 - 2021. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

19 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Deposits	459,114	438,109	3,716	6,997
Advance payment for construction	9,161	14,570	750	4,985
Prepaid for car park service	70,332	74,727	-	-
Others	725	838	725	758
Total	539,332	528,244	5,191	12,740

20 Interest-bearing liabilities

	Interest rate 2016 (%per annum)	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		(in thousand Baht)			
Current					
Bank overdrafts					
Secured		986	4,456	-	-
Unsecured		12,019	66,733	6,343	7,479
	7.18 - 7.38	13,005	71,189	6,343	7,479

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	Note	Interest rate 2016 (%per annum)	Consolidated financial statements		Separate financial statements	
			2016	2015	2016	2015
			(in thousand Baht)			
Short-term loans from financial institutions						
Secured			706,983	144,354	-	-
Unsecured			-	250,000	-	250,000
	3.39 - 4.03		706,983	394,354	-	250,000
Total bank overdrafts and short-term loans from financial institutions			719,988	465,543	6,343	257,479
Current portion of long-term loans from financial institutions						
Secured		4.03	127,199	756,786	-	288,000
Current portion of debentures						
Unsecured		3.85	1,000,000	3,300,000	1,000,000	3,300,000
Short-term loans from other parties						
Unsecured		5.80	-	1,804	-	-
Short-term loans from related parties						
Unsecured	5	3.00	66,382	66,860	424,300	661,900
Current portion of finance lease liabilities			-	5,861	-	4,974
Total current interest-bearing liabilities			1,913,569	4,596,854	1,430,643	4,512,353
Non-current						
Long-term loans from financial institutions						
Secured		4.03	874,269	2,402,707	-	66,000
Debentures						
Unsecured		2.41 - 3.39	4,979,716	1,698,670	4,979,716	1,698,670
Total long-term loans			5,853,985	4,101,377	4,979,716	1,764,670
Finance lease liabilities			-	318	-	-
Total non-current interest-bearing liabilities			5,853,985	4,101,695	4,979,716	1,764,670

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The borrowings include secured liabilities in a total amount of Baht 1,709 million (2015: Baht 3,308 million) in the consolidated financial statements and Baht 354 million in the separate financial statements as at 31 December 2015. The bank borrowings are secured over property, plant and equipment of the Group (note 14) and corporate guarantee by the Company. Finance lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Within one year	1,913,569	4,590,993	1,430,643	4,507,379
After one year but within five years	3,354,269	3,552,830	2,480,000	1,764,670
After five years	2,499,716	548,547	2,499,716	-
Total	7,767,554	8,692,370	6,410,359	6,272,049

The Company and subsidiaries have to maintain financial ratios and terms and conditions as stated in the loan agreements.

As at 31 December 2016, the Group and the Company had unutilised credit facilities totalling Baht 974 million and Baht 170 million, respectively (2015: Baht 931 million and Baht 169 million, respectively).

Debentures

	Interest rate	Maturity date	Consolidated / separate financial statements	
	(%)		2016	2015
	<i>(in thousand Baht)</i>			
No. 2/2010	3.85	23 June 2017	500,000	500,000
No. 3/2010	3.85	29 June 2017	500,000	500,000
No. 1/2011	4.86	29 March 2016	-	500,000
No. 2/2011	4.75	29 March 2016	-	300,000
No. 1/2013	4.02	30 September 2016	-	1,000,000
No. 1/2014	3.30	3 September 2016	-	1,500,000
No. 1/2015	2.41	19 November 2018	700,000	700,000
No. 1/2016	2.09	30 March 2020	800,000	-
No. 2/2016	2.45	11 August 2021	980,000	-
No. 3/2016	2.78	29 September 2022	1,000,000	-
No. 3/2016	2.97	29 September 2023	1,000,000	-
No. 3/2016	3.39	29 September 2026	500,000	-
			5,980,000	5,000,000
Deferred expense in issuing debentures			(284)	(1,330)
Net			5,979,716	4,998,670
Debentures due within one year			(1,000,000)	(3,300,000)
Debentures due after one year			4,979,716	1,698,670

The debentures are in the name of specific holders, unsubordinated and unsecured.

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These debentures contain certain restrictions and conditions relating to financial ratios, payment of dividends, decrease in paid-up share capital, pledge, mortgage, and disposal of assets, which are material for business operations.

On 12 November 2015, the Board of Directors of the Company acknowledged the issuance and offer for sale of debentures in November 2015. The debentures are unsubordinated and unsecured, in the amount of Baht 700 million. The shareholders of the Company approved the issuance and offer for sale of the debentures at the shareholders' meeting on 25 March 2009.

On 30 March 2016, the Company issued the debentures in the name of specific holders, unsubordinated and unsecured of Baht 800 million, which the shareholders of the Company approved the credit limit for issuance and offer for sale of the debentures at the shareholders' meeting on 25 March 2009.

On 11 August 2016, the Company issued the debentures in the name of specific holders, unsubordinated and unsecured of Baht 980 million, which the shareholders of the Company approved the credit limit for issuance and offer for sale of the debentures at the shareholders' meeting on 28 April 2016.

On 29 September 2016, the Company issued the debentures in the name of specific holders, unsubordinated and unsecured of Baht 2,500 million, which the shareholders of the Company approved the credit limit for issuance and offer for sale of the debentures at the shareholders' meeting on 28 April 2016.

Interest rate swap contracts

As at 31 December 2016 and 2015, the Company had interest rate swap contracts for debentures of Baht 1,000 million with a bank to hedge anticipated future interest rate of debentures by exchange from fixed interest rate of 3.85% p.a., quarterly payable to 6 month-fixed deposit interest rate plus 1.90% p.a., semi annually payable. The above contracts will be matured in June 2017.

The currency denomination of interest-bearing liabilities as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	6,056,376	6,729,216	6,410,359	6,277,023
United States Dollars (USD)	1,711,178	1,969,333	-	-
Total	7,767,554	8,698,549	6,410,359	6,277,023

21 Trade and other payables

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Trade payables - other parties		817,089	734,582	51,535	67,909
Amounts due to related parties	5	21,219	50,458	19,231	6,144
Other payables		105,770	103,981	54,401	70,984
Payables for purchase of building and equipment		46,949	189,710	6,216	8,764
Guest deposits		423,983	432,942	115,280	109,677
Accrued expenses		817,772	990,867	91,254	92,856
Total		2,232,782	2,502,540	337,917	356,334

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The currency denomination of trade and other payables as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	2,002,154	2,202,242	337,917	356,334
United States Dollars (USD)	227,687	297,014	-	-
Chinese Yuan (CNY)	2,839	3,182	-	-
Hong Kong Dollars (HKD)	102	102	-	-
Total	2,232,782	2,502,540	337,917	356,334

22 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Deposits	11,370	15,171	77	29
Retentions	34,601	23,808	6,503	5,519
Withholding tax and value added tax payables	181,449	168,941	33,076	46,095
Others	9,205	53	-	-
Total	236,625	207,973	39,656	51,643

The currency denomination of other current liabilities as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	199,741	183,567	39,656	51,643
United States Dollars (USD)	36,882	24,262	-	-
Chinese Yuan (CNY)	2	144	-	-
Total	236,625	207,973	39,656	51,643

23 Employee benefit obligations

The Group and the Company operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk and interest rate risk.

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The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Present value of unfunded obligations	218,557	199,539	67,079	63,896
Statement of financial position obligation	218,557	199,539	67,079	63,896

Movement in the present value of the defined benefit obligations.

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	199,539	136,791	63,896	49,239
Included in profit or loss				
Current service cost	20,561	11,384	5,932	4,037
Interest on obligation	5,188	3,860	1,640	1,112
	25,749	15,244	7,572	5,149
Included in other comprehensive income				
Actuarial losses	-	66,140	-	22,357
Others				
Benefit paid	(6,731)	(18,636)	(4,389)	(12,849)
	(6,731)	(18,636)	(4,389)	(12,849)
Defined benefit obligations at 31 December	218,557	199,539	67,079	63,896

Actuarial losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Demographic assumptions	-	1,161	-	225
Financial assumptions	-	25,021	-	5,351
Experience adjustment	-	39,958	-	16,781
Total	-	66,140	-	22,357

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

24 Provision for decommissioning

	Consolidated financial statements (in thousand Baht)
At 1 January 2015	87,290
Provisions made	8,887
Provisions used	(4,823)
At 31 December 2015 and 1 January 2016	91,354
Provisions made	10,801
Provisions used	(4,684)
At 31 December 2016	97,471

25 Share capital

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

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27 Segment information

The Group has two reportable segments, as described below, which are the Group’s strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group’s reportable segments.

- *Segment 1* Hotel and related service operation
- *Segment 2* Food and ice-cream

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit after tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit after tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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Information about reportable segments

	Hotel and related services operation		Food and ice-cream operation		Total continuing operations		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue	9,232	9,050	10,630	10,200	19,862	19,250	(300)	(313)	19,562	18,937
Interest income	235	269	16	10	251	279	(232)	(274)	19	5
Other income	1,083	1,088	84	74	1,167	1,162	(842)	(813)	325	349
Total income	10,550	10,407	10,730	10,284	21,280	20,691	(1,374)	(1,400)	19,906	19,291
Cost of sales	5,737	5,598	5,785	5,537	11,522	11,135	(66)	(68)	11,456	11,067
Selling expenses	414	422	458	458	872	880	(49)	(39)	823	841
Administrative expenses	2,133	2,009	3,738	3,634	5,871	5,643	(878)	(895)	4,993	4,748
Finance costs	530	652	-	1	530	653	(232)	(274)	298	379
Total expenses	8,814	8,681	9,981	9,630	18,795	18,311	(1,225)	(1,276)	17,570	17,035
Share of profit (loss) of investments	34	(73)	-	-	34	(73)	-	-	34	(73)
Profit before income tax expense	1,770	1,653	749	654	2,519	2,307	(149)	(124)	2,370	2,183
Income tax expense	(301)	(318)	(113)	(113)	(414)	(431)	-	-	(414)	(431)
Profit for the year	1,469	1,335	636	541	2,105	1,876	(149)	(124)	1,956	1,752

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Geographical segments

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

Thailand is the country of the parent company which is also the main operating. The areas of operation are hotel and related services operation, food and beverage operation.

Republic of Maldives - The main activities are hotel and related services operation.

Geographical information

	Revenues		Segment results		Total assets	
	2016	2015	2016	2015	2016	2015
			<i>(in million Baht)</i>			
Thailand	19,448	19,010	1,873	1,711	40,950	42,802
Republic of Maldives	1,832	1,681	232	165	3,545	3,499
Eliminated	(1,374)	(1,400)	(149)	(124)	(20,098)	(21,858)
Total	19,906	19,291	1,956	1,752	24,397	24,443

28 Other income

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
			<i>(in thousand Baht)</i>	
Interest income	18,565	4,922	125,039	133,336
Management fee income	216,325	201,945	156,621	285,769
Service income	-	-	151,650	169,500
Income from loan guarantee of subsidiaries	-	-	20,436	20,643
Reversal of impairment loss on investment	-	-	-	48,696
Rental and other services income	1,934	4,402	6,952	9,210
Subsidy	395	17,710	-	-
Gain on insurance claim and other claim	6,000	15	-	-
Sale of used oil	14,982	18,776	-	-
Others	85,247	106,254	25,964	40,531
Total	343,448	354,024	486,662	707,685

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29 Employee benefit expenses

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
				<i>(in thousand Baht)</i>	
Wages and salaries		2,788,852	2,836,299	552,021	532,960
Pension costs - defined benefit plans	23	25,749	15,244	7,572	5,149
Pension costs - defined contribution plans		42,818	36,606	22,106	19,419
Others		1,556,810	1,549,074	328,529	350,781
Total		4,414,229	4,437,223	910,228	908,309

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 5% to 10% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Managers.

30 Expenses by nature

The statements of income include an analysis of expense by function. Expense by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
				<i>(in thousand Baht)</i>	
Cost of food and beverage used		4,447,711	4,473,788	290,883	311,818
Employee benefit expenses	29	4,388,480	4,437,223	910,228	908,309
Royalty fee		485,759	466,135	-	-
Management fee		-	-	66,566	-
Land and building rental		1,562,159	1,535,478	10,048	15,985
Depreciation and amortisation		2,081,572	2,092,877	346,832	318,176

31 Finance costs

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
				<i>(in thousand Baht)</i>	
Interest expense:					
Subsidiaries	5	-	-	13,052	31,255
Bank overdrafts, loans and debentures		298,537	379,549	176,164	202,962
Total interest expense		298,537	379,549	189,216	234,217

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
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32 Income tax expense

Income tax recognised in profit or loss

Note	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	345,324	320,194	28,773	60,849
Over provided in prior years	(12,585)	(644)	-	-
	332,739	319,550	28,773	60,849
Deferred tax expense				
Movements in temporary differences	81,771	111,409	26,740	25,750
	81,771	111,409	26,740	25,750
Total income tax expense	414,510	430,959	55,513	86,599

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	Before tax	2016 Tax (expense) benefit	Net of tax	Before tax	2015 Tax (expense) benefit	Net of tax
			<i>(in thousand Baht)</i>			
Foreign currency translation differences for foreign operations	7,012	-	7,012	105,877	-	105,877
Available-for-sale investments	(35)	7	(28)	186	(37)	149
Defined benefit plan actuarial losses	-	-	-	(66,140)	13,228	(52,912)
Total	6,977	7	6,984	39,923	13,191	53,114

	Separate financial statements					
	Before tax	2016 Tax (expense) benefit	Net of tax	Before tax	2015 Tax (expense) benefit	Net of tax
			<i>(in thousand Baht)</i>			
Defined benefit plan actuarial losses	-	-	-	(22,357)	4,472	(17,885)
Total	-	-	-	(22,357)	4,472	(17,885)

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
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Reconciliation of effective tax rate

	Rate (%)	Consolidated financial statements		Rate (%)	2015
		2016	2015		
		<i>(in thousand Baht)</i>	<i>(in thousand Baht)</i>		
Profit before income tax expense		2,370,632	2,182,620		
Income tax using the Thai corporation tax rate	20	474,126	436,524	20	
Effect of different tax rates in foreign jurisdictions		(14,578)	(11,521)		
Effect of different effective tax rate in share of (profit) loss of investment in an associate		(6,806)	14,729		
Income not subject to tax		(18,836)	(4,718)		
Expenses not deductible for tax purposes		11,466	2,343		
Expenses deducted at greater amount		(58,096)	(36,511)		
Recognition of previously unrecognised tax losses		(951)	(2,857)		
Current year losses for which no deferred tax asset was recognised		8,103	4,450		
Unrealised losses resulting from intergroup transactions		9,908	13,793		
Over provided in prior years		(12,585)	(644)		
Others		22,759	15,371		
Total	17.49	414,510	19.75	430,959	

	Rate (%)	Separate financial statements		Rate (%)	2015
		2016	2015		
		<i>(in thousand Baht)</i>	<i>(in thousand Baht)</i>		
Profit before income tax expense		1,018,439	1,182,352		
Income tax using the Thai corporation tax rate	20	203,688	236,470	20	
Income not subject to tax		(148,694)	(130,564)		
Expenses not deductible for tax purposes		6,222	1,165		
Expenses deducted at greater amount		(9,416)	(11,321)		
Others		3,713	(9,151)		
Total	5.45	55,513	7.32	86,599	

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
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33 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2016 and 2015 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>1,850</u>	<u>1,664</u>	<u>963</u>	<u>1,095</u>
Number of ordinary shares outstanding	<u>1,350</u>	<u>1,350</u>	<u>1,350</u>	<u>1,350</u>
Basic earnings per share (in Baht)	<u>1.37</u>	<u>1.23</u>	<u>0.71</u>	<u>0.81</u>

34 Dividends

At the Annual General Meeting of the Shareholders of the Company held on 28 April 2016, the shareholders approved the appropriation of dividend of Baht 0.50 per share, totalling Baht 675 million. The dividend was paid to shareholders during 2016.

At the Annual General Meeting of the Shareholders of the Company held on 23 April 2015, the shareholders approved the appropriation of dividend of Baht 0.40 per share, totalling Baht 540 million. The dividend was paid to shareholders during 2015.

35 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders. In addition, the Group has to maintain debt to equity ratio under conditions of loan agreements and debentures.

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Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. Revenue and cash flows of the Group's operation are substantially independent of changes in market interest rates. The Group's operation has no significant interest-bearing assets. The Group's policy is enter into interest rate swap for debentures. Under the interest rate swaps, the Group agreed with counterparties to exchange the difference between fixed contract rates and floating interest rates at specified interval.

Foreign currency risk

As at 31 December 2016 and 2015, The Group has foreign currency risk from the assets and liabilities in foreign currency as described in relevant notes.

In addition, the Group invested in two foreign subsidiaries which their net assets are exposed to foreign currency risk. However, the Group does not enter into forward exchange contract to manage exposure to the said risk.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk for monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk by maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Central Plaza Hotel Public Company Limited and its Subsidiaries
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	Consolidated financial statements		Separate financial statements	
	Fair value	Carrying amount	Fair value	Carrying amount
	<i>(in million Baht)</i>			
31 December 2016				
<i>Financial assets measured at fair value</i>				
Available-for-sale investments (level 2)	1	1	-	-
<i>Financial liabilities not measured at fair value</i>				
Long-term loans from financial institutions	1,007	1,001	-	-
Debentures	5,829	5,980	5,829	5,980
Total	6,836	6,981	5,829	5,980
Interest rate swap				
(Notional amount of Baht 1,000 million (Note 20))	1	-	1	-

	Consolidated financial statements		Separate financial statements	
	Fair value	Carrying amount	Fair value	Carrying amount
	<i>(in million Baht)</i>			
31 December 2015				
<i>Financial assets measured at fair value</i>				
Available-for-sale investments (level 2)	1	1	-	-
<i>Financial liabilities not measured at fair value</i>				
Long-term loans from financial institutions	3,229	3,159	359	354
Debentures	5,059	4,999	5,060	4,999
Total	8,288	8,158	5,419	5,353
Interest rate swap				
(Notional amount of Baht 1,000 million (Note 20))	6	-	6	-

Fair values are computed from the present value of discounted future cash flows of principal and interests. The interest rate used is the rate which management expects the Group to pay at the reporting date.

Fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and counterparty when appropriate.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2016

36 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Capital commitments</i>				
Contracted but not provided for				
hotel construction	227,435	52,566	374	-
machinery and equipment	20,826	21,436	-	-
Total	248,261	74,002	374	-

Central Restaurants Group Co., Ltd. ("CRG") had long-term lease and service agreements with non-related parties for periods of 1 to 26 years up to 2036. According to the terms of the agreements, CRG has to pay monthly rental and service charges at fixed rates or at certain percentages of gross sales as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Operating lease commitments and service commitments of Central Restaurant Groups Co.,Ltd.</i>				
Within one year	426,145	413,606	-	-
After one year but within five years	331,138	275,927	-	-
After five years	11,476	1,174	-	-
Total	768,759	690,707	-	-

The Group has entered into land, buildings and assets lease agreements for periods of 25 - 35 years starting from 1986 to 2045.

The Group and the Company are committed to pay for rental and service charges in respect of aforesaid agreements as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	586,463	373,500	-	-
After one year but within five years	873,192	686,729	-	-
After five years	785,366	815,204	-	-
Total	2,245,021	1,875,433	-	-

37 Events after the reporting period

At the Board of Directors' meeting held on 23 February 2017, the Board passed a resolution for the approval of the annual dividend payment for the year 2016 at Baht 0.55 per share. The final results are dependent on the approval by the shareholders of the Company at the Annual General Meeting to be held on 27 April 2017.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
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38 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2017, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events after the Reporting Period
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 15 (revised 2016)	Operating Leases – Incentives
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 13 (revised 2016)	Customer Royalty Programmes
TFRIC 21 (revised 2016)	Levies
FAP Announcement no. 5/2559	Accounting guidance for derecognition of financial assets and financial liabilities

The Group had made a preliminary assessment of the potential initial impact on the consolidated and separated financial statements of those new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2016

39 Reclassification of accounts

Certain accounts in the 2015 financial statements have been reclassified to conform to the presentation in the 2016 financial statements as follows:

	2015			2015		
	Consolidated financial statements			Separate financial statements		
	Before Reclassifi- cation	Reclassi- fication	After Reclassifi- cation	Before Reclassifi- cation	Reclassifi- cation	After Reclassifi- cation
	<i>(in million Baht)</i>					
Statement of financial position						
Trade and other receivables	1,013	(90)	923	310	-	310
Short-term loans to other parties	19	90	109	-	-	-
Leasehold rights	786	(56)	730	101	-	101
Trade and other payables	(2,525)	56	(2,469)	(348)	-	(348)
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.

ANALYSYS AND EXPLANATION OF FINANCIAL STATUS AND OPERATING RESULTS

For the year ended **31 DECEMBER 2016**

The CENTRAL PLAZA HOTEL Public Company Limited and Subsidiary Companies (CENTEL) wishes to inform the SET of its operating performance results for the Full Year (FY) 2016 period, ended 31 December 2016; whereby it achieved a Total Consolidated Net Profit of Baht 1,849.6 million, an increase of Baht 186.0 million or 11.2% Year-on-Year (YoY) compared to the full year 2015, with the following detailed analysis.

(in Baht - million)	Full Year 2016		Full Year 2015		YoY Changes (Increase + / - Decrease)	
	Baht	%	Baht	%	Baht	%
Revenues -Hotels Business	9,268.2	46.7%	9,046.4	47.1%	+221.8	+2.5%
Revenues - Food Business	10,597.2	53.3%	10,169.7	52.9%	+427.5	+4.2%
TOTAL CONSOLIDATED REVENUES	19,865.4	100.0%	19,216.1	100.0%	+649.3	+3.4%
Cost of Sales –Hotels business	(3,418.1)	(17.2%)	(3,321.6)	(17.3%)	+96.5	+2.9%
Cost of Sales – Food Business ⁽¹⁾	(5,009.2)	(25.2%)	(4,779.1)	(24.9%)	+230.1	+4.8%
TOTAL CONSOLIDATED COSTS OF SALES ⁽¹⁾	(8,427.3)	(42.4%)	(8,100.7)	(42.2%)	+326.6	+4.0%
Less: Selling & General Administrative Expenses	(7,159.3)	(36.0%)	(6,947.1)	(36.2%)	+212.2	+3.1%
Add: Share of Profit /(Loss) from investments (by the equity method)	35.9	0.2%	28.6	0.1%	+7.3	+25.6%
EBITDA	4,314.8	21.7%	4,196.9	21.8%	+117.9	+2.8%
Less: Depreciation & Amortization costs	(1,684.6)	(8.5%)	(1,607.8)	(8.4%)	+76.8	+4.8%
EBIT	2,630.2	13.2%	2,589.1	13.5%	+41.1	+1.6%
Less : Finance Costs	(358.0)	(1.8%)	(404.6)	(2.1%)	-46.6	-11.5%
Less : Corporate Income Tax	(414.5)	(2.1%)	(431.0)	(2.2%)	-16.5	-3.8%
Less: Share of (Profit) / Loss from Non-Controlling Interests (by the equity method)	(106.6)	(0.6%)	(88.0)	(0.5%)	+18.6	+21.1%
CORE OPERATING NET PROFIT/(LOSS) from normal operations	1,751.1	8.8%	1,665.5	8.7%	+85.6	+5.1%
Extraordinary Items:						
Add : Share of Loss from Investments in the Property Fund (by the equity method)	(33.4)	(0.2%)	(102.2)	(0.5%)	-68.8	-67.3%
Special Income Contribution from Rental Adjustments	31.6	0.2%	-	-	+31.6	+100.0%
Add : Revenue from Amortization of Deferred Rental Income CGBS	100.3	0.5%	100.3	0.5%	-	-
NET CONSOLODATED PROFIT/ (LOSS)	1,849.6	9.3%	1,663.6	8.7%	+186.0	+11.2%

⁽¹⁾ Cost of Sales EXCLUDES Depreciation & Amortization Costs allocated to Costs of Sales

1. OVERVIEW : FULL YEAR 2016 OPERATING PERFORMANCE RESULTS

In 2016, CENTEL achieved Total Consolidated Revenues of Baht 19,865.4 million (FY/2015 : Baht 19.216.1 Million), an increase of Baht 649.3 million, or 3.4 %, YoY, with a total revenues mix for the Hotels Business and the Total Food Business of 47 : 53 respectively which is similar to that for FY/2015.

Total Food Business revenues grew by Baht 427.5 million, or an increase of 4.2%, YoY and accounting for 65.8% of the overall increase in Total Consolidated Revenues of CENTEL, that was mainly derived from the addition of 38 new food outlets while Same- Stores-Sales (SSS) growth decreased by 0.7%. As at 31 December, 2016, the Food Business comprised of a total of 11 SR brands and 830 QSR outlets (as at 31 December, 2015: 792 QSR outlets).

Total Hotels Business revenues grew by Baht 221.8 million, or an increase of 2.5%, YoY due to the continued increase in total international tourists arrivals of 8.9%YoY during 2016, which drove an ongoing increase in the overall Average Occupancy Rate (OCC) to 81.9% - the highest OCC ever – together with a corresponding 3.0% increase in RevPAR.

Despite having to face numerous challenges during Q4/2016 in its hotels business operations, such as: a 3 week temporary closure of the Centara Grand Phuket Hotel due to flood damages; the increase in visa fees during October - November for international tourists from certain countries including China, that resulted in a significant drop in total Chinese tourists during the Quarter 4 period; and the temporary suspension of entertainment events as well as any advertising and promotions campaigns in the press or on TV and radio during the initial 30 royal mourning period for the late King, CENTEL still managed to achieve an increase in EBITDA of Baht 117.9 million, or 2.8%YOY, compared to 2015. This was the result of an increase in profitability of the Food Business that achieved an EBITDA margin of 13% (compared to 12.3% in 2015); while the achieved EBITDA margin for the Hotels Business saw a marginal decrease to 31.7% (compared to 32.6% in 2015). CENTEL achieved a Total Consolidated Net Profit of Baht 1,849.6 million, or an increase of 11.2% from the previous year, resulting from more effective management and control of overall expenses and administrative costs. Currently, CENTEL is also in the process of making an insurance claim for the unexpected temporary closures of operations of the Centara Grand Phuket Hotel during the recent floods, and expects to receive this claim payment in Q1/2017.

2. ANALYSIS OF THE OPERATING PERFORMANCE RESULTS FOR FULL YEAR 2016

(1) REVENUES 1.1 HOTELS BUSINESS

As at 31 December, 2016, CENTEL has a total of 65 hotels (with14,136 rooms) (52 hotels (with 10,980 rooms) already confirmed construction plan) in its Hotel Business portfolio, comprising of 37 hotels (7,027 rooms) in operation together with 15 hotel properties (3,953 rooms) still under development. Of the 37 hotels in operation, 15 hotels (3,812 rooms) are own-operated hotel properties and the other 22 hotels (3,215 rooms) are operated under the hotels management services agreements.

ANALYSYS AND EXPLANATION OF FINANCIAL STATUS AND OPERATING RESULTS (continued)

HOTEL BUSINESS OPERATIONS KPIS (OWN-OPERATED HOTELS ONLY)

Average Occupancy Rate (OCC)	Q4/2015	Q4/2016	YoY Change (% points)	FY 2015	FY 2016	YoY Change (% points)
Bangkok	80.9%	76.6%	-4.3 %	81.3 %	81.2 %	-0.1 %
Provinces	79.2 %	79.4 %	0.2 %	79.6 %	81.8 %	2.2 %
Maldives	83.5 %	88.0 %	4.5 %	81.5 %	86.7 %	5.2 %
Total – Thailand	79.7 %	78.6 %	-1.1 %	80.2 %	81.6 %	1.4 %
Total CHR	80.0 %	79.2 %	-0.8 %	80.2 %	81.9 %	1.7 %
Average Room Rate (ARR)	Q4/2015	Q4/2016	YoY Change (% points)	FY 2015	FY 2016	YoY Change (% points)
Bangkok	3,377	3,568	5.7 %	3,248	3,394	4.5 %
Provinces	4,145	4,039	-2.5 %	4,017	3,928	-2.2 %
Maldives	20,237	19,218	-5.0 %	19,133	19,262	0.7 %
Total – Thailand	3,909	3,901	-0.2 %	3,778	3,767	-0.3 %
Total CHR	5,033	5,025	-0.2 %	4,809	4,851	0.9 %
RevPAR	Q4/2015	Q4/2016	YoY Change (% points)	FY 2015	FY 2016	YoY Change (% points)
Bangkok	2,731	2,735	0.1 %	2,642	2,755	4.3 %
Provinces	3,282	3,209	-2.2 %	3,197	3,213	0.5 %
Maldives	16,901	16,903	0.0 %	15,602	16,698	7.0 %
Total – Thailand	3,116	3,066	-1.6 %	3,028	3,075	1.6 %
Total CHR	4,024	3,980	-1.1 %	3,858	3,975	3.0 %

OVERVIEW OF THE HOTELS BUSINESS IN 2016

For 2016, the Hotels Business achieved total revenues of Baht 9,268.2 million, an increase of Baht 221.8 Million, or +2.5%, from the previous year. This total revenues growth resulted from the increase in achieved Average Occupancy Rate (OCC) of 1.7 percentage points together with the increase in achieved Average Room Rates (ARR) of 0.9%YoY due to the increase in achieved RevPAR of 3.0%YoY.

During 2016, total international tourists arrivals was 32.6 million, achieving a continuing increase of 8.9% from the previous year, which comprised of a 9.1%YoY increase in ASEAN visitors together with a 10%YoY increase in Chinese tourists and a 9.6% YoY increase in tourists from Europe. Further, the total number of tourists from Russia increased by 23%YoY from the small base in 2015 that was due to problems relating to low global crude oil prices, devaluation of the Russian currency and its internal economy. Nevertheless, despite the significant increase in this total number of visitors from Russia in 2016, it is still far lower than those coming to Thailand during 2013 - 2014 that reached as much as 1.6 – 1.7 million a year and grew at more than 32%YoY. The growth in the total number of international tourists last year occurred mostly during the first 9 months of the year that totaled 12.3%YoY; while in Quarter 4 total international arrivals decreased by 1 %YoY, resulting from a 21% decrease in total Chinese tourists mainly due to the negative impact from the visa fees increase applicable for visitors coming from 18 countries including China from 27 September, 2016 onwards.

During Q4/2016, the Hotels Business was affected by 3 significant negative events that resulted in a decrease in achieved OCC of 1.1 percentage points; namely: 1) It was the initial period of royal mourning in Thailand for the late King; 2) extensive floods that resulted in the temporary closure of operations of the Centara Grand Phuket Hotel for 3 weeks starting in late October from October 28 to November 20; and 3) announced visa fees increase for visitors from 18 countries including China from 27 September, 2016, whereby, despite the Government then subsequently waived this visa fee increase as of December 1 onwards, the total number of Chinese tourists arrivals for Q4/2016 still decreased by 21%YoY from the same Quarter last year. As such, tourists from China is a major international tourist group for Thailand; and it can be seen that the achieved OCC in Q4/2016 for hotels located in Bangkok was the most affected and decreased by 4.2 percentage points, while overall RevPAR in Q4/2016 for hotels located in Thailand decreased by 1.6 % YoY. Operating indicators for those hotels located in the Maldives did not change compared to the previous year, mainly due to increased competition relating to room rates, especially with regards to 4 star hotels.

Nevertheless, despite the various operational challenges that occurred during Q4/2016, CENTEL still managed to achieved an overall FY/2016 OCC of 82% for its hotels, which is the highest OCC ever achieved and comprises of an overall OCC increase of 2.2 percentage points YoY for hotels located in the Provinces and 4.5 percentage points for hotels located in the Maldives, but an OCC decrease of 0.1 percentage points YoY for hotels located in Bangkok.

As for achieved Average Room Rates (ARR), in 2016 overall achieved ARR increased by 0.9%YoY, with hotels located in Bangkok being able to increase their ARR by 4.5%YoY, while achieved ARR for hotels located in the Provinces decreased by 2.2 %YoY. Competition – especially for the Phuket market continued to pressure room rates, particularly for the 4-star hotels segment. The Maldives market was able to increase overall ARR by 0.7%YoY due to the competitive environment with regards to supply of hotel rooms in that market . Nevertheless, with regards to RevPAR, overall achieved RevPAR increased by 3.0%YoY; whereby achieved RevPAR for hotels located in Bangkok increasing by 4.3%YoY, for hotels located in the Provinces increasing by 0.5%YoY, and for hotels in the Maldives increasing by 7.0%YoY. As such, this increased RevPAR was due to the increase in achieved ARR for hotels located in Bangkok together with achieved OCC for those hotels located in the Provinces and the Maldives.

1.2 FOOD BUSINESS FOOD BUSINESS GROWTH KPIS

Same Stores Sales (SSS)			Total System Sales (TSS)	
Quarter	Q4/2015	Q4/2016	Q4/2015	Q4/2016
Top 4 Brands	0.2 %	-6.1 %	1.6 %	-2.2 %
Other 7 brands	0.6 %	0.0 %	3.8 %	16.6 %
Average	0.2 %	-5.6 %	1.9 %	-0.1 %

Same Stores Sales (SSS)			Total System Sales (TSS)	
Full Year	FY 2015	FY 2016	FY 2015	FY 2016
Top 4 Brands	-1.4 %	-1.2 %	1.3 %	2.3 %
Other 7 brands	6.1 %	3.7 %	7.5 %	20.5 %
Average	-0.7 %	-0.7 %	2.0 %	4.3 %

ANALYSYS AND EXPLANATION OF
FINANCIAL STATUS AND OPERATING RESULTS (continued)

OVERVIEW OF THE FOOD BUSINESS IN FULL YEAR 2016

In 2016, CENTEL achieved total Food Business revenues of Baht 10,597.2 million, an increase of Baht 427.5 million, or 4.2%, YoY from 2015; with an achieved Total-System-Sales (TSS) growth of 4.3%YoY (2015: 2.0%), while the achieved Same-Store-Sale (SSS) growth decreased by 0.7%YoY (2015: -0.7%); whereby TSS growth was achieved by all SR brands except for Mister Donut and Ootoya that both saw a decrease in their respective TSS. This revenues increase mainly resulted from the continuing expansion of new QSR outlets or the reopening of existing outlets closed for renovation since last year, sustained marketing promotions campaigns to collect loyalty points that are redeemable for purchasing goods at special prices, and increased advertising and public relations campaigns on TV and other media, as well as ongoing development of new products and menu offerings together with price adjustments for some QSR brands. As at 31 December, 2016, CENTEL had 11 QSR brands in its Food Business portfolio together with a total of 830 QSR outlets - equal to a net increase of 38 outlets from 2015; whereby the total new 24 outlets opened in Q4/2016 drove the overall total revenues increase, while SSS growth saw a decrease of 5.6%YoY in this last Quarter of the year due to Thailand being in the initial royal mourning period for the late King.

(2) COST OF SALES AND GROSS PROFIT

In 2016, the Company and Subsidiary Companies had Total Cost of Sales of Baht 8,427.3 million (2015: Baht 8,100.7 million), representing an overall average Gross Margin of 55.5 % (2015: 55.8%), with the following details by business groups.

Business Group	Revenues (Excluding other income)	Cost of Sales (Baht million)	Gross Profit (Baht million)	Gross Margin (%)	Revenues (Excluding other income)	Cost of Sales (Baht million)	Gross Profit (Baht million)	Gross Margin (%)	% YoY Change in Cost of Sales
	FY 2016				FY 2015				
Hotels Business	8,919.1	3,418.1	5,501.0	61.7 %	8,728.2	3,321.6	5,406.6	61.9 %	+2.9 %
Food Business	10,529.1	5,009.2	5,519.9	52.4 %	10,094.5	4,779.1	5,315.4	52.7 %	+4.8 %
TOTAL*	19,448.2	8,427.3	11,020.9	56.7 %	18,822.7	8,100.7	10,722.0	57.0 %	+4.0 %

*Note: Cost of Sales and Gross Profit EXCLUDES Depreciation & Amortization Costs allocated to Costs of Sales

HOTELS BUSINESS

In 2016, the Company and Subsidiary Companies had Total Costs of Sales for the Hotels Business of Baht 3,418.1 million, which represents a Total Gross Margin of 61.7 % when compared to the total Hotels Business’ sales and services revenues (2015: 61.9%) which is almost the same as for the previous year.

FOOD BUSINESS

In 2016, the Company and Subsidiary Companies had Total Costs of ales for the Food Business of Baht 5,009.2 million, comprising of direct costs, such as: food and beverage materials costs, salaries and welfare benefits for direct staff, and consumables, which represents a Total Gross Margin of 52.4 % of total Food Business sales (2015 : 52.7 %) which is a marginal decrease from the previous year.

(3) SELLING AND GENERAL ADMINISTRATIVE EXPENSES

Selling and General Administrative Expenses is comprised of staff salaries and welfare benefits, hotel management expenses, facilities rental costs, costs for credit cards usage, together with QSR franchise and royalty fees, and advertising expenses. In 2016, the Company and Subsidiary Companies had Total Selling and General Administrative Expenses of Baht 7,159.3 million, an increase of Baht 212.2 million or 3.1 % YoY, representing 36.0% of Total Consolidated Revenues (2015: 36.2%). This YoY increase in Total Selling and General Administrative Expenses was due to increased advertising and sales promotions expenses for both the Hotels and Foods Businesses aimed at boosting sales, together with expenses relating to the expanded QSR outlets network during the year by a total of 38 new outlets and losses from the disposal of some assets, totaling Baht 26.0 million, resulting from the major renovation of a hotel subsidiary company.

(4) SHARE OF PROFIT, BY THE EQUITY METHOD, FROM INVESTMENTS (EXCLUDING LOSSES FROM A REVALUATION OF ASSETS AND SPECIAL INCOME CONTRIBUTION FROM RENTAL ADJUSTMENTS)

For 2016, the Company and Subsidiary Companies recognized a share of profit, by the equity method, made from investments totaling Baht 35.9 million, an increase of Baht 7.3, or 25.6 %, from the previous year.

(5) SHARE OF NET PROFIT, BY THE EQUITY METHOD, FROM NON-CONTROLLING INTERESTS

For 2016, the Company and Subsidiary Companies recognized a share of Net Profit, by the equity method, from Non-Controlling Interests totaling Baht 106.6 million (2015: Baht 88.0 million), an increase of Baht 18.5 million or 21.1 % YoY, resulting from the better of operating performance from subsidiary company.

(6) NET PROFIT

For 2016, the Company and Subsidiary Companies achieved a Total Net Profit of Baht 1,849.6 million, an increase of Baht 186.0 million or 11.9%YoY and equal to 9.3% (2015: 8.7%) of Total Consolidated Revenues as a result of the increase in the overall increased operating results of the Company together with a more effective finance cost and tax management.

3. ANALYSIS OF THE COMPANY’S FINANCIAL STATUS FOR 2016 AND 2015

Financial Status (Baht million)	@ 31 December 2016	@ 31 December 2015	% Change YoY
Current Asset	3,043	2,335	+30.3 %
Non-Current Asset	21,354	22,108	-3.4 %
TOTAL ASSET	24,397	24,443	-0.2 %

Total Assets of the Company and Subsidiary Companies, as at the end of 2016 and 2015, was Baht 24,396.8 million and Baht 24,443.5 million respectively, a decrease of Baht 6 46.7 million from the end of 2015 or 0.2%. YoY.

Total Current Assets, as at the end of 2016 and 2015, was Baht 3,042.7 million and Baht 2,335.4 million - or equal to 12.5% and 9.6% of Total Assets – respectively. Current Assets consist of these key assets items:

ANALYSYS AND EXPLANATION OF FINANCIAL STATUS AND OPERATING RESULTS (continued)

(1) Cash or Cash equivalent, as at the end of 2016 and 2015, totaled Baht 1,089.3 million and Baht 448.3 million – or equal to 4.5% and 1.8% of Total Assets – respectively

(2) Trade and Other Receivables (Net), as at the end of 2016 and 2015, totaled Baht 523.3 million and Baht 492.6 million – or equal to 2.1% and 2.0% of Total Assets – respectively. The portion of the Company's Trade and Other Receivables is quite small when compared to Total Assets, which is due to the fact that the Food Business is virtually a total cash-based business while the Hotels Business offers an approximate credit of 15 - 30 days to its sales agents and those properties it manages and actual average collections is equal to approximately only 15 days.

Total Non-Current Assets (Net), as at the end of 2016 and 2015, was Baht 21,354.1 million and Baht 22,108.1 million – or equal to 87.5% and 90.4% of Total Assets – respectively. Non-Current Assets consist of mainly of property, buildings and equipments, which, as at the end of 2016 and 2015, had a totaled Baht 18,288.2 million and Baht 18,915.5 million respectively, an overall decrease of 3.3%YoY due to the applied depreciation and amortization costs during the year.

4. FINANCIAL LIQUIDITY AND SOURCES OF CAPITAL FUNDS

(1) Liquidity and cash flows

Cash Flow from operations of the Company and Subsidiary Companies, in 2016 and 2015, totaled Baht 4,175.6 million and Baht 4,145.6 million respectively, an increase of Baht 30.0 million

Cash Flow for investment activities, in 2016 and 2015, used a total of Baht 1,565.4 million and Baht 1,800.8 million respectively, due to additional investments in fixed assets relating to the construction of buildings and purchase of equipments together with payments for lease rights

Cash Flow from financing activities, for 2016 and 2015, used a total of Baht 1,911.0 million and Baht 2,600.6 million respectively, whereby in 2016 a dividend payment was made totaling Baht 766.6 million together with a repayment of long term loans totaling Baht 2,205.2 million

(2) Liquidity Ratio

Financial Ratio (times)	@ 31 December 2016	@ 31 December 2015
Liquidity Ratio	0.7	0.3
Interest bearing Debt : Shareholders Equity	0.7	0.9

As at the end of 2016 and 2015, the Company and Subsidiary Companies had a Liquidity Ratio of 0.7 times and 0.3 times respectively; whereby this Liquidity Ratio increase, when compared to 2015, was mainly due to the increase in cash and cash equivalent and decrease in current liabilities from more effective debt management. As for the Ratio of Interest Bearing Debts to Shareholders Equity of the Company and Subsidiary Companies, it was at 0.7 times as at the end of 2016 (0.9 times as at the end of 2015); whereby the Company and Subsidiary Companies still has adequate liquidity to service its debts and associated interests.

(3) Sources of Capital Funds

Financial Status (Baht million)	@ 31 December 2016	@ 31 December 2015	% Change YoY
Current Liabilities	4,706	7,644	-38 %
Non-Current Liabilities	8,574	6,879	+24 %
Total Liabilities	13,280	14,523	-9 %
Total Shareholders Equity	11,117	9,920	+12 %
Total Liabilities and Total Shareholders Equity	24,397	24,443	-0.2 %

Liabilities

Total Liabilities of the Company and Subsidiary Companies, as at the end of 2016 and 2015, was Baht 13,279.5 million and Baht 14,522.7 million respectively, with

Total Current Liabilities consisting of :

- (1) Trade Payables, as at the end of 2016 and 2015, totaling Baht 817.1 million and Baht 734.6 million – or equal to 6.2% and 5.1% of Total Liabilities - respectively
- (2) Debentures with a 1 year maturity that decreased by Baht 2,300.0 million YoY, due to a repayment of Debentures having been made during 2016 totaling Baht 3,300 million; and

Total Non-Current Liabilities of the Company and Subsidiary Companies, as at the end of 2016 and 2015, was Baht 8,573.9 million and Baht 6,879.1 million; whereby the Company issued additional Debentures to replace those Debentures that matured and came due totaling Baht 3,300 million together with new debentures Baht 980.0 million for use in repaying long term debts from a financial institution. As such, this facilitated a more effective management of its overall finance costs together with extending the overall terms in repaying its debts.

Shareholders Equity

As at the end of 2016, the Company and Subsidiary Companies had a Total Shareholders Equity of Baht 11,117.3 million, an increase of Baht 1,196.5 million, or 12.1%YoY, from the end of 2015 that resulted from the achieved Net Profit for full year 2016.

ANALYSYS AND EXPLANATION OF FINANCIAL STATUS AND OPERATING RESULTS (continued)

5. DEBT COVENANTS AND OBLIGATIONS, AND MANAGEMENT OF CONTINGENT LIABILITIES

As at the end of 2016, the CENTEL Group of Companies had NO debt covenants or obligations and management of any contingent liabilities

6. FACTORS IMPACTING FUTURE BUSINESS OPERATIONS

The Hotels Business is expected to benefit from the ongoing positive factor relating to the sustained growth in total international tourists arrivals - especially tourists from China that is expected to continue to increase. At the same time, the main Europe source markets should continue to increase at a moderate level, and tourists from Russia should continue to increase during 2017. Based on the projections of the Economic Intelligent Center, Siam Commercial Bank, total international tourists arrivals for full year 2017 is expected to increase by 8.4% from 2016. However, various external issues - such as: widespread diseases or epidemics, natural disasters (ie: floods), and political problems or unrest – still remain key risk factors that would negatively affect the overall hotels business industry. Nevertheless, from past experience such impacts will be short lived; while in having its total hotels business revenues spread out into various locations in the Provinces, will to a certain extent minimize then overall negative impacts from such situations for the Company

As for the Food Business, there is a trend of increased stability together with some degree of uncertainty for the overall operating performance that mainly depends on overall consumer confidence, further implementation of economic stimulus initiatives, Public Sector spending, and achieved exports together with ongoing appropriate sales and marketing promotions campaigns by the Company aimed at boosting future total sales revenues. The Company expects that the appointment of new additional franchises or business partners by the Yum Restaurant International (Thailand) Co. Ltd. to operate an additional 130 KFC outlets located in Bangkok and Southern provinces together with bidding for the remaining planned outlets will not have any significant negative impact for the Company's planned future expansion of its KFC outlets network.

OUTLOOK FOR 2017

For 2017, the Company will still focus on growing its business through organic growth together with improving overall profit margins, through undertaking advance purchase contracts for key raw material items so as to reduce risks of any price volatility for such items during the year as well as managing its debts and borrowings more effectively. Additionally, the Company expects to see efficiency and effectiveness from having established its International Headquarters, IHQ since July 2016.

With regards to the Hotels Business, an approximate 3% – 4%YoY in the achieved RevPAR is expected mainly as a result of increasing its ARR based on the key factor of sustained growth in total international tourists arrivals that will positively support the overall hotels industry in Thailand. As such, this projection has also taken into account the impact from the planned major renovations of the Centara Grand at Central World during the last half of 2017 hotel properties during the year.

Future expansion plans for the hotels business will still place importance on the hotels management services activities in both Thailand and overseas, so as to effectively manage overall associated operational risks and also to enable the achievement of improved profitability for the Company since the profit margin from hotels management services is high. During 2017, the Company plans to launch 2 new hotel properties under its hotels management service agreements portfolio in the Middle East, which will be the first hotels to be operated by the Company in this Region. These 2 new hotels will be located in Muscat, Oman and in Doha, Qatar.

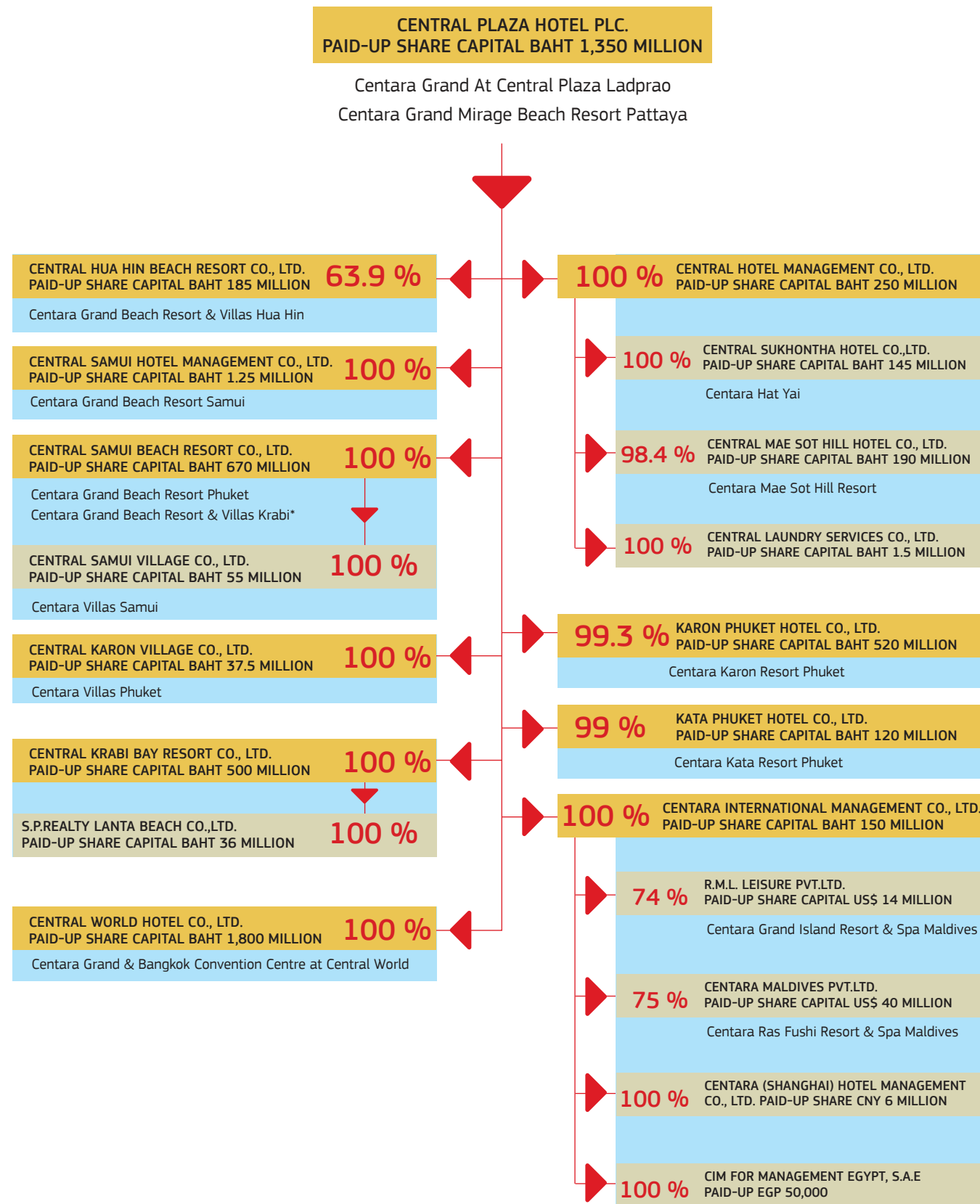
Additionally, the Company still plans to invest in own operated hotel assets in both Thailand and overseas, somas to enable the achievement of increased total revenues and profits in the future, while taking into consideration the overall importance of the associated risk factors, return on investments and overall financial discipline. Currently, the Company is in the process of constructing the 151 room COSI Samui Hotel with an total investment of Baht 350 million, which is expected to be completed within late 2017 and in operation for the full year 2018. While for the 300 room COSI Pattaya Hotel with a total investment of Baht 600 million, the Company plans to start construction during 2017 so as to be in operation in 2019. In December 2016, the Company entered into a 40% / 60% Joint Venture Agreement with Nakheel, a major property development company in Dubai, UAE, to construct the new 550 room Centara Deira Island Beach Resort Dubai with a total investment of US 160 million which will start operations in 2019. This hotel will be the first hotel property investment to be made by the Company in the Middle East, and will be the initial steps in potential future joint investments in the Middle East together with its new Nakheel business partner.

With regards to the Food Business, a Total Systems Sales (TSS) growth of between 5% - 6% is projected, mainly through opening additional QSR outlets totaling approximately 35-40 new outlets in 2017 – or equal to approximately 4% – 5%YoY. As such, the Company still plans to maintain the expansion of its QSR outlets network, which will mainly be located in shopping malls; while at the same, the Company still place importance on overall effective management of both associated and operating expenses. This will then facilitate and enable the achievement of both total sale revenues and profit margins growth.

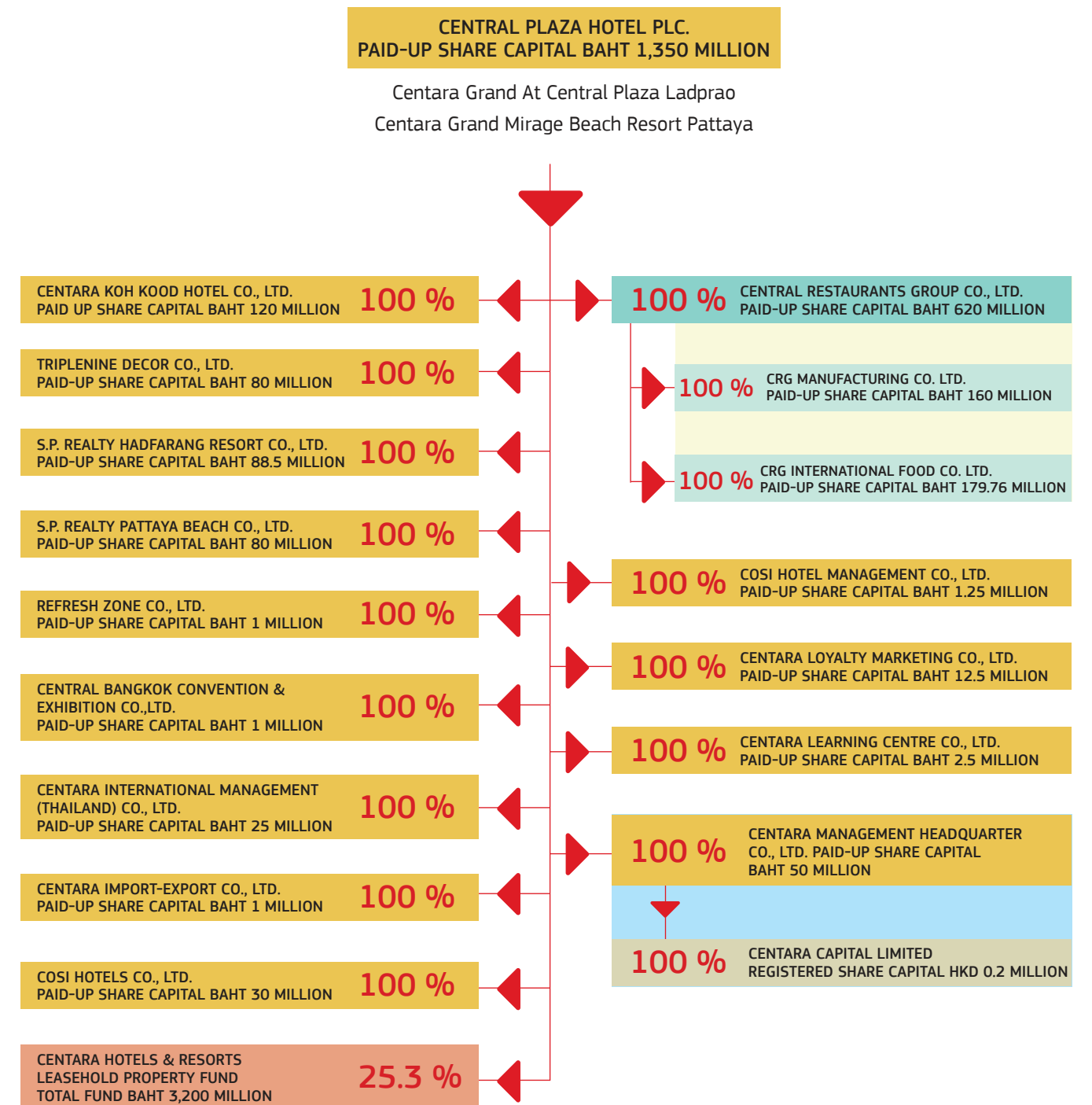
Additionally, there may also be additional supporting positive factors for undertaking inorganic growth, though possible Mergers & Acquisitions and/or Joint Ventures activities, whereby the key factors relate to successful negotiations being achieved; and as such it is not yet possible to clearly identify any associated timeframe for such activities.

With regards to its future expansion plans, the Company expects to finance this business growth both from operating cash flows together with additional borrowings, as well as to still be able to maintain overall financial discipline in controlling the Ratio of Interest Bearing Debts to Equity at not more than 1.5 times

NATURE OF BUSINESS



*Own Central Krabi Bay Resort Co.Ltd.



REVENUE STRUCTURE

(Unit : Million Baht)

Business		Current % Holding	2016		2015		2014	
			Amount	%	Amount	%	Amount	%
Hotel	Sales revenues							
	Centara Grand at Central Plaza Ladprao Bangkok	--	1,055.6	5.3	1,087.8	5.7	916.5	5.0
	Centara Grand Beach Resort & Villas Hua Hin	63.9%	618.5	3.1	644.8	3.4	625.9	3.4
	Centara Grand Beach Resort Samui	100.0%	497.9	2.5	455.4	2.4	438.2	2.4
	Centara Hat Yai	100.0%	179.2	0.9	170.2	0.9	170.7	0.9
	Centara Mae Sot Hill Resort	98.4%	38.1	0.2	33.4	0.2	34.6	0.2
	Centara Villas Samui	100.0%	119.6	0.6	119.0	0.6	128.0	0.7
	Centara Villas Phuket	100.0%	94.4	0.5	94.7	0.5	93.3	0.5
	Centara Grand Beach Resort & Villas Krabi	100.0%	550.8	2.8	503.1	2.6	467.4	2.6
	Centara Grand & Bangkok Convention Centre at Central World	100.0%	1,603.0	8.1	1,536.9	8.0	1,133.3	6.2
	Centara Grand Mirage Beach Resort Pattaya	100.0%	1,102.2	5.6	1,115.5	5.8	1,116.0	6.1
	Centara Grand Beach Resort Phuket	100.0%	729.4	3.7	761.7	4.0	746.7	4.1
	Centara Karon Resort Phuket	99.3%	335.1	1.7	358.1	1.9	378.8	2.1
	Centara Kata Resort Phuket (1)	99.0%	153.8	0.8	140.9	0.7	46.0	0.3
	Centara Grand Island Resort & Spa Maldives	74.0%	929.1	4.7	792.1	4.1	862.6	4.7
	Centara Ras Fushi Resort & Spa Maldives	75.0%	901.4	4.6	885.3	4.6	816.9	4.5
	Others	--	10.9	0.0	29.3	0.2	16.3	0.1
Total sales from Hotel Business			8,919.0	45.1	8,728.2	45.6	7,991.2	43.8

(Unit : Million Baht)

Business		Current % Holding	2016		2015		2014	
			Amount	%	Amount	%	Amount	%
Food	Sales revenues							
	Mister Donut	100.0%	1,819.3	9.2	1,884.3	9.8	1,904.9	10.4
	KFC	100.0%	5,823.4	29.4	5,548.7	28.9	5,352.6	29.3
	Auntie Anne's	100.0%	752.0	3.8	736.0	3.8	731.5	4.0
	Pepper Lunch	100.0%	278.6	1.4	194.6	1.0	188.9	1.0
	Beard Papa	100.0%	0.0	0.0	0.0	0.0	12.4	0.1
	Chabuton Ramen	100.0%	249.9	1.3	240.4	1.3	238.7	1.3
	Cold Stone Creamery	100.0%	123.6	0.6	101.2	0.5	89.8	0.5
	Ryu Shabu Shabu	100.0%	0.0	0.0	5.8	0.0	17.3	0.1
	Yoshinoya	100.0%	196.8	1.0	196.3	1.0	196.9	1.1
	Ootoya	100.0%	795.9	4.0	817.6	4.3	880.2	4.8
	The Terrace	100.0%	143.4	0.7	126.8	0.7	97.8	0.5
	Tenya	100.0%	72.6	0.4	57.6	0.3	49.1	0.3
	Katsuya	100.0%	109.7	0.6	42.6	0.2	11.8	0.1
	Other sales revenues	100.0%	163.9	0.8	142.6	0.7	128.9	0.7
Total sales from Food Business			10,529.1	53.2	10,094.5	52.5	9,900.8	54.2
Other income ⁽⁵⁾			357.8	1.7	368.4	1.9	363.8	2.0
Total revenues ⁽⁴⁾			19,805.9	100.0	19,191.1	100.0	18,255.8	100.0

Note:

- (1) Centara Kata Phuket Co.Ltd. changed its status from being a joint venture company to a full Subsidiary Company since October 7, 2014.
- (2) Other income comprised hotel management fee, rental and service fee, marketing support fund and subsidy, etc.
- (3) Total revenues did not include amortization of rental income (from the property fund) relating to the Centara Grand Samui Hotel Project for the year 2016 of Baht 100.3 million (FY2015 and FY2014: Baht 100.3 million each) and in FY2014, not include extra-gain from purchase of businesses and re-appraised fair value of investments made of Baht 103.1 million.

RISK FACTORS

In this document, the Company has disclosed various risk factors that may result in negative impacts on the overall financial status and the performance results of the Company. However, there may also be other potential uncertainties that, at present, cannot be exactly specified. As such, Stakeholders should also take into account such possible risk factors other than those already specifically disclosed in this Annual Report.

1. RISKS FROM EXTERNAL FACTORS

The hospitality and hotels business is directly vulnerable to being impacted by various external factors that are beyond the control of the business operators and may lead to an overall unstable and fluctuating business environment for the tourism industry; such as, the royal mourning period for the passing away of His Majesty the late King Bhumibol Adulyadej, extensive and prolonged flooding in the South, getting rid of illegal tour operations and economic downturns, as well as the ongoing deterioration of natural or eco-tourism attractions. All such external factors will result in significant negative impacts on travel decisions of potential domestic travelers and international tourists. However, the Company and its Subsidiary Companies feel confident that, by dispersing the various hotel properties in many diverse locations throughout Thailand and overseas, as well as by focusing more on expanding the Group's hotel management services business into key overseas destinations and by adapting to the ongoing changes in the demands of the tourism markets together with collaborating with business partners (such as travel agencies or tour operators both domestically and in key Regional markets), we will be able to minimize, to a certain extent, the potential negative impacts and any resultant adverse effects from such external risk factors.

The Food Service and QSR Business may also be affected by various external risks factors; such as: the increase or decline in the consumer confidence index or the rate of Thailand's economic growth. However, given that there are more than 10 differing brands in our Food Service or QSR Business, that include both full meals or snack menu offerings, together with having outlets dispersed in various locations in central Bangkok, the suburbs and the Provinces, these factors should mitigate or reduce any adverse impacts that may occur.

As such, the Company and its Subsidiary Companies attach much importance to ongoing research and development activities relating to new products or food menu offerings and associated services, as well as sales and marketing channels, in order to meet any possible impacts resulting from the various external risk factors mentioned.

2. RISKS FROM COMPETITIVE BUSINESS ACTIVITIES

The hotels industry is a highly competitive with a trend of becoming even more intensely competitive as a result of the increasing number of new hotels being launched by both existing and new types (such as Air BnB) of hotel operators competing for a share of the market. Additionally, there are additional risks resulting from the merger of large hotel chains aimed at increasing their brands and expanding their customer base, resulting in a keen competition on pricing and the services offered. As such, in order to be in tune with the ever-changing business environment, the Company has determined a marketing development plan with the objective of being able to act in full accordance with the current market environment; such as: developing and promoting its customer loyalty program (ie Centara The One Card), developing and implementing mobile devices applications; making use of various types of communications media, and further developing our website. Moreover, with regards to our Hotel Business operations, the Company has established a centralized management and administrative system for each key Region with the aim of reducing and improving overall overhead costs.

As for the food service and QSR business sector, it has always been fairly competitive due to new players constantly entering the market since there is a low barrier of entry and because new menu offerings and choices are always being launched. As such, these factors may have adverse impacts on both the revenues and operating profit of the Company.

The Company and its Subsidiary Companies have always recognized the competitive business environments. Therefore, the Company has always placed great importance to the ongoing development and training of its human resources together with focusing on service quality so as to achieve positive acceptance for its various brands through having in place a Management team with extensive experiences in the respective businesses, as well as to determining effective marketing development plans for the Hotels Business and also for the Food Service and QSR Business. The Company has continuously developed new products and menu offerings together with introducing appropriate new and modern technology systems to provide various services that respond to the requirements and behaviors of the current consumers. The Company has also expanded its market coverage into every Province and also its online marketing platforms, resulting in the various brands of its Hotels Business as well as in its Food Service and QSR Business to have achieved positive reputations and become well-accepted by consumers. As such, we are confident that the Company and its Subsidiary Companies have the potential capability to effectively compete with the various players in the market.

3. RISK RELATING TO POSSIBLE LOSS OF REVENUES FROM OPERATING BUSINESSES UNDER THE FRANCHISE SYSTEM

The Subsidiary Company operates the Food Service and QSR business under a franchise system from overseas Franchisors. As such, the various franchise agreements have various operating conditions together with specific time validity or term for the franchise. As such, once the time validity of these agreements expire and the Franchisors do not wish to renew the franchise agreement or only agree to extend the term under revised conditions that are not beneficial for the Subsidiary Company – such as, significantly increasing the initial upfront franchise fees for any new Food Service/QSR outlets or the percentage share of ongoing revenues-based royalty fees – it will then have an adverse impact on the potential revenues and profits to be achieved by the ongoing operations of the franchise-based Food Services and QSR business.

Nevertheless, given that the Company has always attached great importance to maintaining good business relationships with the Franchisors and to being well-prepared to negotiate any franchise agreement renewals well in advance of their respective expiry dates together with the fact that the Company has worked together with the various respective Franchisors for a long time as well as having extensive experience in effectively managing these franchise businesses so as to be well-accepted, this has resulted in the Company having always been successful in renewing the various respective franchise agreements.

4. RISK RELATING TO POSSIBLE LOSS OF REVENUES IN OPERATING THE FOOD SERVICE AND QSR BUSINESS, DUE TO BEING UNABLE TO RENEW THE SPACE RENTAL CONTRACTS FOR THE FOOD SERVICES OUTLETS

The majority of the sales channels or QSR outlets of the Food Service and QSR Business operated by the Subsidiary Company as a full stores or kiosks are located within commercial/retail malls or department stores, with the commercial space being rented under rental agreements that have various conditions and specific time validity. As such, in the event that such space rental agreements expire and the Subsidiary Company is unable to renew the rental agreements (especially in those locations that have a high commercial potential) or where the rented space owners will only agree to renew the agreements with revised terms and conditions that are not beneficial for the Subsidiary Company – such as, significantly increasing the rental fees or registered leasehold rights – then the Company will be affected by losing the potential revenues and profit from the associated business operations at the rented locations in question.

Nevertheless, at present, the Subsidiary Company rents these commercial spaces under various different rental agreements that have varying rental time validity, based on each differing start and expiry dates for each respective food services outlet location, therefore this will result in spreading out and helping to reduce the potential risk mentioned accordingly. At the same time, the Company has a strategy to continuously expand and disperse its QSR outlets in various newly available locations with a core emphasis on choosing only those locations that have a high potential for commercial growth, together with giving importance to only renewing those locations that offer satisfactory operational and financial returns and also by initiating the renewal negotiations for each respective rental agreement well in advance of its expiry date. Furthermore, given that the Subsidiary Company operates only very popular Food Services/QSR brands that are well-accepted in the market and that are able to attract a large numbers of consumers to the commercial malls where they are located to also shop for other products or services and to spend their money (which is a key factor for the successful management of commercial malls or department stores) coupled with the fact that the Subsidiary Company operates more than 10 well-known Food Service and QSR brands, this has resulted in the Subsidiary Company always being able to successfully obtain top priority consideration in the renewal process of the rental agreements for commercial space in shopping malls and department stores.

5. RISK IN MEETING THE AGREED OBLIGATIONS RELATED TO THE ISSUE OF DEBENTURES

Under the obligations related to the Company issuing debentures, the Company is required to maintain the Ratio of Interest-bearing Loans to Shareholders Equity of not more than 2:1 times; whereby as at 31 December, 2016, the Company had a Ratio of Interest-bearing Loans to Shareholders Equity of 0.7 times

6. RISKS RELATING TO FOREIGN CURRENCY EXCHANGE RATES

The Company and Companies within the Group have part of the total revenues in foreign currencies that are received from room reservations by overseas customers and also from the hotels management services fees; whereby the Company has determined its room rates through using the prevailing foreign currency exchange rates in each year based on the associated and relevant data analyses together with provisions for some fluctuations in the foreign currency exchange rates. The Company also has some expenses payable in foreign currencies – such as,

RISK FACTORS (continued)

initial fees for new franchised QSR outlets and payments for some food raw materials purchased from overseas suppliers.

Nevertheless, in the past both the revenues received and expenses payable in foreign currencies accounted for only a small proportion of the total revenues and expenses of the Company and Group of Companies respectively, whereby this would not result in a negative impact of any significance from the fluctuating foreign currency exchange rates. Additionally, in expanding more into overseas markets, the Company and the Group of Companies are exposed to risks relating to the fluctuations in foreign currency exchange rates in converting the involved total value of foreign currency revenues from its overseas operations into Thai Baht in its consolidated Financial Statements. With regards to sourcing funds for its operations, generally the Company will borrow funds in the same currency as required for its assets purchases, so as to be able to offset or benefit, as much as possible, from the resulting inherent protection against risks relating to foreign currency exchange rates fluctuations (ie: natural currency hedge).

7. RISKS RELATING TO FLUCTUATIONS IN THE PREVAILING INTEREST RATES

Risks relating to fluctuating interest rates may have some adverse effect on the Company's cash flow. As at 31 December, 2016 the Company and its Subsidiary Companies had total interest bearing debts of Baht 7,767.5 million - or equal to 58.5% of total liabilities. As such, in the event that the overall interest rate increases or decreases by 0.25 bps, it will result in the Company and Subsidiary Companies having an increase or decrease in total interests expenses of Baht 4.5 million accordingly. The Company and Companies within the Group recognize such risks together with the resultant effects from any fluctuations in the interest rates, through managing these risks relating to interest rate fluctuations in full accordance with the Company's Risk Management Handbook, in order to mitigate and reduce any risks relating to the then prevailing interest rates in the capital markets at any given time. As such, 77% of the total borrowings of the Company and Group of Companies are debts having fixed rates of interest.

8. STRATEGIC RISKS

The Company is focused on conducting its businesses according to the stated corporate mission; whereby the defined corporate strategies and business activities plans correspond to established risk management policies so that for the various risk factors the respective agreed acceptable level of risk are not exceeded.

As for business readiness, the Company has determined continuous expansion plans for its domestic and overseas business operations; and, as such, business preparation and readiness plans must be defined to support the established business growth policies within a highly competitive environment together with regularly adapting established corporate strategies to be timely and always correspond to the ever-changing situation.

With regards to foreign investments, the Company plans to make further investments overseas; whereby this will result in the Company being exposed to various related to investing overseas - such as: changes in the total value of the foreign investments; successful development of the new projects, associated obligations from any new agreements, applying for and acquiring the operating licenses and permits and involved applicable local laws and other requirements. as well as the relevant general risks for each respective country. However, the Company has in place various measures to control and closely oversee the development of new projects that include a detailed study and comprehensive analysis of the relevant information regarding the various business operating procedures for each respective country prior to actually deciding to proceed with the planned investment. Additionally, the Company has established a team of analysts to monitor and assess the economic, social and political environments relating to making investments in any country where the Company has never operated any business before. The Company mitigates and reduces those risks related to investing in any new projects through undertaking such projects jointly together with new business partners that have a good potential, so as to make an adequate assessment of the market situation together and study the relevant operating procedures until it feels confident of undertaking to operate a business in that country before actually deciding to proceed to invest at an equity holding ratio that can subsequently be further increased.

9. OPERATIONAL RISKS

The Company is focused on reviewing the respective procedures at each and every stage or level of the overall operations with regards to investments, information and associated information technology systems, together with the knowledge and capabilities of its personnel, any risks relating to the safety from various external incidents or situations that may adversely affect the lives of customers/clients, Staff and personnel at every level of the organization, and also any assets of the Company or of other parties.

With regards to recruiting personnel and creating a close connection with the organization in order to support ongoing business expansion in both the domestic and overseas markets in accordance with the policy on continuous growth of the business operations, the Company attaches much importance to studying and assessing information about its business competitors relating to the hiring of their personnel for their businesses. It has also set up a Committee to consider revamping its Staff compensation structure at all levels, in a systematic manner, together with a working group responsible for the development of human resources at every level within the Company.

With regards to the management of changes in the business operations, the Company has set a policy to develop the information and communications technology systems of the organization, in order to support its ongoing business operations requirements. As such, this requires searching for the latest new technology systems and applications so as to effectively cover and support the various business processes that correspond to established corporate strategies, which emphasize on the overall business being well-prepared for the ongoing business growth - both in the domestic market and overseas. Furthermore, in this regards, there is also a need to select credible suppliers and associated services providers, who are well-experienced in installing and developing such technology systems.

In managing situations of political uncertainties, the Company has established an Emergency Crisis Management Committee to manage any emergency or unexpected critical situation in an effective manner. Additionally, a Business Continuity Plan has been established to protect against and prevent any interruptions to the ongoing business operations, so as to ensure that the organization is affected as little as possible by any such crisis or emergency situations.

With regard to other disasters - such as natural disasters - the Company attaches great importance to implementing various crisis or disaster protection management measures together with various proactive recovery procedures, through determining operating procedures to be activated by every business outlet and unit; whereby practice drills of the established emergency operating procedures are undertaken. Additionally, there are various Business Continuity Plans and Procedures in place to meet any such risks.

10. FINANCIAL RISKS

The Company is focused on careful and prudent use of its financial resources within the agreed budgets, together with on having in place risk management practices and internal control procedures that are effective and adequate to achieve the agreed acceptable levels of risk as well as appropriate for the prevailing and ever-changing business environment. This is in order to enable all Stakeholders to benefit from the appropriate operational results and financial returns. Additionally, the Company has a policy to allocate its capital funds as considered adequate and suitable, in order to be able to effectively manage its costs of operations to be at the appropriate level so as to maintain its potential operational capabilities within a highly competitive business environment.

In order to reduce financial risks and to acquire sources of funds that are sufficient for the business expansion plans, for investing in the development of various new projects and for the acquisition of any other businesses, the Company maintains various financial ratios at the appropriate levels, which will enable the Company to then maintain an overall liquidity and adequate loans reserves that are acquired from financial institutions for use in its ongoing business operations as well as for its continuing business expansion activities. Additionally, the Company has established diverse sources of borrowings, and makes use of various financial tools in acquiring new capital funds as appropriate.

CORPORATE GOVERNANCE



CORPORATE AND MANAGEMENT STRUCTURE

The Corporate and management Structure of the Company comprises of

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

with the following details:

1. THE BOARD OF DIRECTORS OF THE COMPANY

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

- The Board of Directors must possess extensive experiences in the core business or industry sector of the Company, and disclose its policy on the composition of the Board.
- The Board of Directors determines the structure and composition of the Board, in order to comprise of Directors of varying qualifications – in terms of skills, abilities, experiences, relevant specific capabilities that are beneficial for the Company. The Board should have a total of not less than 5 Directors; and the Board must comprise of not less than 1/3 (one-third), but not less than 3, those who are Independent Directors as well as not less than half are residents of Thailand.
- The Chairman of the Board and the Chief Executive Officer are not the one and same person so that there will be a balance of power and authority in the operations of the business.
- Appointment of Company Directors is to be in full accordance with the relevant applicable legal and regulatory requirements, and to be undertaken in a transparent and clear manner.

- In the event that Directorship has completed the term of office and retires, a Shareholders Meeting will consider the appointment of new Directors; whereby such appointments are to be made via a majority vote of those Shareholders present at the Meeting; and in the event of a tie then the Chairman of the Meeting will cast the deciding vote.
- In the event that a Directorship becomes vacant for any reason other than a Director being required to retire by rotation, then the Board of Directors will consider to appoint a person, possessing the qualifications as well as not those that are prohibited in accordance to the legal and regulatory requirements, a replacement Director at the next Board of Directors Meeting, unless the remaining term of office of person who has ceased to be a Director is less than 2 months. However, the replacement Director will have a term of office equal to the remaining period of the term of office who that person has replaced; and the appointment of the replacement Director requires at least $\frac{3}{4}$ of the votes of those Company Directors remaining in office.

1.2 Qualifications for a Director

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

1.3 Independent Directors

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

- A person who owns equity holdings of not more than 0.5% of the total number of voting shares of the Company and its Subsidiaries, the Parent company and the JV companies, or any parties with a possible conflict of interests; whereby such equity holdings includes those held in the name of persons connected with or related to the Independent Director.
- Not being a person or a Director who is, or has been, involved in the management of, an employee or staff of, an advisor (with a monthly retainer) to, as well as a person with a controlling authority or power over, the Company and its Subsidiaries, the Parent company, the JV companies, a Subsidiary of parallel status, or any legal entities/parties with a possible conflict of interests - unless not less than 2 years have passed since having had such a status or held such a position, as described above, prior to being appointed an Independent Director.

CORPORATE AND MANAGEMENT STRUCTURE

(continued)

- Not being a person, related by blood or through legal registration, with the status of a father or mother, spouse, siblings, and children as well as including spouses of the children, of members of the Management group, the majority Shareholder, those with a controlling power over, as well as of someone about to be appointed a member of Management of or with a controlling a controlling power over the Company or its Subsidiaries.
- Not being a person who has or has had business relationships with the Company and its Subsidiaries, the Parent company, JV companies or any parties with a possible conflict of interests, in a manner that may result being a hindrance to the exercise of a fully independent judgment on his/her part; as well as not being a majority Shareholder, a non-Independent Director, member of the Management group of a party who has business relationships with his/her Company and its Subsidiaries, the Parent company, JV companies or any parties with a possible conflict of interests - unless not less than 2 years have passed since having had such a status or held such a position, as described above, prior to being appointed an Independent Director.

'Business relationships', as stated in the first paragraph above, includes any normal business transactions relating to normal business activities, the rental or renting of fixed assets, as well as any transactions relating to assets or services, and providing or receiving financial support and assistance in the form of receiving and providing loans or guarantees together with providing assets as loan collaterals and any such similar activities; whereby any such business relationships,

as described above, would result in the Company in question or the counterparty having debt obligations the other party equal to more than 3 % of the total tangible assets of the Company or more than Baht 20.0 million, whichever is the lower value. As such, the method of calculating of such debt obligations is to be the same as that use for assessing the value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions mutatis mutandis, relating to connected transactions, but the assessment of such debt obligations should only include those that occurs within a period of 1 year prior to the start of any such business relationships with the party in question.

- Not being a person who is or has been an Auditor of the Company and its Subsidiaries, the Parent company and JV companies or any legal entities/parties with a possible conflict of interests, as well as a majority Shareholder, a non-Independent Director, a member of Management, and a Managing Partner of an Audit firm in which the Auditor of the Company and its Subsidiaries, the Parent Company, JV companies or any legal entities/parties with a possible conflict of interests are currently employed - unless not less than 2 years have passed since having had such a status or held such a position, as described above, prior to being appointed an Independent Director.
- Not being a person who has provided any type of professional services (including legal or financial

advisory services) to and receiving total fees payment being more than Baht 2.0 million for such services per year from the Company and its Subsidiaries, the parent Company, and JV companies or any legal entities/parties with a possible conflict of interests. - unless not less than 2 years have passed since having had such a status or held such a position, as described above, prior to being appointed an Independent Director. However, in the event that the such professional services are provided by a legal entity, then the above prohibited position or status should also include being the majority Shareholder, a non-Independent Director, a member of Management, or the Managing Partner of any such legal entity providing the abovementioned professional services.

- Not being a Director who is has been appointed to represent a Director of the Company, or the majority Shareholder as well as a Shareholder connected to the majority Shareholder of the Company.
- Not be a person undertaking or involved with a similar business as that of the Company and significant business competitor of the Company and its Subsidiaries; or a person who is a significant partner in a Partnership, as well as a part of the Management group, staff and employee, an advisor with a monthly retainer, or a Shareholder with a shareholding in excess of 1 % of the total voting votes, of another company operating a business similar to that of the Company and its Subsidiaries.

- Not being a person with any other qualifications and/or status that will not enable the giving of fully independent opinions in regards to the operations of the Company.

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

CORPORATE AND MANAGEMENT STRUCTURE

(continued)

1.4 Role and Responsibilities of the Board of Directors

- Carry out the duties and responsibilities in accordance with all the legal and regulatory requirements, as well as with the Articles of Association of the Company, the resolutions of both the Board of Directors and the Shareholders Meetings, in an honest and responsible manner and integrity, always keeping in mind the best interests of the all Stakeholders on an equal basis.
- Consider, review and approve the important issues relating to the business operations of the Company; define the vision and mission, policies, together with the business strategies, business objectives and goals, annual budgets; as well as oversee and monitor that the Management group efficiently and effectively discharge its duties according all the established policies and plans.
- Determine and approve the policies and guidelines relating to good corporate governance practices as well as ensure these are full documented; whereby the Board of Directors will also regularly review and update these policies as well as monitor that they are full comply to as required. Additionally, the Board will promote and arrange that a written Code of ethics and good business conducts be published, so that all Directors, members of management and Staff full understand the required standards of ethics to be adopted by the Company in the operations of its businesses. The Board will also monitor that these established standards are fully adhered to by everyone in the organisation.
- Consider and approve the establishment of the various Board Committees to support the Board to carry out its responsibilities as appropriate and necessary; whereby the Board will also regularly review and monitor both the various activities and outputs of these Board Committees.
- Independent Directors on the Board should be fully independent in rendering their judgments when considering and determining the Company's strategies, management of resources, appointments of Directors and the required standards of business operations; and should also be prepared to disagree with any actions on the part of the Management group or even other Directors in the event they have any conflicting views on the possible impacts with regard to the equal status or rights or status of all Shareholders alike.
- Consider in a careful manner any situations involving conflicts of interests or benefits; whereby considerations of such transactions with possible conflict of interests must be undertaken within clearly defined guidelines and for the primary benefits of the Company and all its Shareholders; whereby those involved parties having vested interest must not participate in such considerations, and the Board must oversee and ensure that the established procedures in regard to the required consideration process and transparent disclosures of all relevant information on the specific transaction involving a conflict of interests are strictly adhered to.
- Establish clear policies and guidelines on the required process and procedures to be implemented in regards to any connected transactions.
- Define and establish a system of good governance and management, procedures for financial reporting, as well as the process for overseeing compliance to all the legal and regulatory requirements and established policies of the Company. The Board will also establish an internal group that is fully independent and responsible for undertaking the above mention oversight and monitoring activities and for reviewing all the key internal systems at least once a year.
- Define policies relating to risks management systems to cover the entire organisation, with the Management group being responsible for their implementation and submitting reports to the Board of Directors on a regular basis; as well as review and assess the overall adequacy of such risks management systems at least once a year or whenever the degree of risks have changed, which includes giving importance to any advance warning signals or red flags and various irregular incidents that may occur.
- Define and establish an effective and adequate system of internal controls; whereby the Board and/or the Audit Committee to report on adequacy of the existing system of internal controls and risks management in the Company's Annual Report.
- Establish clear guidelines and procedures for the Audit Committee being required to report to the Board upon finding or suspecting any activities or incidents that may have a significant negative impact on the financial status or the operations of the Company; whereby the Board must rectify or improve such incidents within the recommended appropriate timeframe proposed by the Audit Committee.
- Arrange regulars review and assessments of as well as improvements to the established policies and key business plans, in order to make them appropriate to the current business environment. Additionally, establish succession plans for the key senior Management positions of the Company; and create the position of the Company Secretary, responsible for coordinating the various activities of the Board of Directors so as to enable both the Board and the Company to comply with all the relevant legal and regulatory requirements.
- Ensure that the Company operate its business within the principles and guidelines of good corporate governance; and support effective communications and dissemination of these principles to all employees within the Company, so that they will both be fully aware and act with full compliance accordingly.
- Carry out any other responsibilities relating to the Company's business that may be assigned by the Shareholders

CORPORATE AND MANAGEMENT STRUCTURE

(continued)

1.5 Meetings of the Board of Directors

- The Board of Directors is required to hold a Board meeting every 3 months; whereby these meetings will be scheduled in advance for the entire year, with also extraordinary meeting to be held for any special occasions, as necessary.
- At least 2 Directors together have the right to request for a Board Meeting to take place, whereby the Chairman of the Board (or a person assigned to do so) will decide the date for such a meeting to held within 14 days of receiving such a request.
- The Chairman of the Board (or a person assigned to do so) will call for a Board Meeting through sending out a Letter of Notification, with details of the date, time and venue for a schedule meeting, not less than 7 days prior to the proposed meeting date – unless, for special reasons or necessity, there is a need for a Board Meeting to take place in order to protect the best interests of the Company; whereby other means of notification will be used for call a meeting within a shorter timeframe.
- For every Board Meeting, there must be at least on half of the total number of Board Members attending to constitute a quorum; whereby the Chairman of the Board will Chair the meeting. However, in any meeting, if the Chairman of the Board not be able to attend or undertake this duty, then the attending Directors will select one of their peers to act as the Chairman for that meeting.
- Any decisions or resolutions of the Board of Directors must be based on a majority vote; whereby each Director has only one vote, and in the event of a tie then the meeting Chairman will cast an additional and deciding vote. Any Directors having a vested interest in a matter being considered must excuse themselves from the discussions and also has no right to vote for that specific matter.
- The Board of Directors can invite members of the Management group or any other involved person(s) within the Company to join a meeting to clarify and make comments on, or to express their opinions relating to any matters being considered at the meeting.
- Non-Executive Directors must meet together, at least once a year, without any Directors who are members of the Management group being present, in order to discuss and exchange opinions on the responsibilities and activities of the Management group.
- The Company Secretary (or a person assigned to do so) will be responsible for taking the minutes of the Board Meetings.

2. BOARD COMMITTEES

2.1 Audit Committee

The Audit Committee comprises of these Directors:

1. Mr.Bhisit Kuslasayanon : Chairman
2. Dr.Charnvithaya Suvarnapunya : Member
3. Mr.Vichien Tejapaibul : Member

Duties and responsibilities of the Audit Committee

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

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

2. The Audit Committee comprises of at least 3 Independent Directors, or as determined by the SEC, and consisting of the Chairman and respective Members, all of whom must possess all the required qualifications of being an Independent Director and able to render impartial judgments according to the assigned duties and responsibilities with full independence and in an equitable manner, as specified by the requirements of the SEC. Members of the Audit Committee must be knowledgeable and adequately experienced enough to carry out the required responsibilities as an Audit Committee member; whereby at least one member must be fully knowledgeable and well-experienced to review both the correctness and creditability of the Company's financial statements.
3. In every meeting of the Audit Committee, there must be a not less than one half of all the Audit Committee members attending the meeting to constitute a quorum.

CORPORATE AND MANAGEMENT STRUCTURE
(continued)

4.

A Member of the Audit Committee has a term of office of not more than 3 years or that which is equal to the remaining term of office as a member of the Board of Directors; whereby Members of the Audit Committee whose term of office has expired can be appointed as a Member again for another term. However, in the event that there is a vacancy in the Audit Committee, for any reason other than retirement due to the expiration of the term of office and retirement by rotation, then Company's Board of Directors will appoint a person possessing all the required qualifications to be a Member of the Audit Committee so that the Committee has the total required number of Members; whereby that replacement Member will be a member only for the remaining duration of the term of office of the Member being replaced.
5.

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

6.

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

2.2 The Nomination and Compensation Committee

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

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

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

Names of the current Members of the Nomination and Compensation Committee are as follows:

1.

Dr. Charnvithaya Suvarnapunya : Chairman
2.

Mr. Vichien Tejapaibul : Member
3.

Mr. Bhisit Kuslasayanon : Member
4.

Mr. Sudhitham Chirathivat : Member
5.

Mr. Prin Chirathivat : Member

Duties and responsibilities of the Nomination Committee

1.

Propose, to the Board of Directors for approval, policies relating to the selection and nomination of Company Directors, whereby the process as well as procedures needs to clear, equitable as well as appropriate and reasonable.
2.

Propose, to the Board of Directions for consideration and approval, the selection and nomination of the Chief Executive Office of the Company, whereby the process as well as procedures needs to clear, equitable as well as appropriate and reasonable.
3.

Review and propose, for approval by the Board of Directors, strategies and policies relating to the human resources matters that are appropriate for and in line with the business strategies and operations of the Company.
4.

Select and nominate persons with the required credentials, moral ethics, and appropriate qualifications credentials for being appointed as Directors and/or the Chief Executive Officer of the Company, as applicable.
5.

Review the composition, total number and experiences of Company Directors to be appointed, together with those qualified nominees to fill any vacancies that occur.

CORPORATE AND MANAGEMENT STRUCTURE
(continued)

<p>6. Oversee and ensure that effective succession plans are in place for the positions of Company Directors and Chief Executive Office.</p> <p>7. Determine the terms and conditions of the employment contract for the position of the Company Directors and Chief Executive Officer of the Company together with the associated succession plans.</p>	<p>3. Recommend guidelines and process for payment of the compensation and benefits, both in the form of monies and in other forms, for the Board Directors, Members of Board Committees established by the Board, as well as for the Chief Executive officer of the Company.</p> <p>4. Review and assess that the composition, structure and amount of compensation to be adopted are in line with the current market environment together with being appropriate for the business operations of the Company as well as required activities and performance outputs of the Company Directors and the Chief Executive Officer.</p> <p>5. Oversee and ensure that the Company Directors and the Chief Executive Officer receive the appropriate compensation and benefits package commensurate with the expected duties and responsibilities towards the Company.</p> <p>6. Determine the performance evaluations process and procedures for Company Directors as well as the Chief Executive Officer that will facilitate the review and required annual compensation increase taking into consideration the required duties and relevant risks as well as giving importance to the long term value added to the to the overall Shareholders equity in the long term.</p> <p>7. Review and submit, for consideration and approval by the Shareholders Meeting, the proposed annual compensation package to be adopted for Company Directors.</p>	<p>2.3 Risks Management and Governance Committee</p> <p>The name of the current members of the Risks Management and Governance Committee are as follows:</p> <p>1. Mr. Sudhitham Chirathivat : Acting Chairman</p> <p>2. Mr. Prin Chirathivat : Member</p> <p>3. Mr.Thirayuth Chirathivat : Member</p> <p>4. Dr. Ronnachit Mahattanapruet : Member</p> <p>The Corporate Risks Management and Governance Committee</p> <p>A Risks Management and Governance Committee at the corporate level has been established, with the approval of the Company's Board of Directors, comprising of Independent Directors together with representative of the Management Group and with an Independent Director as the Chairman of this Committee, and having the following responsibilities:</p>	<p>Risks Management Activities</p> <p>1. Responsible for reviewing the policies, strategies and relevant organisation structure relating to overall management of risks, together with undertaking appropriate activities to ensure that the proposed strategic plans conform to the established acceptable levels of risks (or risks appetite) of the Company as wells to the requirements of all Stakeholders.</p> <p>2. Support the overall operational activities of the respective risks management committees at the various operating levels.</p> <p>3. Monitor and evaluate the effectiveness and efficiency of the overall risks management activities within the Company.</p> <p>4. Understand and able to assess the various potential risks that may negatively affect the achievement of the established objectives and goals of the organisation, as well as ensure that such risks have been manage in an effective manner so that they at the level of risks acceptable for the Company.</p> <p>5. Make recommendations regarding as well as and give concurrence to various risks management measures within the organisation.</p>
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CORPORATE AND MANAGEMENT STRUCTURE
(continued)

Governance Activities

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

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

Chief Executive Officer

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

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

The initial performance evaluation process of the Chief Executive Officer is the responsibility of the Nomination and Compensation Committee; thereafter the Committee then will submit its performance evaluation of the Chief Executive Officer to the Board of Directors for consideration and concurrence; whereby the Chief Executive Officer participates in the initial determination of the various expected performance targets and then the eventual approved performance objectives and goals to be achieved in every year.

The Company Secretary

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

1. Prepare and maintains all documents relating to the Board of Directors and its activities, to the Shareholders – namely: the Directors register, letters of notifications for Board Meetings and Shareholders Meetings, minutes of the Board Meetings and Shareholders Meetings, and Annual Reports together the Quarterly/Annual Financial Statements of the Company.

2. Maintain all reports from the Directors and members of the Management group regarding their vested interests with regard to the Company
3. Give advice on the legal requirements relating to the activities and responsibilities of being a Director of the Company operations of the Company
4. Undertake any other duties as may be assigned by the Board.

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

Self Evaluation of the Board of Directors

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

Determination of Board Compensation

1. The Board of Directors has clearly determined the structure and guidelines for determining the annual compensation package and other benefits for Board Directors, with comparisons being made to those Companies within the same industry sector, which are eventually submitting for approval by the Shareholders Meeting; whereby the Nomination and Compensation Committee will initially review and assess, in a fully transparent and equitable manner, that the total amount of monies to be paid in any year are commensurate with the required duties and responsibilities, as well as appropriate to other surrounding factors and the benefits to be received in return from each individual Director.

CORPORATE AND MANAGEMENT STRUCTURE
(continued)

2. Those persons who are appointed as new Directors of the Company will receive a handbook that includes detailed information about the Company, its business operations and activities, the applicable legal and regulatory requirements as well as any other relevant regulations, and other business information that are important for the discharge of the responsibilities of a Company Director, as well as Minutes of the previous Board Meetings and Audit Committee Meetings the Shareholders Meetings. These new Directors will also be introduced to the other members of the Board of Directors and senior Management. Additionally, they will be encouraged and receive support in attending various training courses and associated seminars or event that will enhance their abilities to effectively discharge their duties as a Director of the Company.

Internal Controls

The Board of Directors of the Company has arranged to establish an internal controls system covering all aspects of the Company's operations and activities – from financial matters, overall operations, operating with full compliance to all relevant legal and regulatory requirements, and management of risks. This also includes the establishment of various audit procedures and effective balance of powers and responsibilities to fully protect both the investments and the assets of the Company on an a continuing basis, establish various levels of authority of approvals as well as overall authority of members of Management and Staff, and establishment of written business operation procedures. Additionally, an Internal Audit group has been established responsible for the review of activities of both

the internal operating and supporting business units within the organisation, to ensure that they all fully comply to the established procedures, as well a to regularly review and assess the effectiveness and adequacy of the applicable existing internal controls for each business unit. As such, the Board of Directors enables the Internal Audit group to be full independent in its audit activities and an effective balance of authorities, reporting directly and regularly as required to the Audit Committee.

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

As at 31 December 2016, the Internal Audit Group had a total of 15 people. The biographer and qualifications of the incumbent Director of the Internal Group is as follows:

Name: Mr. Pakdee Onnipa
Position: Director of Internal Audit Department
Age: 49 years

Academic and relevant training & development qualifications:

- 2nd class honors of Bachelor of Accountancy, Ramkhamhaeng University,
- Risk Based Audit (by IIAT)
- Operational Auditing (by IIAT)
- IT Auditing (by FAP)
- Fraud Auditing (by P&D Training)
- Fraud Prevention for Management (by Dharmniti)
- Tax Strategies & Tax Planning for Hotel Business (by Dharmniti)

Professional Experience:

- 1997 - Present: Director of Internal Audit Department of Central Plaza Hotel Public Company Limited
- 1995 - 1997: Internal Audit Manager of Phatraprasit Holding Co.,Ltd.
- 1992 - 1997: Internal Audit Manager of S.Khonkaen Foods Public Company Limited.

BUSINESS ETHICS

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

As such, so as to conform to the above mentioned core policy, the Board of Directors has defined a set and standard of behaviour to be strictly observed be all Directors, members of the Management group, and all employees in carrying out their business activities; as well as have compiled a “Code of Ethics and Good Business Conduct” so as to enable that these standards of expected behavior are clearly and easily understood and followed by Directors, members of Management and all employees in their behaviour towards and treatment of all staff, Shareholders, customers, business partners, competitors, as well as society as a whole together with local communities and the environment.

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

INTERNAL AUDITING



The Central Group recognizes the key importance of having a good system of internal controls.

As such, since 1992 the Central Group has established the Internal Audit Unit that is assigned with the responsibility of undertaking internal audit activities, with Professor Viroj Lowhaphandu, who is currently Honorary Advisor to the Board Committee, as the first person to be the driving force in its establishment even before the Stock Exchange of Thailand (SET) announced its formal requirement for internal audit activities to be established within SET-listed companies. The Central Group invited Professor Viroj Lowhaphandu to be the Advisor in tax matters as well as in internal audit activities, since he was well-experienced with Thai tax laws and related issues. Professor Viroj was formerly the Director General of all tax collection Departments (i.e., the Revenue Department, the Thai Customs and the Excise Department) of the Ministry of Finance; and he has graduated from the Faculty of Commerce in Accounting and Law Degree from Thammasart University together with a Masters of Business Administration Degree (Taxation) from an American University.

Professor Viroj Lowhaphandu considered that the majority of the business activities within the Central Group at that time consisted mainly of the Department Stores operations, the production of clothing items and cosmetic products for

sale together with the hotel operations and fast food services businesses. He believed that a system of internal audit activities and associated procedures should be established for each Business Unit, in order to prevent loss of goods together with internal control system and internal auditing appropriate for the hotels business and fast food business operations. He, therefore, proposed that a formal Internal Audit Unit should be set up for the Central Group together with determining the associated internal audit procedures, whereby this key internal function was set up separately for each main Business Group, i.e.,

1. Retail or Department Stores Operations Business Group
2. Consumer Goods and Cosmetic Products Production Business Group
3. Hotels and Fast Food Services Operations Business Group

As such, the primary objective was to make the respective Management of each Business Group feel confident about the effectiveness and efficiency of the internal control procedures within each respective operations, as well as feel confident in the credibility and accuracy of the financial information, compliance with established internal rules and regulations together with preventing any fraudulent activities internally within the organization.

At the initial stage of setting up the Internal Audit Unit within the Central Group of Companies, Professor Viroj Lowhaphandu also arranged to hold various training courses for the internal audit staff through inviting experienced Internal Auditors to share their knowledge and experiences, in order that they would fully understand their assigned responsibilities. Additionally, thereafter, a review was made to assess whether all the appropriately corrected taxes have been paid as required, through inviting experienced former officials from the Revenue Department to help in this tax payments review exercise. The internal audit staffs were separated into 3 main internal audit working groups as follows:

Group 1 Audit of the Retail and Production Businesses Operations

Group 2 Audit of Hotels and Fast Food Businesses Operations

Group 3 Audit of Correct Corporate Tax Payments, VAT payments as well as Specific Business Tax and Withholding Taxes Deductions and Payments

This resulted in the Internal Audit Unit within the Central Group of Companies working in a more systematic and effective manner, as well as in further developing their assigned activities.

Subsequently, in 1999, a separate Internal Audit Unit was established specifically to audit the Hotels and Fast Food Business Operations for the Central Plaza Hotels Pcl. (CENTEL), that became a separate SET-listed company within the Group.

Currently, the Internal Audit Unit for the Hotels and Food Businesses Groups has clearly determined an Audit Plan together with an associated Audit Program, based on the degree of effectiveness and adequacy of the associated system of internal controls together with the respective level of risks. This is so that the audit plans will directly correspond to the degree of the respective risks, whereby these activities will include financial audit, operational audit, and compliance audit of the various operating Departments of the Company and Companies within the CENTEL Group. As such, every year the Audit Committee determines the audit plans to ensure they are improved every year so as to always be appropriate and timely to the latest business situation. Moreover, the Internal Audit Unit recruits those who are appropriately knowledgeable and capable, as well as develops the current internal audit staffs by providing training on a continuing basis together with improving the associated internal audit working procedures so that they continue to be more effective every year.

During the internal audit process, if any deficiencies are found the Internal Audit Unit will suggest the corresponding correct operating procedures together with defining the appropriate internal control process for each and every issue found. Furthermore, ongoing monitoring will be undertaken to ensure that Management has implemented the suggested improvements as provided by the Internal Audit Unit, so as to prevent against any repeated issues or adverse situations from occurring in the future.

Currently the Internal Audit Unit is divided into 2 main Working Groups, in order to be efficient and appropriate for the present situation and operating environment, as follows:

a. Internal Audit for the Hotels Business in Thailand

- Review and audit each Company-owned and operated hotel property – 2 times a year

- Review and audit each hotel property being managed by the Company – 1 time a year

b. Internal Audit Unit for the Hotels Business overseas and for the Food Business

- Review and audit each Company-owned and operated hotel property and also each hotel property being managed by the Company – 1 time a year

- Review and audit the Food Business operations located in Bangkok and in the provinces, especially those located in key provincial urban centers (or amphur muang) and key amphur of each province

The current budgeted total number of Internal Audit staff of CENTEL is not more than 15 persons.

DIRECTOR BIOGRAPHY

As at 31 December 2016, Board of Director composed of 11 persons, details are as follow

Mr. Suthikiati Chirathivat	Position	<ul style="list-style-type: none">Chairman of the Board
	Age	<ul style="list-style-type: none">74 years
	% Shareholding in the Company	<ul style="list-style-type: none">31,995,176 shares (or 2.37% of paid up shares)
	Education	<ul style="list-style-type: none">Honorary PhD in Business Administration Program, Dhurakij Pundit UniversityHonorary PhD in Hotel and Tourism Studies, Kasem Bundit UniversityHonorary PhD in Mass Communications, Ramkamhaeng UniversityM.A. (Political Science), Ramkamhaeng UniversityB.A. (Political Science), Ramkamhaeng UniversityDiploma in Mechanical Engineering, South West Essex Technical Collage, U.K.National Defense College, The Joint State - Private Sectors Course, Class 1National Defense College, The Modern Management Course, Class 1
	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none">2008, Director Accreditation Program (DAP)
	Experience	<ul style="list-style-type: none">Assistant Manager, Central Trading Co., Ltd.Assistant General Manager, Central Department Store Co., Ltd.Heads of Political Science Association, Ramkamhaeng University and Committee of Ramkamhaeng University CouncilThe Founder and Head of Thai Retails Association, Thai Retails AssociationAdvisor to The Minister of Tourism and Sports, Ministry of Tourism and SportsOne of the Founding Members importer and owner in usage of barcodes in Thailand, Central Ladprao Shopping Complex project
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none">Chairman Executive Committee, Post Publishing Plc.Director, Central Pattana Plc.
	- Non Listed Company	<ul style="list-style-type: none">Director, Post International Media Co., Ltd.Director, Post – ACP Co., Ltd.Director, Post – IM Plus Co., Ltd.Director, Thai Tourism Industry Association
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none">None

Mr. Suthichai Chirathivat	Position	<ul style="list-style-type: none">Vice Chairman
	Age	<ul style="list-style-type: none">76 years
	% Shareholding in the Company	<ul style="list-style-type: none">17,824,473 shares (or 1.32% of paid up shares)
	Education	<ul style="list-style-type: none">Honorary Doctor of Business Administration Program, Chiangrai Rajphat UniversityDiploma in Civil Engineering Kingston College of Technology, U.K.
	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none">2006, Director Accreditation Program (DAP)2000, Role of Chairman Program (RCP)
	Experience	<ul style="list-style-type: none">Chairman, Chief Financial Officer, Central Group of Companies Co., Ltd.Assistant General Manager, Central Department Store Co., Ltd.Manager, Central Department Store-Silom BranchAssistant Manager, Central Department Store-Silom Branch
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none">Chairman, Central Pattana Plc.
	- Non Listed Company	<ul style="list-style-type: none">Chairman, Central Group of Companies Co., Ltd.
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none">None

Mr. Suthichai Chirathivat	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none">2006, Director Accreditation Program (DAP)2000, Role of Chairman Program (RCP)
	Experience	<ul style="list-style-type: none">Chairman, Chief Financial Officer, Central Group of Companies Co., Ltd.Assistant General Manager, Central Department Store Co., Ltd.Manager, Central Department Store-Silom BranchAssistant Manager, Central Department Store-Silom Branch
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none">Chairman, Central Pattana Plc.
	- Non Listed Company	<ul style="list-style-type: none">Chairman, Central Group of Companies Co., Ltd.
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none">None
	Meeting Attendance in 2016	
	- The Board of Director's meetings	<ul style="list-style-type: none">5/5

Mr. Suthichai Chirathivat	Position	<ul style="list-style-type: none">Vice Chairman
	Age	<ul style="list-style-type: none">76 years
	% Shareholding in the Company	<ul style="list-style-type: none">17,824,473 shares (or 1.32% of paid up shares)
	Education	<ul style="list-style-type: none">Honorary Doctor of Business Administration Program, Chiangrai Rajphat UniversityDiploma in Civil Engineering Kingston College of Technology, U.K.
	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none">2006, Director Accreditation Program (DAP)2000, Role of Chairman Program (RCP)
	Experience	<ul style="list-style-type: none">Chairman, Chief Financial Officer, Central Group of Companies Co., Ltd.Assistant General Manager, Central Department Store Co., Ltd.Manager, Central Department Store-Silom BranchAssistant Manager, Central Department Store-Silom Branch
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none">Chairman, Central Pattana Plc.
	- Non Listed Company	<ul style="list-style-type: none">Chairman, Central Group of Companies Co., Ltd.
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none">None

Mr. Suthichai Chirathivat	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none">2006, Director Accreditation Program (DAP)2000, Role of Chairman Program (RCP)
	Experience	<ul style="list-style-type: none">Chairman, Chief Financial Officer, Central Group of Companies Co., Ltd.Assistant General Manager, Central Department Store Co., Ltd.Manager, Central Department Store-Silom BranchAssistant Manager, Central Department Store-Silom Branch
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none">Chairman, Central Pattana Plc.
	- Non Listed Company	<ul style="list-style-type: none">Chairman, Central Group of Companies Co., Ltd.
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none">None
	Meeting Attendance in 2016	
	- The Board of Director's meetings	<ul style="list-style-type: none">5/5

DIRECTOR BIOGRAPHY

(continued)

Mr. Bhisit Kuslasayanont	Position	<ul style="list-style-type: none"> Independent Director Chairman of Audit Committee Member of Nomination and Compensation Committee
	Age	<ul style="list-style-type: none"> 75 years
	% Shareholding in the Company	<ul style="list-style-type: none"> None
	Education	<ul style="list-style-type: none"> Master degree of Engineering, New South Wale University, Australia Bachelor degree of Engineering, The University of Sydney, Australia National Defense College, The Joint State - Private Sectors Course, Class 8
	Experience	<ul style="list-style-type: none"> Director, Committee of Mahidol University Managing Director of Thai Airways International Pcl. Chairman of the Board, Royal Orchid Sheraton Chairman of the Board, Airport Hotel Advisor of Dean, Faculty of Science, Mahidol University Vice Chairman, Stang Holding Co., Ltd. Director, International Drug Development Co., Ltd.
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none"> None
	- Non Listed Company	<ul style="list-style-type: none"> Chairman, Flying Orange Co., Ltd. Ltd.
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none"> None
	Meeting Attendance in 2016	

- The Board of Director's meetings • 5/5
- Audit Committee's meeting • 8/8
- Nomination and Compensation Committee's meeting • 1/2

Information regarding to appointed

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

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

Dr. Charnvitaya Suvamapunya	Position	<ul style="list-style-type: none"> Independent Director Chairman of Nomination and Compensation Committee Member of Audit Committee
	Age	<ul style="list-style-type: none"> 64 years
	% Shareholding in the Company	<ul style="list-style-type: none"> None
	Education	<ul style="list-style-type: none"> Honorary Doctor of Private Law, Ghent University, France Diploma in American Laws, Wisconsin University, USA Bachelor degree of Law, Thammasat University
	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> 2005, Audit Committee Program (ACP), Director Accreditation Program (DAP)
	Experience	<ul style="list-style-type: none"> Director and Lawyer, Koodare Brothers Co., Ltd. Lawyer, Dr. Ukrit Mongkolnavin Law Office Dean of faculty of Law, Thai Chamber of Commerce University
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none"> None
	- Non Listed Company	<ul style="list-style-type: none"> Director, DLA Piper (Thailand) Co., Ltd. Director, Fragrant Property Ltd. Director of Master of Laws Program, Sripatum University (Phayathai branch)
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none"> None

- The Board of Director's meetings • 5/5
- Audit Committee's meeting • 8/8
- Nomination and Compensation Committee's meeting • 2/2

Information regarding to appointed

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

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

DIRECTOR BIOGRAPHY

(continued)

Mr. Vichien Tejapaibul	Position	<ul style="list-style-type: none"> Independent Director Member of Audit Committee Member of Nomination and Compensation Committee
	Age	<ul style="list-style-type: none"> 77 years
	% Shareholding in the Company	<ul style="list-style-type: none"> None
	Education	<ul style="list-style-type: none"> B.A. (Business Administration), Boston University, USA National Defense College, The Joint State - Private Sectors Course, Class 2 King Prajadhipok's Institute, Class 1 Diploma in Capital Market Academy, Class 10
	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> 2006, Finance for Non-Finance Directors (FND) 2004, Director Accreditation Program (DAP)
	Experience	<ul style="list-style-type: none"> Vice Chairman, Srinakorn Bank Ltd. Managing Director, Srinakorn Bank Ltd. Senator Advisor, Thailand Trade Representative (Dr. Kantathi Suphamongkhon) Advisor, Chairman of Senator (General Teeradej Meepien) Chairman, Funding Management Committee of Huachiew Chalermprakiet University Vice president, Huachiew Chalermprakiet University Council
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none"> Director, Asia Fiber Plc.
	- Non Listed Company	<ul style="list-style-type: none"> Chairman, Phatra Sathit Co. Ltd. Chairman, Pacific Park Sriracha Group Co., Ltd. Director, Tejapaibul Co., Ltd. Director, Utah Capital Co., Ltd. Director, Worawat Co., Ltd. Director, Sedthakam Co., Ltd. Director, Pracha Nu Khro Co., Ltd. Honorary Chairman, Thai Chamber of Commerce and Council of Thailand Chambers Honorary Advisor, Thai Chamber of Commerce University Vice Chairman, Poh Teck Tung Foundation Chairman, Thian Fah Foundation Hospital
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none"> None
	Meeting Attendance in 2016	

- The Board of Director's meetings • 5/5

- Audit Committee's meeting • 7/8

- Nomination and Compensation • 1/2

Committee's meeting

Information regarding to appointed

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

- Not being a director who takes part in the management of the Company, employee, staff member, or advisor receiving a regular salary

- Not being a professional service provider (i.e. auditor or legal advisory)

- Not having business relationship significantly in a way that may impact the performing task independently (i.e. buy – sell materials/ products/ service or financial support)

Mr. Gerd Kurt Steeb	Position	<ul style="list-style-type: none"> Independent Director
	Age	<ul style="list-style-type: none"> 74 years
	% Shareholding in the Company	<ul style="list-style-type: none"> None
	Education	<ul style="list-style-type: none"> Hotel and Catering School Bad Ueberkingen, Germany Senior Hotel Management Institute Heidelberg, Germany Diploma/Bachelor of Business Administration (equivalent) Vice President Students Organisation
	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none"> None
	Experience	<ul style="list-style-type: none"> President and Director of Centara Hotel & Resorts Managing Director of Centara Hotel & Resorts Executive Vice President of Centara Hotel & Resorts Vice President – Operations of Centara Hotel & Resorts General manager of ACCOR Group General manager and Regional Manager of ACCOR Group
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none"> None
	- Non Listed Company	<ul style="list-style-type: none"> None
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none"> None
	Meeting Attendance in 2016	

- The Board of Director's meetings • 5/5

Information regarding to appointed

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

- Not being a director who takes part in the management of the Company, employee, staff member, or advisor receiving a regular salary

- Not being a professional service provider (i.e. auditor or legal advisory)

- Not having business relationship significantly in a way that may impact the performing task independently (i.e. buy – sell materials/ products/ service or financial support)

DIRECTOR BIOGRAPHY
(continued)

Mr. Sudhitham Chirathivat	Position	<ul style="list-style-type: none">• Director• Member of Nomination and Compensation Committee• Member of Risk Management and Corporate Governance Committee
	Age	<ul style="list-style-type: none">• 69 years
	% Shareholding in the Company	<ul style="list-style-type: none">• 16,016,654 shares (or 1.19 % of paid up shares)
	Education	<ul style="list-style-type: none">• MBA (Operations Research), Lona University, USA• Bachelor degree of Electrical Engineering, University of Maryland (College Park), USA• National Defense College, The Joint State - Private Sectors Course, Class 13• 2003, Director Certification Program (DCP)
	Completed Program from Thai Institute of Directors (IOD)	
	Experience	<ul style="list-style-type: none">• Director, The Thai Chamber of Commerce• President, Rotary Club Bangkhen• Chairman, Coffee Partners Co., Ltd. (Starbucks-Thailand)• President and Founder, Thai Shopping Center Association• Managing Director and Chief Executive Officer, Central Pattana Plc.• Advisory, The Ministry of Commerce
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none">• Director, Central Pattana Plc.• Director, Robinson Department Store Plc.• Chairman, Jasmine International Plc.
	- Non Listed Company	<ul style="list-style-type: none">• Executive Chairman, Central Group of Companies Co., Ltd.• Chairman, Central Holding Co., Ltd.• Director, The Vintage Club Co., Ltd.
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none">• None
	Meeting Attendance in 2016	
	- The Board of Director's meetings	<ul style="list-style-type: none">• 5/5
	- Nomination and Compensation Committee's meeting	<ul style="list-style-type: none">• 2/2
	- Risk Management and Corporate Governance's meeting	<ul style="list-style-type: none">• 4/4

Mr. Prin Chirathivat	Position	<ul style="list-style-type: none">• Director• Member of Nomination and Compensation Committee• Member of Risk Management and Corporate Governance Committee
	Age	<ul style="list-style-type: none">• 54 years
	% Shareholding in the Company	<ul style="list-style-type: none">• 29,263,374 shares (or 2.17% of paid up shares)
	Education	<ul style="list-style-type: none">• MBA (Business Management) Sasin Graduate Institute of Business Administration, Chulalongkom University• B.A. (Accounting) Skidmore College, USA• National Defense College, The Joint State - Private Sectors Course, class 22• 2004, Diploma in Capital Market Academy, Class 1• Institute of Security Psychology, Class 73• Advanced Certificate Course in Public Economics Management for Executives (King Prajadhipok's Institute), Class 4
	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none">• 2010, Advanced Audit Committee Program• 2009, Monitoring Fraud Risk Management (MFM), Monitoring of Quality of Financial Reporting (MFR)• 2008, The Program of Senior Executive on Justice Administration (Class 13)• 2007, Monitoring the Internal Audit Function (MIA) Monitoring the System of Internal Control and Risk Management (MIR)• 2006, Chief Financial Officer• 2005, Director Accreditation Program (DAP), Audit Committee Program (ACP), The Role of Chairman (RCP)• 2000, Director Certification Program (DCP)
	Experience	<ul style="list-style-type: none">• Chairman of Audit Committee, Bualuang Securities Plc.• Advisor, Market For Alternative Investment (MAI)• Director, Malee Sam Pran Plc.• Director, Thanamitr Factoring Plc.• Director, Indra Insurance Plc.• Executive director, Interlife John Hancock Life Insurance Plc.• Director, General Guard Service Co., Ltd.• Executive director, Central Department Store Co., Ltd.• Investment Banking, Thanachart Securities Plc.
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none">• Member of Audit Committee, Bumrungrad Hospital Plc.• Director, Member of Risk Management Committee and Advisory of Nomination and Remuneration Committee, Central Pattana Plc.• Director, Robinson Department Store Plc.
	- Non Listed Company	<ul style="list-style-type: none">• Director, Member of Executive Committee, Deputy Group CEO, Central Group of Companies Co., Ltd.• Director and Executive Director, Central Retail Corporation Ltd.• Steering Support Committee, Chiangrai Rajabhat University• Director, The Thai Chamber of Commerce
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none">• None
	Meeting Attendance in 2016	
	- The Board of Director's meetings	<ul style="list-style-type: none">• 5/5
	- Nomination and Compensation Committee's meeting	<ul style="list-style-type: none">• 2/2
	- Risk Management and Corporate Governance's meeting	<ul style="list-style-type: none">• 4/4

DIRECTOR BIOGRAPHY

(continued)

Mr. Suthichart Chirathivat	Position	• Director
	Age	• 71 years
	% Shareholding in the Company	• 13,203,254 shares (or 0.98% of paid up shares)
	Education	• B.A. (Accounting), St.Joseph's College, USA • National Defense College, The Joint State - Private Sectors Course, Class 11
	Completed Program from Thai Institute of Directors (IOD)	• 2004, Director Accreditation Program (DAP) • 2003, Finance for Non-Finance Directors (FND), Board and CEO Assessment • 2000, Role of Chairman Program (RCP)
	Experience	• President and Chief Executive Officer, Central Retail Corporation Ltd. • Chairman, Big C Super Center Plc. • President, Thai Retailers Association • Chairman, Committee of Retail Business, Thai Chamber of Commerce • Advisor, Board of Trade of Thailand • Director, Treasurer, Foundation for Environment Preservation
	Other Current Positions	
	- Listed Company	• Director, Central Pattana Plc.
	- Non Listed Company	• Vice Chairman, Central Group of Companies Co., Ltd. • Director, Tiang Chirathivat Foundation
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	• None
	Meeting Attendance in 2016	
	- The Board of Director's meetings	• 2/5

Mr. Sudhisak Chirathivat	Position	• Director
	Age	• 71 years
	% Shareholding in the Company	• 22,055,095 shares (or 1.63% of paid up shares)
	Education	• B.A. (Mathematic), St. John Fisher College, USA
	Completed Program from Thai Institute of Directors (IOD)	• 2007, Director Accreditation Program (DAP), Director Certification Program (DCP)
	Experience	• President, Central Marketing Group Co., Ltd. • Managing Director, Central Garment Factory Co., Ltd. • Managing Director, Prin Inter Trade Co., Ltd.
	Other Current Positions	
	- Listed Company	• Chairman, Robinson Department Store Plc. • Director, Central Pattana Plc.
	- Non Listed Company	• Director, Central Group of Companies Co., Ltd. • Director, Central Garment Factory Co., Ltd. • Director, Ploen Ruedee Co., Ltd. • Director, Central Trading Co., Ltd.
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	• None
	Meeting Attendance in 2016	
	- The Board of Director's meetings	• 5/5

DIRECTOR BIOGRAPHY
(continued)

Mr. Thirayuth Chirathival	Position	<ul style="list-style-type: none">Member of Risk Management and Corporate Governance CommitteeChief Executive Officer
	Age	<ul style="list-style-type: none">51 years
	% Shareholding in the Company	<ul style="list-style-type: none">16,725,000 shares (or 1.2% of paid up shares)
	Education	<ul style="list-style-type: none">Master degree of Food, Hotel and Tourism Management, Rochester Institute of Technology, Rochester, USABachelor degree of Political Science, Chulalongkorn University2016, National Defense College, The Joint State - Private Sectors Course (Class 58)2011, The Program of Senior Executive on Justice Administration (Class 15)2008, TLCA Executive Development Program (Class 1)2003, Program for Management Development, Executive Education Harvard Business School1997, Finance for Management, Chulalongkorn University1996, Mini MBA Program, Chulalongkorn University1993, Psychology Institute, National Defense College
	Completed Program from Thai Institute of Directors (IOD)	<ul style="list-style-type: none">2002, Directors Certification of Program (DCP)
	Experience	<ul style="list-style-type: none">Senior Vice President - Project ManagementVice President - Project ManagementDirector of Project Management and ProcurementPromotion & New project ManagerFood and Beverage Coordinator, Centara Hotels & ResortsAssistant Manager, Marriott Hotel & Resort, Park Ridge, NJ, USA
	Other Current Positions	
	- Listed Company	<ul style="list-style-type: none">None
	- Non Listed Company	<ul style="list-style-type: none">Director of Subsidiary Companies
	- Other companies which materially compete directly or have related business with the Company (possible conflict of interest)	<ul style="list-style-type: none">None
	Meeting Attendance in 2016	
	- The Board of Director's meetings	<ul style="list-style-type: none">5/5
	- Risk Management and Corporate Governance's meeting	<ul style="list-style-type: none">1/4

LIST OF SHAREHOLDERS

THE MAJORITY OF SHAREHOLDERS

The top 10 of majority shareholders as of 30 December 2016, as follows

Shareholder	Number of Shares	%
1. Tiang Chirathivat Co.,Ltd	67,523,190	5.00
2. THE BANK OF NEW YORK MELLON **	41,542,400	3.08
3. Mr. Niti Ostanukrau	36,129,511	2.68
4. Thai NVDR Company Limited	32,712,328	2.42
5. Mr. Suthikiati Chirathivat	31,995,176	2.37
6. Mr. Prin Chirathivat	29,263,374	2.17
7. Mr. Suthiluk Chirathivat	29,236,753	2.17
8. Mr. Tos Chirathivat	28,976,874	2.15
9. Deutsche Bank AG Singapore PWM **	22,963,360	1.70
10. Mr. Pichai Chirathivat	21,596,787	1.60

Note : The Chirathivat Group holds a total of 65.8% of the paid-up share capital of CENTEL

* The top 10 shareholders are ranked by Thailand Securities Depository Co., Ltd.

** The Share Registrar is not able to give details of the names of Shareholders; however these nominee accounts do not have any influence over the Company's strategies or operational management.

DIVIDEND PAYMENT POLICY

Dividend payment policy of the Company and its subsidiaries are not less than 60% of net profit unless the company has the business expansion.

LIST OF SHAREHOLDERS (continued)

DIRECTORS AND EXECUTIVES HOLDING CENTEL SHARES

Directors and executives holding CENTEL shares in 2016, are as follows:

No.	Name	Position	No. of shares As at January 1, 2016			Change in No. of shares ⁽¹⁾ Increased / (Decreased) during 2016			No. of shares As at December 30, 2016			Shareholding (%) As at December 30, 2016
			Direct	Indirect ⁽²⁾	Total	Direct	Indirect ⁽²⁾	Total	Direct	Indirect ⁽²⁾	Total	
1	Mr. Suthikiati Chirathivat	Chairman of The Board	32,133,176	-	32,133,176	(138,000)	-	(138,000)	31,995,176	-	31,995,176	2.37
2	Mr. Suthichai Chirathivat	Vice Chairman	2,278,073	15,546,400	17,824,473	-	-	-	2,278,073	15,546,400	17,824,473	1.32
3	Mr. Bhisit Kuslasayanon	Independent Director Chairman of Audit Committee Member of Nomination and Compensation Committee	-	-	-	-	-	-	-	-	-	-
4	Dr. Chanvitaya Suvarnapunya	Independent Director Chairman of Nomination and Compensation Committee Member of Audit Committee	-	-	-	-	-	-	-	-	-	-
5	Mr. Vichien Tejapaibul	Independent Director Member of Audit Committee Member of Nomination and Compensation Committee	-	-	-	-	-	-	-	-	-	-
6	Mr. Gerd Kurt Steeb	Independent Director	-	-	-	-	-	-	-	-	-	-
7	Mr. Sudhisak Chirathivat	Director	16,205,095	5,850,000	22,055,095	-	-	-	16,205,095	5,850,000	22,055,095	1.63
8	Mr. Suthichart Chirathivat	Director	6,796,654	12,813,200	19,609,854	-	(6,406,600)	(6,406,600)	6,796,654	6,406,600	13,203,254	0.98
9	Mr. Sudhitham Chirathivat	Director Member of Nomination and Compensation Committee Member of Risk Management and Corporate Governance Committee	16,016,654	-	16,016,654	-	-	-	16,016,654	-	16,016,654	1.19
10	Mr. Prin Chirathivat	Director Member of Nomination and Compensation Committee Member of Risk Management and Corporate Governance Committee	29,263,374	-	29,263,374	-	-	-	29,263,374	-	29,263,374	2.17
11	Mr. Thirayuth Chirathivat	Chief Executive Officer Member of Risk Management and Corporate Governance Committee	16,725,000	-	16,725,000	-	-	-	16,725,000	-	16,725,000	1.24
12	Mrs. Supatra Chirathivat	Senior Vice President - Corporate Affairs & Social	11,819,576	-	11,819,576	(9,383,200)	-	(9,383,200)	2,436,376	-	2,436,376	0.18
13	Mr. Ronnachit Mahattanapreut	Senior Vice President - Finance & Administration / Secretary Member of Risk Management and Corporate Governance Committee	158,831	-	158,831	-	-	-	158,831	-	158,831	0.01
14	Mr. Thirakiati Chirathivat	Vice President - Procurement	16,991,000	-	16,991,000	-	-	-	16,991,000	-	16,991,000	1.26
15	Ms. Pattara Jongcharoenkulchai	Vice President - Human Resources	-	-	-	-	-	-	-	-	-	-
16	Mr. David Robert Good	Vice President - Operations	-	-	-	-	-	-	-	-	-	-
17	Mr. Thomas Thrussell	Vice President - Brand, Marketing & Digital	-	-	-	-	-	-	-	-	-	-
18	Mr. Adrian Hardwick Jones	Vice President - Design & Technical Service	-	-	-	-	-	-	-	-	-	-
19	Mr. Paul Wilson	Vice President - Sales	-	-	-	-	-	-	-	-	-	-

Remarks: (1) The acquisition and disposition of securities were disclosed under an quarterly report on shareholding of directors and executive officers (Form 59-2).

(2) Securities held by a spouse and / or children under the legal age of directors or executive officers

REMUNERATION OF THE DIRECTORS AND MANAGEMENT

Central Plaza Hotel Public Company Limited specifies policy for fair and reasonable remuneration of directors, which has been considered by The Nomination and Compensation Committee. The Committee takes into consideration of role and responsibilities, the Company's performance and be comparable to the same or related type of business which is compatible with the Company. The budget for the year 2016 was not exceeding amount of Baht 7,000,000, was approved by the Annual General Meeting of Shareholders, as follows:

MONETARY REMUNERATION

Type of Remuneration	Amount (Baht)
1. Quarterly Retainer (Baht/Quarter)	
- Chairman	57,800
- Director	44,100
2. Meeting Fee for Board of Directors (Baht/Meeting)	
- Chairman	28,900
- Director	24,700
3. Meeting Fee for Executive Director (Baht/Meeting)	
- Chairman	26,300
- Director	26,300
4. Meeting Fee for Audit Committee (Baht/Meeting)	
- Chairman of Audit Committee	28,900
- Member of Audit Committee	26,300
5. Meeting Fee for Nomination and Compensation Committee (Baht/Meeting)	
- Chairman of Nomination and Compensation Committee	25,000
- Member of Nomination and Compensation Committee	20,000
6. Meeting Fee for Risk Management and Corporate Governance Committee (Baht/Meeting)	
- Chairman of Risk Management and Corporate Governance Committee	25,000
- Member of Risk Management and Corporate Governance Committee	20,000

Total remuneration of directors in form of director fees and meeting fees paid by Central Plaza Hotel Public Company Limited was amount of Baht 4,137,400. The details of the meeting attendance and remuneration in 2016 as follows:

Name	Position	Meeting Attendance (Meeting)				Total Remuneration (Baht/annum.)
		Board of Director	Audit Committee	Nomination and Compensation Committee	Risk Management and Corporate Governance Committee	
Mr. Suthikiati Chirathivat	Chairman of The Board	5/5				371,500
Mr. Suthichai Chirathivat	Vice Chairman	5/5				296,600
Mr. Bhisit Kuslasayanon	Independent Director	5/5				296,600
	Chairman of Audit Committee		8/8			227,000
	Member of Nomination and Compensation Committee			1/2		21,000
Mr. Chanvitaya Suvannapunya	Independent Director	5/5				296,600
	Chairman of Nomination and Compensation Committee			2/2		51,300
	Member of Audit Committee		8/8			206,500
Mr. Vichien Tejapaibul	Independent Director	5/5				296,600
	Member of Audit Committee		7/8			181,500
	Member of Nomination and Compensation Committee			1/2		41,000
Mr. Gerd Kurt Steeb	Independent Director	5/5				296,600
Mr. Sudhitham Chirathivat	Director	5/5				296,600
	Member of Nomination and Compensation Committee			2/2		41,000
	Member of Risk Management and Corporate Governance Committee				4/4	83,000
Mr. Prin Chirathivat	Director	5/5				296,600
	Member of Nomination and Compensation Committee			2/2		41,000
	Member of Risk Management and Corporate Governance Committee				4/4	83,000
Mr. Suthichart Chirathivat	Director	2/5				222,500
Mr. Sudhisak Chirathivat	Director	5/5				296,600
Mr. Thirayuth Chirathivat	Chief Executive Officer	5/5				174,300
	Member of Risk Management and Corporate Governance Committee				1/4	20,000
Total						4,137,400

Management Remuneration: The remunerations amount of Baht 79,247,909 was paid to 9 managements in term of salaries, bonus and other benefits.

OTHER REMUNERATIONS

(a) Meal allowance

The company provides meal allowance's restaurant to Board of Director the amount of Baht 40,000. In 2016, The Board of Director consumed at the actual amount of Baht 304,591.

(b) Provident Fund

The Company automatically provides "Provident Fund" to all Thai employees who completed 6 months period of working. By this mean, the Company will deduct from the employee's payroll and the company contributes to the Fund at the same amount.

AUDITOR’S FEE

Audit fee of the Company and its subsidiaries had been paid for audit firm that the auditor work for, person or companies who related to the auditor and audit firm shows the following detail:

	2015	2016
AUDIT FEE	7,400,325	7,892,000
NON-AUDIT FEE	- 0 -	- 0 -

GOOD CORPORATE GOVERNANCE

The Board of Directors of the Central Plaza Hotel pcl. is fully committed to manage the orgainsation through adherence to the principles of good corporate governance, and fully recognises the importance of good corporate governance practices in enhancing the organisation’s potential competitiveness - for both the immediate and longer tem. Additionally, such practices will create further trust and confidence on the part of investors, financial instiutions, business partners, and all our Stakeholders.

In operating a business that will grow and develop towards achieving economic added value for the Shareholders as well as a balance of benefits to be gained by all Stakeholders and the Company, the Board of Directors have determined core management policies and business practices to be implemented in the operations of the businesses; whereby these core policies and practices are based upon the principles of good corporate governance, full transparency, accountability to all Stakeholders and responsibility towards society. These core policies and business practices will serve as guidelines for Directors, Management, and all Employees of the Company; whereby the Board of Directors have regularly reviewed and updated such policies and practices, so that they are always timely and relevant to the current business environment.

POLICIES ON GOOD COPORATE GOVERNANCE :

The Board of Directors, Management and all Employees have been made aware of the the required business ethics and abovementioned policies on good governance, so that they can adopt them as part of their working disciplines; whereby the Company has communicated to everyone in the organisation the need to adhere to these ethical and good governance practices through the Company’s website (<http://www.centarahotelsresorts.com>), within the orientation programme for all new employees, as well as via internal PR posters.

The core policies and practices relating to the principles of good coprporate governance comprises of 5 key components as follows :

1. Rights of Shareholders

The Company recogises the principles of and places great importance to protecting the rights of all Shareholders, ie:

- Support and ensure that every Shareholders - whether they are majority Shareholders, minority Shareholders, institutional investors or foreign shareholders alike – receive the same basic rights, and are all treated in an equal manner.

Not act in any way that will violate or deprive Shareholders of their entitled rights. This includes limiting any opportunity for Shareholders to receive any relevant information and communications regarding the Company, or to attend Shareholders Meetings; ie: the right to be registered as a Shareholder of the Company; the right to exchange or transfer the ownership of those shares owned by the Shareholder; the right to receive relevant and accurate information and news, of any significance, relating to the Company on a regular basis and in a sufficient manner; the right to attend Shareholders Meetings of the Company; the right to appoint or dismiss, and to approve the remuneration of, Directors of the Company; the right to appoint external Auditors of the Company; the right to receive a share of the Company’s profits or dividend payments; and the right to participate in the decision making process on, or to be informed about, any important changes to basic operational factors of the Company.

- Inform and communicate details regarding the exercise of any Shareholders rights via the SET’s news network or through the Company’s website, taking into consideration the right of Shareholders to be informed on an equal basis and ensuring not to act in any way as to restricting full access to any information or news about the Company.

GOOD CORPORATE GOVERNANCE

(continued)

Prior to the Shareholders Meeting :

1. Prior to the scheduled Meeting date and in accordance with the regulations defined by the Company, minority Shareholders are able to submit topics to be proposed as agenda items for consideration during the Shareholders Meetings, as well as to submit names of those with the required qualifications to be considered as possible nominees for appointment as Directors of the Company.
2. Send out Letters of Notification to attend Shareholders Meetings together with the proposed agenda items and supporting documents containing relevant and concise important information, the opinions of the Board of Directors relating to the proposed agenda items to be considered, procedures for the Meeting, and a map indicating the location of the Meeting venue – both in Thai and English.
3. Communicate and post on the Company's website (www.centarahotelsresorts.com) as well as through the SET news network, details regarding the abovementioned Letters of Notification to attend the Shareholders Meeting together with the various supporting information, at least 30 days prior to the scheduled Meeting date.
4. Insert copies of the Letters of Notification to attend the Shareholders Meeting, together with the various supporting information, in the local press at least 7 days prior to the scheduled Meeting date, in order to enable Shareholders to have sufficient time to review the information relating to the consideration of the various proposed agenda items.
5. Shareholders can also submit, in advance to the Company Secretary, any questions regarding the proposed agenda items to be considered.

The day of the Shareholders Meeting

6. Determine the date, time and venue of the Shareholders Meeting, keeping in mind the convenience of the Shareholders in attending the Meeting.
7. Make use of appropriate technology for the Shareholders Meeting, in regards to the attendees registration process and counting of votes, so that the Meeting can be conducted efficiently and quickly as well as in a proper and accurate manner.
8. All the Chairmen of the various Board Committees will be present during the course of the Shareholders Meeting, in order to respond to any questions or comments from Shareholders regarding their respective areas of responsibilities; whereby the Chairman of the Meeting will give an opportunity for all Shareholders, on an equal basis, to review their activities, and to ask questions or make any comments.
9. The Company's Directors, senior Management and the external Auditor will also attend the Shareholders Meeting, to give Shareholders the opportunity to ask questions and make any comments, as well as to request members of senior Management or the external Auditors to clarify any points relevant to the agenda item being considered.
10. Prior to the start of the Meeting, inform Shareholders, in a clear and concise manner, about the procedures to be used in conducting the Meeting as well in exercising and counting their votes; and arrange that, for those agenda items involving multiple decisions, voting should be done separately for each respective decision accordingly.

11. In voting for the appointment of new Company Directors, Shareholders will have the opportunity to exercise their votes for each respective nominee separately and on an individual basis, with Shareholders being encouraged to make use of the voting slips supplied in casting their votes for each agenda item.
12. The Company allows Shareholders to join the Shareholders Meeting after it has started; whereby they have the right to exercise their votes only for those agenda items not yet considered and voted upon as at that point.
13. Those Shareholders not able to attend the Shareholders Meeting in person can exercise their votes by giving a power of attorney to an Independent Director or any other person considered as appropriate by them to attend the Meeting and vote on their behalf.
14. Ensure that the Company arranges to have an independent person be present at the Ordinary or Extraordinary Shareholders Meetings, in order to check and count the votes casted at these Meetings, and to announce the total vote counts in a clear and concise manner, which vote counts are to be recorded in the Minutes of the Meeting.
15. During the Meeting, no additional agenda items should be made to those already proposed and indicated in the Letter of Notification to attend the Shareholders Meeting; or any changes to any important information should be allowed – without informing all Shareholders sufficiently in advance prior to the Meeting.

After the Shareholders Meeting

16. Disclose to the general public, on the next working day, the resolutions of the Shareholders Meeting, together with the respective vote counts, for each agenda item – via the SET news network and the Company's website.
17. Distribute the VDO recording of the Shareholders Meeting via the Company's website.
18. Arrange to have the Minutes of the Shareholders Meeting (that summarises all the key discussions points, the questions submitted, the comments and clarifications made, and the vote exercising and counting process announced at the start of the meeting, together with names of those Directors attending or requesting a leave of absence from the Meeting) be completed and submitted to the SET as well as posted on the Company's website within 14 days after the date of the Meeting.

GOOD CORPORATE GOVERNANCE
(continued)

2. EQUITABLE TREATMENT OF SHAREHOLDERS

The Company places great importance in each and every Shareolder Shareholders, regardless of sex, age, skin colour or race, nationality, religion, beliefs and opinions, or political convictions; whereby every Shareholder – both majority or minority Shareholders – are to be treated both on an equal basis and in an equitable manner, without showing any bias towards one group over another through disclosing to any one group information that is not yet disclosed to the other or made public.

To protect and ensure that the basic rights are afforded to all Shareholders in a fair manner and on an equal basis, the Company has these core governance policies:

1.Treatment of all Stakeholder Groups

- The Board of Directors oversees and has defined these policies in regards to the sale/purchase of the shares of the Company as well as to the use of inside information, in order to ensure that all Shareholders are treated in a fair manner and on an equal basis, and to prevent Directors or any involved members of Management from purchasing shares of the Company in an illegal manner for their person gain or for the benefit of others.

1.1 Ownership of the shares of the Company

- Those holding the position as a Director and a member of Management are required to file a report of their ownership of Company shares to the SEC, at the start of their term of office and also within 3 working days every time they make any purchase/sale of the shares of the Company; whereby all Directors and members of Management also have the responsibility to regularly disclose such equity holdings to the Board of Directors as required by the applicable laws and regulations, and such disclosed information must also be included in the Company's Annual Report.
- In the event that Directors, members of Management and Staff (including their spouses and children not yet of legal age) purchase or sell or transfer ownership of any shares of the Company, they must submit a report and disclose any transactions, relating to any changes in the ownership of the shares of the Company, to the regulatory organisation as required by the applicable laws and regulations.
- In order to prevent any occurrence of situations involving a possible conflict of interests, all Directors, members of Management and Staff (including their spouses and children not yet of legal age) are prohibited from purchasing or selling or transferring ownership of the shares of the Company during a 1 month-period prior to the respective release and disclosure of the Financial Statements of the Company.

1.2 Control Use of Inside Information

- The internal use and communication of any inside confidential information within the organisation for work purposes must be based only on the approved specific requirements of the assigned duties and responsibilities of those persons involved; whereby any other staff, not approved to do so or not directly involved with their work, are prohibited from communicating or disclose confidential Company-related or business information to others on a personal basis.
- Directors, members of Management and all staff are prohibited from making use of any inside information of any significant importance that have not yet been disclosed to the general public for personal gain or for the benefit of others; and are required to strictly observe the established Company regulations relating to both the safe-keeping and use of such information.
- Specific written guidelines and regulations have been established, as well as informed to everyone in the organisation, in regards to the safe-keeping and prevention of the use of inside information; whereby such regulations are required to be strictly observed.

2. Oversight of Conflicts of Interests

The Company has as a core policy to operate its business in an honest, open and equitable manner as well as with integrity and full transparency, through requiring that all Diretors, members of Management and Staff to strictly observe and adhere to these regulations:

- Not allowed to undertake or be involved any business that is in direct competition with that of the Company. Avoid undertaking any connected transactions in which they are directly involved or that is related to other individuals/legal entities that may then result ina a possible conflict of interests with the Company.
- The Board of Directors is responsible for overseeing and ensuring that the Company operates its business strictly according to required procedures relating to undertaking connected transactions and associated information disclosures, and in full compliance with the relevant applicable laws and regulations by the regulatory organisations.
- In the event that any connected transactions need to be undetake, it must based on the applicable normal business conditions, as well as be in accordance with the established and approved conditions of the Board of Directors, and in a transparent and equitable manner as if the transaction is made with an outside party, keeping in mind the best interests of the Company.
- Directors are not allowed to participate in the consideration and approval of a proposed transaction in which they have a conflict of interests.
- In the event that a propsed connected transaction is not in accordance with the established and approved conditions of the Board of Directors and which will result in a conflict of interest, then it must be reviewed and concurred to by the Audit Committee before being submitted for consideration and approval by the Board of Directors and/or the Shareholders Meeting (as applicable).

GOOD CORPORATE GOVERNANCE
(continued)

3. ROLE OF STAKEHOLDERS

The Company has defined its policies relating to corporate social responsibility, especially with regards to matters that will have an adverse impact on the Company’s business operations, so that all persons involved and all Stakeholders can feel confident that the business activities of the Company always takes into consideration any factors involving the development of both the environment and society as a whole.

As such, the Company has determined a set of regulations to be observed, as shown below, in regards to the required code of ethics and business conduct of the Board of Directors, the Management group and all Staff, so that all those involved can use them as a guideline for carrying out the business-related duties and activities, that involve the Company and all Stakeholders, in an honest and equitable manner; whereby the Company has placed great importance on all Stakeholder groups.

- **Shareholders** : The Company is committed to being a good representative of its Shareholders, in growing a business organisation in a stable manner, as well as in increasing the overall economic value added on a sustainable basis, together with disclosing any relevant information to its Shareholders in an accurate and transparent manner. Additionally, the Company encourages and supports its Shareholders to exercise their basic Shareholders rights, as well as take note of thevarious comments, opinions and suggestions related to the operation sof the business received from the Shareholders.

- **Staff** : The Company considers its staff to be a valuable resource and a key factor in driving the Company forward and in achieving its success. Thus, the Company is committed to taking good care of and treating its employees in an appropriate and equitable manner in regards to their career opportunities, compensation plans, development of their potential, and their working environment, without taking advantage in the execution of the employment contracts. The Company also ensures that it determines and offers appropriate compensation, training and skills development opportunities, and further education to develop their full potential; as well as that all staff are well looked after.

- **Creditors** : The Company has defined measures and procedures to not infringe on the rights of its creditors; to act in strict accordance with all the requirements and conditions of the loans agreements made with its creditors; and to ensure that all required debt repayments (for both the principal amount and interest due) to creditors are made in full and on time. Moreover, the Company will not act in any unlawful or illegal manner towards all its creditors.

- **Customers and Clients** : The Company is committed to meeting the requirements of, to fully satisfying and taking good care of, and to being accountable to all its customers and clients. The Company also ensures that it provides services in accordance with the established standards, and treat all customer information as being confidential and not to disclose such information without prior approval. The Company has a specific group responsible for receiving and effectively dealing with customer complaints within established guidelines and procedures, so that they are resolved equitably and satisfactorily in a timely manner.

- **Competitors** : The Company operates its business within a positive, open and normal competitive business environment, through maintaining the required normal competitive business practices, and refraining from making use of any illegal or fraudulent means to acces any confidential business information about its competitors and from destroying the reputation of its competitors through use of untrue accusations or malicious information.

- **Society, Communities, and the Environment** : The Company is committed to operating its businesses in an ethical and legal manner as well as through full compliance with all the relevant and applicable regulations. The Company is also committed to ensuring that its various business activities in no way causes any harm to the quality of life of society, the communities and the environment; to creating positive relationships and connection with the local communities in which it operates; and to regularly supporting all activities that are beneficial for local communities and the environment.

- **Public/Government Sector** : The Company cooperates with and supports all Government policies and initiatives that are benficial for the country and conform to the applicable laws and regulations. The Company also agrees with the guidelines and participates in various projects relating to anti-corruption initiatives, as well as fully supports all activities that aim to instill in all staff and employees the need to always act in accordance with all relevant and applicable laws and regulations.

OPERATING POLICIES & PROCEDURES GUIDELINE

1.Policy on Protecting and Use of Inside Information

CENTRAL PLAZA HOTEL Pcl.(CENTEL) is a SET public listed company; and, as such, having a policy relating to the protection and use of any ‘inside information’ is of critical importance.

The Company’s staff must not make use of any confidential ‘inside information’ relating to the Company, that has not yet been disclosed to the general public, in an improper or illegal manner for the sake of personal gain or that of others. Any disclosures of such important Company information must be done by only those authorised to do so; whereby such authorised disclosures must be done on an uniform and equal basis, as well as in an equitable and fully transparent, manner.

In the event of any rumours occurring that may affect investors’ investment decisions, the Company will authorise a specific person to immediately make an announcement as to the associated true facts and accurate information.

GOOD CORPORATE GOVERNANCE (continued)

2. Policy on Information Security

The Information Technology (IT) systems must be used only for the Company's operations; whereby every staff member must act in accordance with the established policies relating to the security of the IT systems, as well as to the associated, relevant and applicable laws, regulations and requirements.

All staff members are required to use only legal and licensed software programmes or applications; additionally they must not use the internet to search for any contents or information that is illicit, illegal, culturally improper, or in violation of any associated specified laws, regulations and policies.

3. Policy on Internal Controls and Risk Management

The Board of Directors has determined that the Company establishes a system of internal controls that covers all key aspects of the business – such as, financial, operations, and complete compliance to all relevant applicable legal and regulatory requirements.

Additionally, various procedures have been established to audit and monitor as well as to be an system of 'check and balance', so as to always sufficiently and effectively protect, preserve and look after both the Shareholders' investments and assets of the Company.

The Company has also established various levels of approval authority, on the part of the Management and operational staff, together with comprehensively documented working and operating procedures. An Internal Audit Group has also been established, responsible for monitoring all (operational and support) business units, so as to ensure full adherence to the required procedures and guidelines, and for assessing the effectiveness and adequacy of the various internal controls implemented for each respective business unit. As such, the Audit Committee has authorised that the Internal Audit Group to work with full independence, so that it can fully monitor all activities and be an effective 'check and balance'; whereby it is responsible to and submits all reports directly to the Audit Committee on a regular basis as specified.

Furthermore, a policy on risk management has been determined in accordance with the principles of good corporate governance; whereby the Management group is required to understand the various risks factors involved, and then to assess the degree of associated risks – in terms of the potential opportunities and benefits as well as the possible negative impacts for the organisation – so that these risks can be managed to the levels that are acceptable to the Company in a timely manner.

4. Policy on Respecting the Law on Human Rights

The Company fully supports the protection and respects the principle of human rights; as well as respects and treats all Stakeholders in an equitable manner without bias or prejudice in regards to race, religious beliefs, ages, and sex.

5. Policy on Participating in Political Activities

The company has a policy of not participating in or expressing any opinions and its position relating to the political situation. Otherwise, this may create an understanding that the Company is involved with, actively supports, or is biased towards one particular party over the others – thus also creating some disunity, or that the Company is receiving some special privilege in an improper or illegal manner.

6. Policy on Social Responsibility, and Responsibility towards Communities and the Environment

The Company has a policy to create and communicate a positive understanding, within the organization, in regards to its social responsibility as well as its responsibility towards local communities and the environment for the sake of sustainable development.

This also includes implementing effective external public relations and creating positive mindsets relating the such policies and guidelines regarding the Company's social responsibility and its responsibility towards local communities and the environment, in order to gain outside support for the various associated Company activities – such as: taking in students from various colleges universities majoring in hospitality studies for training in Centara hotels and resorts, so as to create unique on-the-job learning opportunities for these students; as well as supporting the development of various integrated local community assistance projects aimed at creating job opportunities and new vocations for their residents, so that they can be more self-sufficient in taking care of themselves and their families.

Additionally, the Company is committed to undertaking all activities in line with the relevant laws and regulations regarding problems for the immediate environment in which the Company operates; as well as to regularly reviewing, monitoring and assessing these situations in order to reduce any impacts on the environment as a result of the Company's business operations.

The Company also undertakes to create greater awareness, on the part of its staff, of their role and responsibilities relating to protecting the quality of the immediate environment and to preserving the available natural resources on a sustainable basis.

GOOD CORPORATE GOVERNANCE (continued)

7. Policy on Energy Conservation

Full adherence to the relevant laws, regulations and other applicable procedures regarding energy conservation and saving within the Company's operations is required; whereby ongoing development of effective and efficient energy savings and management systems as well as regular staff training on the energy usage is undertaken. Further, such policies and activities regarding energy conservation are communicated to the Staff, so as to trigger and create better awareness, by everyone, of the importance of such policies and activities, as well as to promote their full participation in such energy conservation and saving activities.

8. Policy on Safety and Occupational Health

Full adherence to the relevant laws and regulations regarding occupational health and workplace safety is required for the sake of both our staff as well as customers; whereby regular reviews and assessments are made relating to such safety and occupational health aspects - such as, reducing risks of accidents occurring as a result of the staff carrying out their work or of any sickness caused by improper work procedures, so that the findings can be used to make ongoing and effective improvements.

Further, regular and ongoing training sessions are also undertaken, in order to prepare the Staff to effectively deal with any critical situations that may occur at anytime.

9. Policy on Public Relations and Marketing

The Company undertakes all public relations and marketing activities that is clear, comprehensive, timely, equal and equitable, as well as accurate, truthful and without any misrepresentations that may be misleading to consumers.

Further, currently, there are various ways of communicating information - inclusive of the popular social media - regarding social and consumer expectations, therefore, any communications regarding or response to various situations must be fully accurate and immediate. This also includes any interviews given to various media, which must be undertaken willingly and wholeheartedly.

10. Policies Relating to Anti-Corruption Guidelines

CENTEL is still intent on and continues to being fully committed to operate its businesses in a transparent and honest manner, together with strictly complying with all applicable laws and regulations. Apart from having a negative effect on the Company's business operations, reputation and image, corruption is also a major obstacle for the sustainable growth of the Company as well as the ongoing development of the country.

In the capacity of being a part of society as a whole and in the hope that Thailand will be rid of all forms of corruption, the Company, therefore, decided to participate in the Private Sector Collective Coalition Against Corruption (CAC) and has also declared its anti-corruption policy that incorporates the implementation of the following activities:

1. The Company has undertaken an assessment of various risks regarding acts of corruption; and has determined various measures to serve as established regulations aimed at preventing and suppressing corruption, which is an integral part of the established internal controls system.

2. The Company has determined operating guidelines consisting of adequately detailed operating procedures that are in accordance with the anti-corruption policy and capable of preventing any occurrence of corruption within the business operations, which covers such activities as: the giving of charitable donations and corporate sponsorships, the giving or receiving of gifts and acts of hospitality (entertaining), and the giving of political contributions and support.

3. The Company arranged to hold orientation programs and training seminars for its personnel, so as to inform, educate and facilitate a full understanding, on their part, of the established anti-corruption policy together with the associated measures and operating procedures in fighting corruption.

4. The Company has determined an internal controls system, so as to ensure both the effectiveness and efficiency of the established anti-corruption policy that covers the documenting all financial transactions, accounting procedures, together with human resources and other systems relating to the business operations of the Company.

5. The Company has established various safe and secure channels of communications for use by its personnel and all other Stakeholders in being able to seek advice as well as in submitting, in a confidential manner, any requests, suggestions, information/reports or complaints relating to alleged acts of corruption, together with associated measures to protect such informants/complainants.

6. The Company has communicated its established anti-corruption policy both internally and outside the Company, so as to achieve implementation and compliance in a wide circle - such as: disseminating the anti-corruption policy through websites, PR posters and the Company's intranet, as well as through various orientation and training programs for its personnel to enhance their knowledge and full understanding. Letters have also been sent out to our business partners, so that their respective business operations will also be conducted in an honest and transparent manner within the established anti-corruption measures.

Submitting information or complaints under the 'whistle-blower program'

In the event that the various Stakeholders is suspicious of or come across any alleged breach or acts of non-compliance to the established anti-corruption policy as well as the associated measures and operating guidelines relating to preventing corruption and the code of business ethics for Board Directors, Management and Staff of the Company, they have the duty to inform, in a confidential manner, through the following established channels of communications:

• Office of the Secretary of the Audit Committee

Telephone : (02) 769-1234 Extn 6658
Email : whistleblower_centel@chr.co.th
Postal Address The Audit Committee
Central Plaza Hotel Pcl.

999/99 Rama 1 Road, Pathumwan,
Pathumwan; Bangkok 10330

• Office of the Company Secretary

Telephone : (02) 769-1234 Extn 6131
Email : co.secretary_centel@chr.co.th
Postal Address Office of the Company Secretary
Central Plaza Hotel Pcl.
999/99 Rama 1 Road, Pathumwan, Pathumwan;
Bangkok 10330

GOOD CORPORATE GOVERNANCE (continued)

4. INFORMATION DISCLOSURES AND TRANSPARENCY

1. Information Disclosures

The Company places great importance to regular, open, accurate, comprehensive, and timely communications, regardless of the fact that the information being communicated is positive or negative by nature. Thus, the disclosure of information by the Company is in full accordance with the established and applicable information disclosure procedures, regulations and requirements as specified by the SEC and SET.

The processes for the disclosure of both important financial and non-financial information by the Company are as follows:

- Importance is given to the disclosure of both financial and non-financial information that is accurate, and comprehensive, as well as in a transparent and timely manner and with maximum coverage, so that all interested investors and Stakeholders can have regular access to credible and sufficient information to make investment decisions.
- Disclosure of Company-related information and news that will be of value and interest to minority Shareholders, institutional investors, securities analysts and the general public -both in Thailand and overseas - on an equal and equitable basis, as well as through various channels of communications. In order to achieve widespread coverage, such disclosure is done via the Company's website, the SET news network, quarterly reports on the operating performance of the Company and also in the Company's Annual Report.

- Disclosures of important information to the general public includes: The Annual Statement of the Company (Form 56-1); the Company's Annual Report (Form 56-2), financial reports, details of majority Shareholders; Shareholders rights in exercising their votes; details relating to the Company Directors and various Board Committees; required information disclosures to the SET; policy on dividend payments; the Company's report on good corporate governance policies and practices; business ethics and good business conducts in the operations of the Company's business; and various activities undertaken by the Company and its business plans.

2. Persons Responsible for Disclosing Information

- The Chief Executive Officer (CEO), or person assigned by the CEO, is responsible for disclosing Company-related information to the general public, based on the established policies relating to the accuracy, comprehensiveness and timeliness of the information as well as to disclosing information in an equitable manner.
- The Company Secretary is responsible for the required disclosures of information to the SET and the SEC, as well as to Shareholders and investors.
- The member of the Senior Management responsible for financial and investor relations matters is responsible for giving information, as well as for responding to the questions or comments made by Shareholders, investors, securities analysts and the general public that involve financial information, operating performance results, business structure, corporate policies and strategies, business and investment plans, new projects in progress, Shareholders structure, as well as any key factors that may have an impact on the business operations of the Company.

- The member of Senior Management responsible for marketing and public relations matters is responsible for giving information and responding to questions from the press and media and the general public that involve marketing plans and activities of the Company. Additionally, in any major event involving the Company, the PR Group must coordinate with the involved business unit to obtain relevant and accurate information, so that such information can be released, within the specific scope assigned, to the press and media for clarification,
- Those persons not responsible for or assigned by the Chairman of the Company in disclosing information about the Company must not disclose any information which may adversely impact the image and reputation of the Company, as well as any information that may also have an impact on the share price of the Company.

3. External Auditor and preparation of Financial Reports

The company has been audited by external Auditors, who are fully independent and possess the required qualifications, knowledge, expertise and experiences as specified, so that both the Board of Directors and the Shareholders can be confident that the audited Financial Statements of Company's and its Subsidiaries accurately reflect the true financial status and financial performance results.

The Board of Directors places great importance on and is responsible for the Financial Statements of the Company and its Subsidiaries, that are prepared, with all due care and in a comprehensive manner, in accordance with generally accepted accounting principles and standards, as well as are based on appropriate and correct accounting policies, so as to accurately reflect the actual operating results of the Company.

The Board of Directors has arranged for reporting and adequate disclosure of important operating results and financial information of the Company in a transparent manner to the involved parties, as required and on a regular basis; namely : SEC and SET. This is so that the information is of value and interest to all Shareholders and investors.

Additionally, the Board of Directors has established the Audit Committee to be responsible for reviewing the accuracy and creditability of the financial reports. The Audit Committee is also responsible for reviewing and ensuring that the existing system of internal controls is both appropriate and adequate, so that the Board can be confident that the Financial Statements are correct and credible.

4. Important Information

The Company will not disclose or give out important information that has not been made public to members of its staff, who are not authorised to have access to such information, nor to any investors, securities analysts and the press and media till such time as such information has been released to the general public. In the event that any such information, that should not yet have been disclosed, is mistakenly disclosed, then the Company will ensure that the same information is released to the general public immediately and without delay.

The Company's staff is responsible for the secure and safe-keeping of any confidential inside Company-related information, together with confidential information relating to business partners, customers and Shareholders and Stakeholders; whereby he/she is prohibited from disclosing and making use for personal gains any such confidential information that is part of carrying out his/her duties, as well as to exercise all due care in giving out such information or expressing an opinion about such information without being authorised or assigned to do so.

GOOD CORPORATE GOVERNANCE
(continued)

INVESTOR RELATIONS (IR)

The Board of Directors is fully aware that both important financial and non-financial information of the Company will have an impact on the decision of investors and Stakeholders; it has therefore ordered that the members of Management must ensure that any required information disclosures must be done in a comprehensive, credible, regular and timely manner; whereby the Management group has always given great importance to this matter and adhered to these requirements.

In regards to Investor Relations activities, the Company has established a special IR unit responsible and has assigned the SVP - Finance and Administration together with the staff of the IR unit to be responsible for contacting institutional investors, Shareholders, securities analysts, as well as any involved Government/Public Sector organisations. Additionally,interested inverstors can also contact and request revelvant information directly from theIR Unit at the following contact number/email – Tel. 66(0) 2769-1234 extrn.6640; or e-mail address siwichayali@chr.co.th

During 2016, members of the Company’s Senior Management together with the IR Unit undertook various investor relations-related activities as follows:

- 1. SET Opportunity Day events for listed companies, meeting with interest investors to present the Company’s Quarterly operating performance results,
- 2. Company visits by securities analysts and investors, to meet Senior Management of the Company and the IR Unit as well as to discuss and obtain investors-related information; with these visits being arranged in advance by appointment. (32 companies)
- 3. Meetings with small groups of securities analysts (4 times)
- 4. Face-to-face interviews and conference calls (424 times)
- 5. Investor Road Shows – locally and overseas (187 companies)

5. Duties and Responsibilities of the Board of Directors of the Company

Ensuring profit optimization and strict compliance with CENTEL’s CG policy, the Board undertakes close supervision of CENTEL’s business operation by setting forth its policy, vision, missions, and five-year strategic plans, with an annual review and revision to confirm their compatibility with the prevailing business environment.

The Board’s structure

The Board of Directors of the Company comprises of 11 Directors

Executive Directors	1	persons
Non-Executive Directors	6	persons
Independent Directors	4	persons

The Board consists of 4 independent directors out of a total of 11, accounting for more than one-third of the total. A list of independent directors’ names and information appears under “Director Biography” on page 188 Fully qualified under CENTEL’s standard, independent directors can effectively and efficiently discharge their duties for the full benefit of CENTEL.

To ensure an inclusive supervision of all operational aspects under CG principles, CENTEL has

set up four Sub-Committees, one Executive Committee, and one Management Committee, as well as appointing the Company Secretary to help Structure and Composition of the Board of Directors the Board in performing its duties. Relevant details appear under “Corporate and Management Structure” on page 170

Board Committees

The Company has established both the Board of Directors and various Board Committees to assist the Board in overseeing the business operations as follows:

- 1. **The Audit Committee** : Comprising of 3 Directors who are Independent Directors, whereby Mr. Vichien Tejapaibul is an Independent Direct possessing knowledge about accounting and finance.

2. Nomination and Compensation Committee

Comprising of 4 Directors, responsible for defining the criteria and policies regarding the proposed remuneration, as necesay and appropriate, for the Board of Directors and the various Board Committees as well as members of the Senior Management group, which are submitted to the Board of Directors fore review/approval and/or proposing the Shareholders Meeting for final approval (as applicable)

3.Risks Management and Governance Committee

Comprising of 5 Directors, with the following duties and responsibilities;

3.1 Risks Management

- 1. Review the policies, strategies and organisation structure relating to the management of risks; and undertake activities to ensure that proposed strategies conform to the established acceptable level of risks (risk appetite) of the Company as well as comply with the requirements of the Stakeholders.
- 2. Support the activities of the respective Risks Management Committees at the operations level.
- 3. Monitor and assess the results and adequacy of the overall risks management activities within the organisation.
- 4. Understand and able to effectively assess any potential risks factors that may adversely affect the achievement of the established objectives of the Company ; and ensure that such risks can be managed to be at the established acceptable level of risks.
- 5.Proposed recommendations and concur to any proposed risks management measures and activities to be implemented within the organisation.

3.2 Governance

Define and review policies relating to that any proposed policies, practices and procedures conform to the principles of good corporate governance.

Determine polices and activities plans relating to corporate social responsibility.

Meet and monitor the progress of planned good governance activities and social responsibility; make recommendations, as required, to the governance working group and undertake internal assessments so as to make any recommendation for further improvements.

Represent the Company in the dissemination of information – to the Management, Staff and external parties - relating to any Company activities relating to good governance.

GOOD CORPORATE GOVERNANCE
(continued)

SEPARATION OF THE POSITIONS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

The Company has determined that the positions of the Chairman of the Board of Directors and the Chief Executive Officer positions are always vested in 2 separate and different persons; whereby there is a clear separation between the reponsibilities in defining policies and monitoring the implementation of established policies and associated performance results from the responsibilities of management and implemention of the established policies.

The Chairman of the Board of Directors has the leadership role in ensuring that the Board of Directors discharges its responsibilities fully independent from any influence of the Management group; in determining agenda items to be considered at Board Meetings that are within the scope of responsibilities of the Board of Directors; as well as in chairing Board Meetings and Shareholders Meetings with the active support of all the Directors of the Board during such meetings.

COMPANY SECRETARY

The Company has assigned that the Company Secretary with the following duties:

1. Prepare and maintain for safe-keeping all documentations relating to the Board of Directors and Shareholders, namely: Directors register, Letters of Notifcations for Board Meetings and Shareholders Meetings; Minutes of Board Meetings and Shareholders Meetings, as well as the Annual Reports and Quarterly Financial Statements of the Company.
2. Maintain reports relating to declarations of vested interests submitted by Directors and members of Management of the Company.
3. Advise Directors on the relevant applicable laws and regulations relating to the required activities and responsibilities of Directors.
4. Undertake other activities as assigned by the Board of Directors

As at 31 December 2016, the Company Secretary is Dr. Ronnachit Mahattanapruet, who is well-experienced and possesses all the required qualifications to be appointed to this position, with details as follows:

Name: Dr. Ronnachit Mahattanapruet
Position: SVP, Finance and Administration and Corporate Secretary
Age: 60 years

Academic and relevant training & development qualifications

- Ph. D Business Administration, Suan Dusit Rajaphat Univeristy
- Masters of Business Administration, Thammasart University
- Bachelor of Accountancy, Thammasart University
- Certificates from courses attended from the Thai IOD

Attended Courses and programmes at the Thai Institute of Directors (IOD) Professional experience

- Director for Finance and Strategic Planning, Prasit Pattana plc.
- Ex-Director of small business credit Insurance
- Ex-Audit Committee of credit insurance.

Other positions

- Activities Promotions Committee Member, Chandrakasem Rajabhat University
- Director of Asia Wealth Securities Co., Ltd.
- Director of Asia Wealth Holding Co., Ltd.

The Board of Directors has defined clear measures for the strict oversight and proper management of any transactions involving situations of possible conflict of interests, through establishing policies and procdures to be used and strictly observed in approving such transactions. The Audit Committee is required to initially review any proposed connected transactions of any significant importance that is beyond the scope of authority of the Executive Committee and to submit its recommendations to the Board of Directors, who will then carefully consider the appropriateness of undertaking such transactions based on the best interests of the Company as a whole.Those Directors having vested interests will not participate in the Meeting and discussions on any such transactions, as well as will not be entitled to vote on the matter.

The Board of Directors has also defined measures and procedures for disclosures of information and declarations by any Directors, members of Management and any other involved parties who have vested interests in any proposed transactions, which disclousres are to be submitted by the 31st of December of every year; whereby the Company Secretary is responsible for collecting such information and submitting a summary report to the Board of Directors accordingly.

GOOD CORPORATE GOVERNANCE
(continued)

TRAINING AND SEMINARS OF THE BOARD

In supporting Board members’ continual knowledge enhancement and the sharing of experience gained from their discharge of duties as a Board and/or sub-committees member, the Company Secretary keeps them informed about upcoming seminars and training courses dedicated to directors, as well as coordinating and facilitating their attendance.

Details of attendance at seminars and participation in directors’ training courses appear under “Director Biography” on page 188

THE BOARD’S SELF-EVALUATION

1. Board’s Self-evaluation Form

• Method

CENTEL Board’s Self-evaluation Form applies SET’s evaluation approach to suit the characteristics and structure of the Board of Directors. The results are key factors for the enhancement of directors’ performance and related duties. The evaluation form consists of two key components:

Component I The Board evaluates the scores given to the following six aspects of its operation:

- 1) Board structure and qualifications
- 2) The roles, duties, and responsibilities of the Board
- 3) Board meetings
- 4) Board performance
- 5) Relationship with management
- 6) Director’s self-improvement and executive development.

Component II The Board gives its opinions and suggestions or identifies special issues of interest about its performance or different aspects of CENTEL’s operation.

• Procedure

At the end of each year, the Company Secretary will send a self-evaluation form to every director, collect the completed forms, prepare a summary report, and submit it to a Board meeting as an agenda item for acknowledgment and discussion. This year the Board also commented on the promotion of CENTEL’s leadership image and corporate governance, including social responsibility programs and anti-corruption practices.

2. Director’s Self-evaluation Form

• Method

Designed to assist each director in reviewing and enhancing his/her performance, this evaluation form fully aligns with the Board’s legal obligation, CENTEL Director’s Charter and Code of Conduct, and the best-practice guidelines of the Securities and Exchange Commission (SEC) and the Stock

Exchange of Thailand (SET), by focusing on:

- 1) Director’s code of conduct and performance
- 2) Strategic formulation, supervision, and monitoring of CENTEL’s operation
- 3) Responsibilities toward stakeholders.

• Procedure

At the end of each year, the Company Secretary will send a self-evaluation form to every director, collect the completed forms, prepare a summary report, and submit it to a Board meeting as an agenda item for acknowledgment and discussion.

3. Subcommittee’s Self-evaluation Form

All subcommittees including 1) Audit Committee, 2) Nomination and Remuneration Committee, and 3) Risks Management and Governance Committee must undertake annual selfevaluation, the outcomes of which are applied to boost their input to supporting CENTEL committees’ work and each dimension of its business operation.

Evaluation of the CEO’s performance

• Method

Based on SET’s evaluation approach, the CEO evaluation form consists of two key components:

Component I Evaluation of the 8 following aspects of CEO’s performance:

- 1) Strategic planning
- 2) Leadership
- 3) Financial results
- 4) Management of operations
- 5) Management development and Succession plan
- 6) Human Resources
- 7) Commnications
- 8) Board Relations

Component II CEO development: Under this component, CEO’s strengths are identified, including other aspects that should be further developed, with additional opinions provided by the Board.

• Procedure

The CEO participates in the process of setting his own performance targets and acknowledges the targets approved for the year. At the end of each year, the Company Secretary will distribute a CEO evaluation form to all directors and the CEO for self-evaluation. The completed forms will then be compared, and the information acquired from the comparison will be used for the CEO’s further career development. The Company Secretary will collect all the information and prepare a summary report, which will be submitted to the Nomination and Remuneration Committee and the Board for the consideration of the CEO’s future compensation.

CONNECTED TRANSACTIONS

As of December 31, 2016 the Company and its Subsidiaries undertook various “connected” transactions with related companies and/or other parties who may have potential conflict of interests, whereby these are considered normal commercial transactions and have been approved as “connected transactions” within the normal operational authorization procedures of the Company. Details are as shown on the attached document.

PROCEDURES AND PROCESS IN APPROVING CONNECTED TRANSACTIONS

As a listed company on the Stock Exchange of Thailand (SET) since 1990 (BE 2533), we have always been appreciative and aware of the need for full and transparent disclosure of any information as well as activities regarding any connected transactions. Therefore, at the 121st meeting of the Audit Committee (2/2017) on February 20, 2017 the Audit Committee was informed of all the connected transactions that took place during 2016, where by the Committee reviewed the necessity as well as reasonableness of these transactions and was of the opinion that all such transactions were reasonable and appropriate in every respect.

As for any connected transactions that may take place in the future, the Company has instructed that the Audit Committee undertake a review and approve all such transactions, which must be undertaken only as necessary and with all reasonableness, whereby any payments received from or o related parties must be accordance with standard market practices as well as must be equitable to all parties concerned and fully transparent.

POLICIES AND GUIDELINES FOR UNDERTAKING CONNECTED TRANSACTIONS

The Company has a policy to undertake commercial transactions with related parties who may be a potential conflict of interest that are only part of the normal business activities of the Company, whereby it is required that all such transactions be undertaken within normal accepted business practices and at commercial terms that are no different than those transactions undertaken with outside third parties.

At the Board Meeting, the Company established specific policies and procedures for the approval of such connected transactions, whereby the must follow the normal approval

process as used for any other business transactions – except that those Directors or Executives who themselves (or who are related to those who) are involved in the transaction being considered for approval must not approve such transactions.

Further, in the event that such the transaction comes up for consideration, full disclosure of their involvement must be made to the Board for review; and such Directors or Executives will have no right to exercise their approval accordingly. The Board must also comply with all the legal requirements of the Securities Laws and the SET as well as with the regulations, announcements and instructions or procedures of SET.

Thus, in undertaking a connected transaction by the Company with a party who may have a potential conflict of interest or who may have some other vested or possible conflict of interest in the future, then the Company requires that the Audit Committee must give its opinion as to the necessity and appropriateness of such transaction. Should the Audit Committee not have the specific expertise in reviewing any such possible connect transaction, then the Audit Committee must get an independent expert or the external auditor of the Company to give their opinion that transaction, which will then be used as part of the decision process (of the Audit Committee or the Shareholders) in approving

that connected transaction accordingly.

Further, in disclosing a connected transaction the Company must comply with all the legal requirements of the Securities Laws and the SET as well as with the regulations, announcements and instructions or procedures of the SET together with the required general accounting practices with regards to the disclosure of details concerning any related parties or businesses.

CONNECTED TRANSACTIONS
(continued)

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
1. Thai Business Fund 4				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central World Hotel Co., Ltd. (CGCW), subleased land and buildings relating to the hotels facilities from Thai Business Fund 4 in order to operate its hotel and associated business activities, with CGCW paying the leasehold rights fees in advance as well as annual rental fees payable to the Thai Business Fund throughout the term of the lease.	15.75	15.75	At the AGM 1/2004 considered the matter, with the opinion that the proposed transaction was reasonable and for the best benefit of the Company; whereby the proposed charges are in line with market rates as well as normal terms and conditions.
2. Thai Business Fund 4 has Central Pattana plc. & Subsidiary Companies owning 50% of the total investment Units (or 100% of the Investment Units Type C (owner type); whereby the Chirathivat Group is the majority shareholders in Central Pattana plc.				
	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) rents retail space within the Central World from the Central World Co. Ltd. for use in its restaurants and retail food services businesses with rental fees paid in advance and the monthly services fees (calculated on a sq.m basis) payable. The rental fees, payable in advance to the Thai Business Fund 4 are based on rental rates that are clearly defined.	23.79	21.43	

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
2. Central Department Store Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Sukhontha Hotel Co.,Ltd. (CSH), has executed a space rental and services agreement with the Central Department Store Co., Ltd. (Hat Yai branch) with a 30 year term; whereby the Central Department Store Co., Ltd. (Hat Yai branch) rents part of the CSH facilities and buildings to operate a shopping complex with CSH receiving both rental and service fees in advance.	34.23	33.16	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transaction is reasonable.
2. Common Directors				
	Central Plaza Hotel plc. and subsidiary companies purchases goods from the Central Department Store Co., Ltd. in providing services to its hotel guests.	0.97	0.53	The opinion that the seller is selling quality goods with the agreed prices being in line with market rates and that the proposed transaction is reasonable.
	Central Plaza Hotal plc. (CGLB) rent space from Central Department Store Co., Ltd. The rental rate are calculated on percentage of service income which is the same rate to others customer The agreement is clearly defined the share of income and agreement term.	0.00	1.55	
	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) rents retail space within the Central World from the Central Department Store Co. Ltd. for use in its restaurants and retail food services businesses The rate of rental and service charge are calculated on a sq.m basis per month (Or as a percentage of sales) which have a clearly defined rental fees and agreement term.	19.00	10.79	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company.
	The Central Plaza Hotel plc. provides F & B services to the Central Department Store Co., Ltd.	1.50	0.39	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company.

CONNECTED TRANSACTIONS

(continued)

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
3. Tiang Chirathivat Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) rents retail space in the Central Silom Building from Tiang Chirathivat Co., Ltd. for use as its Head Office.	24.33	28.75	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company
2. Common Directors				
	Central Plaza Hotel plc. and subsidiary companies purchases goods from the Tiang Chirathivat Co., Ltd. in providing services to its hotel guest.	0.01	0.03	
	The Central Plaza Hotel plc. provides laundry services to Tiang Chirathivat Co., Ltd.	0.00	0.36	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
4. Central Pattana Plc.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central World Hotel Co., Ltd. rents space and parking facilities in the Office Building, from Central Pattana plc., for use by its clients in holding various meetings and promtional exhibitions events.	64.45	51.75	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company
2. Common Directors				
	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents space in the Central World commercial complex to sell food and drinks.	230.99	246.48	
	The Central Plaza Hotel plc. sells hotel rooms and provides F & B services to Central Pattana plc.	2.24	1.64	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
5. Central Trading Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Plaza Hotel plc. and Subsidiary Companies purchase electronic equipment/ machines (ie: cash registers, calculators and related accessories) for use in its business operations from Central Trading Co., Ltd.	0.76	1.40	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with the normal procurement regulations and procedures.
2. Common Directors				
	The Central Plaza Hotel plc. provides F & B services to Central Trading Co., Ltd.	0.52	0.43	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
6. Power Buy Co.,Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Plaza Hotel plc. and Subsidiary Companies purchase electrical products (eg: audio systems speakers, digital cameras, DVD players) from Power Buy Co.,Ltd.	2.66	3.67	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with the the normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for the Company.
2. Common Directors				

CONNECTED TRANSACTIONS

(continued)

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons	
7. Harnng Central Department Store Co., Ltd.					
Relationship:					
1. Common Majority Shareholders : Chirathivat Group	These Group Companies purchase electronic equipment, office equipment, as well as legal and business information consulting services, and rent retail space from HARNNG Central Department Store Co., Ltd.			The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices as well as services and rental charges being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable with maximum benefits for the Company.	
2. Common Directors					
		- Central Plaza Hotel plc.	12.73		12.09
		- Central Restaurants Group Co., Ltd.	11.06		30.76
		The Central Plaza Hotel plc. provides banquet rooms and services to the Harnng Central Department Store Co., Ltd.	1.99		1.10
8. Office Club (Thailand) Co., Ltd.					
Relationship:					
1. Common Majority Shareholders : Chirathivat Group	These Group Companies purchase office equipment and stationery from Office Club (Thailand) Co., Ltd.			The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable with maximum benefits for the Company.	
2. Common Directors					
		- Central Plaza Hotel plc.	0.10		0.04
	- Central Restaurants Group Co., Ltd.	1.12	0.00		

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
9. Post Publishing Plc.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	These Group Companies purchase newspaper and print advertising space from Post Publishing Plc. for use by its hotel guests and food services clients			The Audit Committee reviewed the matter and is of the opinion that the agreed process are in line with market rates, and that the purchase is in accordance with the normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for the Company.
2. Common Directors				
	- Central Plaza Hotel plc.	5.32	5.63	
	- Central Restaurants Group Co., Ltd.	8.25	3.72	
	The Central Plaza Hotel plc. sells hotel rooms and provides F & B services to the Post Publishing Plc.	0.35	1.05	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
10. Central Food Retail Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Plaza Hotel plc. and Subsidiary Companies purchase goods from Central Food Retail Co., Ltd. for use by its hotel guests and customers.	4.90	3.22	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates and that the purchase is in accordance with the normal procurement regulations and procedures.
2. Common Directors				
	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in TOPS Supermarket from Central Food Retail Co., Ltd. to sell food and drinks.	1.23	0.90	Both the rental and services charges are in line with market rates as well as appropriate to the location and proposed services, and that transaction is reasonable.
	Central Plaza Hotel plc. and Subsidiary Companies sells hotel rooms and rents meeting facilities as well as provides F & B services to Central Food Retail Co., Ltd.	0.11	0.88	The Audit Committee reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.

CONNECTED TRANSACTIONS
(continued)

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
11. Central Realty Service Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Plaza Hotel plc. uses public utilities services provided by Central Realty Service Co., Ltd.	0.14	0.12	The Audit Committee reviewed the matter and is of the opinion that both the aged rental and services charges are in line with market rates as well as appropriate for the location and the proposed services,and that the proposed transactions are reasonable.
2. Common Directors	Central Restaurants Group Co., Ltd. (CRG), rents commercial space from Central Realty Service Co., Ltd. to sell food and drinks.	1.21	1.57	
12. Central World Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in Central World Complex from Central World Co., Ltd.to sell food and drinks, with rental fees paid in advance and also monthly service fees (calculated on per sq.m basis) payable.	26.87	23.76	The Audit Committee reviewed the matter and is of the opinion that both the rental and services charges are in line with market rates as well as appropriate for the location and the proposed services, with the rental agreement terms and charges clearly defined, and that the proposed transaction is reasonable with maximum benefits for the Company.
2. Common Directors	The Central Plaza Hotel plc. provides sells hotel rooms and F & B services to Central World Co., Ltd.	0.00	0.22	
13. Bangna Central Property Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in Central Bangna Complex from Bangna Central Property Co., Ltd. to sell food and drinks.	21.26	17.48	The Audit Committee reviewed the matter and is of the opinion that both the rental and services charges are in line with market rates as well as appropriate for the location and the proposed services, with the rental agreement terms and charges clearly defined, and that the proposed transaction is reasonable with maximum benefits for the Company.
2. Common Directors				

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
14. Robinson Department Store Plc.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), rents retail space in the Robinson shopping complex from Robinson Department Store Plc. to sell food and drinks	94.93	109.48	The Audit Committee reviewed the matter and is of the opinion that both the rental and services charges are in line with market rates as well as appropriate for the location and the proposed services, with the rental agreement terms and charges clearly defined, and that the proposed transaction is reasonable with maximum benefits for the Company.
2. Common Directors				
15. Central Retail Corporation Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Retail Corporation Co., Ltd. provides business planning consulting and warehousing services to a Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG).	0.24	0.04	The Audit Committee reviewed the matter and is of the opinion that the services provider is both capable and well-experienced in warehousing management, the services fees charged are in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures; and that the proposed transaction is reasonable with maximum benefits for Company.
2. Common Directors				
16. B2S Co., Ltd.				
Relationship:				
1. Common Directors	The Central Plaza Hotel plc. purchase writing and stationery products from B2S Co., Ltd.	0.02	0.04	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures; and that the proposed transaction is reasonable.

CONNECTED TRANSACTIONS
(continued)

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
17. Central Embassy Hotel Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	The Central Plaza Hotel plc. and Subsidiary Companies sell hotel rooms and provide F & B services, at market prices, to Central Embassy Hotel Co., Ltd.	0.05	0.00	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
2. Common Directors				
18. CRG Manufacturing Co.,Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	The Central Plaza Hotel plc. purchase products from CRG Manufacturing Co.,Ltd.	1.66	0.00	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable.
2. Common Directors				
19. CRC Thai Watsadu Co, Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	The Central Plaza Hotel plc. purchase products from CRC Thai Watsadu Co, Ltd.	1.23	1.13	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable.
2. Common Directors				
20. CPN Pattaya Beach Hotel Co., Ltd				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Plaza Hotel pcl. and its subsidiaries rent consignment area from CPN Pattaya Beach Hotel Co., Ltd for selling food and beverage. The rate of rental and service charge are calculated on a sq.m basis per month (Or as a percentage of sales) which have a clearly defined rental fees and agreement term.	12.91	12.79	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
2. Common Directors				

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
21. Central Life Broker Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Plaza Hotel pcl. and its subsidiaries purchase group insurance for employees from Central Life Broker Co., Ltd. The premium rate is calculated based on the value of insurance premiums and coverage received.	0.00	0.16	The Audit Committee have reviewed the matter and is of the opinion that the proposed insurance premiums are the same as for normal clients; and that the proposed transactions are reasonable.
2. Common Directors				
22. Post-ACP Co.,Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG), engage Post-ACP Co.,Ltd. to publishes and distributes CRG's advertising in Thai language popular magazine -"Cleo"- and also monthly service fees payable.	0.63	0.47	The Audit Committee reviewed the matter and is of the opinion that : the proposed service fees is in line with market rates, with clearly defined agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company
2. Common Directors				
23. Central Pattana Nine Square Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Plaza Hotel pcl. and its subsidiaries rent the area from Central Pattana Nine Square Co., Ltd. for selling food and beverage. The rate of rental and service charge are calculated on a sq.m basis per month (Or as a percentage of sales) which have a clearly defined rental fees and agreement term.	23.32	22.36	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
2. Common Directors				

CONNECTED TRANSACTIONS
(continued)

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
24. CG Training Center Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	The Central Plaza Hotel plc and its subsidiaries provides F&B services to the CG Training Center Co., Ltd.	0.57	0.02	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
2. Common Directors				
25. Central Insurance Services Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	Central Plaza Hotel pcl. and its subsidiaries purchase group insurance for employees from Central Insurance Services Co., Ltd. The premium rate is calculated based on the value of insurance premiums and coverage received.	15.40	14.07	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
26. CPN Retail Growth Leasehold Property Fund ("CPNRF")				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) rents retail space for use in its restaurants and retail food services businesses. The rate of rental and service charge are calculated on a sq.m basis per month (Or as a percentage of sales) which have a clearly defined rental fees and agreement term.	25.80	17.66	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company.
27. Central World Hotel Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) provide F&B to the Central World Hotel Co., Ltd.	0.62	0.00	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
2. Common Directors				
28. COL PCL.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) purchase stationaty and office equipment from COL PCL.	1.90	1.86	The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates and that the purchase is in accordance with the normal procurement regulations and procedures.
2. Common Directors				

Related Companies	Transaction Details	For the Year 2015 (Baht Million)	For the Year 2016 (Baht Million)	Facts and Reasons
29. Central People Development Center Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	These Group Companies received training service from Central People Development Center Co., Ltd.			The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable.
2. Common Directors				
	- Central Plaza Hotel plc.	0.00	6.85	
	- Central Restaurants Group Co., Ltd.	9.11	10.53	
	The Central Plaza Hotel plc and its subsidiaries provides hotel rooms and F&B services to the Central People Development Center Co., Ltd.	0.00	3.01	
30. Central Pattana Rama2 Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	A Subsidiary Company, Central Restaurants Group Co., Ltd. (CRG) rents retail space for use in its restaurants and retail food services businesses. The rate of rental and service charge are calculated on a sq.m basis per month (Or as a percentage of sales) which have a clearly defined rental fees and agreement term.	0.00	1.69	The Audit Committee reviewed the matter and is of the opinion that : both the proposed rental and service fees are in line with market rates, with clearly defined rental fees and agreement terms; and that the proposed transactions are reasonable with maximum benefits for the Company.
2. Common Directors				
31. Central Family Mart Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	The Central Plaza Hotel plc and its subsidiaries provides hotel rooms and services to the Central Family Mart Co., Ltd.	0.00	0.14	The Audit Committee have reviewed the matter and is of the opinion that the proposed services charges are the same as for normal clients; and that the proposed transactions are reasonable. procedures.
2. Common Directors				
32. CRC Power Retail Co., Ltd.				
Relationship:				
1. Common Majority Shareholders : Chirathivat Group	These Group Companies purchased Furnitures from CRC Power Retail Co., Ltd.			The Audit Committee reviewed the matter and is of the opinion that the seller is selling quality goods, with the agreed prices being in line with market rates, and that the purchase is in accordance with normal procurement regulations and procedures, and that the proposed transaction is reasonable.
2. Common Directors				
	- Central Plaza Hotel plc.	0.00	0.03	
	- Central Restaurants Group Co., Ltd.	0.00	0.15	

GENERAL INFORMATION OF BUSINESSES HELD

by the **COMPANY 10% UPWARD**

	Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
1	Central Hua Hin Beach Resort Co., Ltd. 1 Damnernkasem Road, Hua Hin, Prachuab-Khirikhan Tel. : (032) 512-021 Fax : (032) 511-099	Centara Grand Beach Resort & Villas Hua Hin (249 rooms)	1,850,000 shares, at par 100 Baht each	1,183,104 shares	63.9%
2	Central Samui Hotel Management Co., Ltd. 38/2 Moo 3 Tambon Bophut, Koh Samui, Suratthani Tel. : (077) 230-500 Fax : (077) 230-522	Centara Grand Beach Resort Samui (202 rooms)	12,500 shares at par 100 Baht each	12,495 shares	100.0%
3	Central Samui Beach Resort Co., Ltd. 38/2 Moo 3 Tambon Bophut, Koh Samui, Suratthani Tel. : (077) 230-500 Fax : (077) 230-522	Centara Grand Beach Resort Phuket (262 rooms)	6,700,000 shares at par 100 Baht each	6,699,997 shares	100.0%
4	Central Samui Village Co., Ltd. 111 Moo 2 Tambon Maret, Koh Samui, Suratthani Tel. : (077) 424-020 Fax : (077) 424-022	Centara Villas Samui (100 rooms)	550,000 shares at par 100 Baht each	549,996 shares (Owned by Central Samui Beach Resort Co., Ltd.)	100.0%
5	Central Hotel Management Co., Ltd. 1695 Paholyothin Road, Chatuchak, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Holding Company	2,500,000 shares at par 100 Baht each	2,499,996 shares	100.0%
6	Central Sukhontha Hotel Co., Ltd. 3 Sanehanusorn Road, Had Yai, Songkla Tel. : (074) 352-222 Fax : (074) 352-223	Centara Hotel Hat Yai (245 rooms)	1,450,000 shares at par 100 Baht each	1,449,995 shares (Owned by Central Hotel Management Co., Ltd.)	100.0%
7	Central Karon Village Co., Ltd. 701 Patak Road, Tambon Karon, Muang, Phuket Tel. : (076) 286-300 Fax : (076) 286-316	Centara Villas Phuket (72 rooms)	375,000 shares at par 100 Baht each	374,995 shares	100.0%
8	Central Mae Sot Hill Hotel Co., Ltd. 100 Asia Road, Mae Sot, Tak Tel. : (055) 532-601 Fax : (055) 532-600	Centara Mae Sot Hill Resort (113 rooms)	190,000 shares at par 1,000 Baht each	186,998 shares (Owned by Central Hotel Management Co., Ltd.)	98.4%
9	Central Krabi Bay Resort Co., Ltd. 396-396/1 Moo 2 Tambon Ao Nang, Muang, Krabi Tel. : (075) 637-789 Fax : (075) 637-800	Centara Grand Beach Resort & Villas Krabi (192 rooms)	5,000,000 shares at par 100 Baht each	4,999,995 shares	100.0%

	Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
10	Karon Phuket Hotel Co., Ltd. 502/3 Patak Road, Tambon Karon, Muang, Phuket Tel. : (076) 396-200-5 Fax : (076) 396-491	Centara Karon Resort Phuket (335 rooms)	5,200,000 shares at par 100 Baht each	5,164,000 shares	99.3%
11	Kata Phuket Hotel Co., Ltd. 54 Kedkwan Road, Tambon Karon, Muang, Phuket Tel. : (076) 370-300 Fax : (076) 333-462	Centara Kata Resort Phuket (158 rooms)	1,200,000 shares at par 100 Baht each	1,187,995 shares	99.0%
12	Central World Hotel Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 100-1234 Fax : (02) 100-1235	Centara Grand & Bangkok Convention Centre at Central World (512 rooms)	20,000,000 shares at par 100 Baht each Paid up of 100 Baht and 80 Baht per share for 10,000,000 shares each	19,999,995 shares	100.0%
13	Central Laundry Services Co., Ltd. 1695 Paholyothin Road, Chatuchak, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	15,000 shares at par 100 Baht each	14,996 shares (Owned by Central Hotel Management Co., Ltd.)	100.0%
14	Central Koh Kood Hotel Co., Ltd. 1695 Paholyothin Road, Chatuchak, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	1,200,000 shares at par 100 Baht each	1,199,995 shares	100.0%
15	Triplenine Decor Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	800,000 shares at par 100 Baht each	799,996 shares	100.0%
16	S.P. Realty Lanta Beach Co.,Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	360,000 shares at par 100 Baht each	359,995 shares (Owned by Central Krabi Bay Resort Co., Ltd.)	100.0%
17	S.P. Realty Pattaya Beach Co.,Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	800,000 shares at par 100 Baht each	799,996 shares	100.0%
18	S.P. Realty Hadfarang Resort Co.,Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	885,000 shares at par 100 Baht each	884,995 shares	100.0%

GENERAL INFORMATION OF BUSINESSES HELD
by the Company 10% upward (continued)

	Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
19	Centara International Management Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Holding Company and Hotel Management	1,500,000 shares at par 100 Baht each	1,499,996 shares	100.0%
20	R.M.L. LEISURE Pvt. Ltd. 4 th Floor Rowville, Fareedhi Magu Maafannu, Republic of Maldives *Tel : + 960 330 6566 *Fax : + 960 330 9796	Centara Grand Island Resort & Spa Maldives (112 Suites & Villas)	17,990 shares at par of US\$ 778.21 per share	13,312 shares (Owned by Centara International Management Co., Ltd.)	74.0%
21	Refresh Zone Co., Ltd. (Formerly : Cenvaree Healthy Spa Co., Ltd.) 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Spa	10,000 shares at par 100 Baht each	9,995 shares	100.0%
22	Central Bangkok Convention & Exhibition Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	10,000 shares at par 100 Baht each	9,995 shares	100.0%
23	Centara International Management (Thailand) Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Hotel Management	1,000,000 shares at par 100 Baht each Paid up of 25 Baht per share	999,997 shares	100.0%
24	Centara Maldives Pvt. Ltd. 2 nd Floor (Eastwing), AAGE Henveiru, Male 20094 Republic of Maldives *Tel : + 960 333 3644 *Fax : + 960 331 5453	Centara Ras Fushi Resort & Spa Maldives (140 Suites & Villas)	40,560,000 shares at par of MVR 15 per share	30,420,000 shares (Owned by Centara International Management Co., Ltd.)	75.0%
25	Central Restaurants Group Co., Ltd. 306 Silom Road, Suriyawong Bangrak, Bangkok Tel. : (02) 635-7930-9 Fax : (02) 635-7940-1	Franchisee of KFC, Mister Donut, Auntie Anne's, Katsuya, Tenya, Chabuton, Cold Stone Creamery, Yoshinoya, The Terrace, Pepper Lunch	6,200,000 shares at par 100 Baht each	6,199,991 shares	100.0%
26	CRG Manufacturing Co., Ltd. 55/18 Moo 13 Paholyothin Road, Tambon Klong Neung, Klong Luang, Pathumthani Tel. : (02) 909-2277-9 Fax : (02) 529-4900	Manufacturer of ice cream	16,000,000 shares at par 10 Baht each	15,999,994 shares (Owned by Central Restaurants Group Co., Ltd.)	100.0%
27	CRG International Food Co., Ltd. 306 Silom Road, Suriyawong Bangrak, Bangkok Tel. : (02) 635-7930-9 Fax : (02) 635-7940-1	Japanese Restaurant "Ootoya"	1,797,600 shares at par 100 Baht each	1,797,591 shares (Owned by Central Restaurants Group Co., Ltd.)	100.0%

	Company	Nature of Business	Issued Ordinary Share	Issued Ordinary Share held by the Company	Percentage of Shareholding (%)
28	Centara Import-Export Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Import and Export	100,000 shares at par 10 Baht each	99,997 shares	100.0%
29	Cosi Hotels Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	300,000 shares at par 100 Baht each Paid up of 50 Baht per share	299,997 shares	100.0%
30	Cosi Hotel Management Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Not operate yet	50,000 shares at par 100 Baht each Paid up of 25 Baht per share	49,997 shares	100.0%
31	Centara Loyalty Marketing Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Offer privileges for customer	500,000 shares at par 100 Baht each Paid up of 25 Baht per share	499,997 shares	100.0%
32	Centara Learning Centre Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Learning Centre	1,000,000 shares at par 10 Baht each Paid up of 2.5 Baht per share	999,996 shares	100.0%
33	Centara Hotels & Resorts Leasehold Property Fund 400/22 6 th Floor, Kasikornbank Building Paholyothin Road, Samsen Nai, Phaya Thai, Bangkok Tel : (02) 673-3999 Fax : (02) 673-3900	Property Fund	320,000,000 units at par 10 Baht each	81,093,500 units	25.3%
34	Centara (Shanghai) Hotel Management Co., Ltd. 1208 Ascendas Cross Tower, No.318 Fuzhou Road, Huangpu District, Shanghai, 200001	Not operate yet	Register share capital of 6,000,000 Chinese Yuan paid up of 6,000,000 Chinese Yuan	N/A (Owned by Centara International Management Co., Ltd.)	100.0%
35	CIM for Hotel Management - Egypt, S.A.E North Tower, Nile City Buildings, 22 nd Floor, Room No.2328-05, Ramlet Boulac, Corniche El Nile, Cairo	Not operate yet	20,000 shares at par 25 Egyptian Pound each Paid up of 2.5 Egyptian Pound per share	19,998 shares (Owned by Centara International Management Co., Ltd.)	100.0%
36	Centara Capital Limited (Formerly Centara (Hong Kong) Hotel Management Co.,Ltd.) 1202 Ascendas Cross Tower, 318 Fuzhou road, Huangpu district, Shanghai 200001	Not operate yet	Register share capital of 200,000 HKD	N/A (Owned by Centara Management Headquarter Co., Ltd.)	100.0%
37	Centara Management Headquarter Co., Ltd. 999/99 Rama 1 Road, Pathumwan, Bangkok Tel. : (02) 769-1234 Fax : (02) 100-6232	Hotel Management	500,000 shares at par 100 Baht each Paid up of 100 Baht per share	499,997 shares	100.0%

COMPANY'S GENERAL INFORMATION

Name Central Plaza Hotel Public Company Limited

Type of Business Service business – hotel, restaurants, food and beverages, etc.

Company registration no. 0107536001389 (Previously, Bor. Mor. Jor. 212)

Home Page <http://www.centarahotelsresorts.com>

Share capital as at 31 December 2016

Registered: Baht 1,350,000,000, comprising of 1,350,000,000 ordinary shares at par value of Baht 1 per share

Issued and fully paid: Baht 1,350,000,000, comprising of 1,350,000,000 ordinary shares at par value of Baht 1 per share

Centara Hotels & Resorts Office

Address 999/99 Rama 1 Road, Pathumwan, Bangkok

Telephone (02) 769-1234

Fax (02) 769-1235

Centara Grand at Central Plaza Ladprao Bangkok Office

Address 1695 Paholyothin Road, Chatuchak, Bangkok

Telephone (02) 541-1234

Fax (02) 541-1087

INFORMATION OF DEBENTURES

Debenture	The latest Credit Rating	Amount (MB)	Issuance Date	Tenor (year)	Interest Rate	Collateral	Interest Payment Cycle	Maturity Date	Balance as at 31 December 2015
CENTEL176A	N/A	500	23/06/2010	7 years	3.85%	-	6 months	23/06/2017	500
CENTEL176B	N/A	500	05/07/2010	6 years 11 months 24 days	3.85%	-	6 months	29/06/2017	500
CENTEL18NA	A	700	19/11/2015	3 years	2.41%	-	6 months	19/11/2018	700
CENTEL203A	N/A	800	30/3/2016	4 years	2.09%	-	6 months	30/3/2020	800
CENTEL218A	A	980	11/8/2016	5 years	2.45%	-	6 months	11/8/2021	980
CENTEL229A	A	1,000	29/9/2016	6 years	2.78%	-	6 months	29/9/2022	1,000
CENTEL239A	A	1,000	29/9/2016	7 years	2.97%		6 months	29/9/2023	1,000
CENTEL269A	A	500	29/9/2016	10 years	3.39%		6 months	29/9/2026	500

Note : All of debentures were rated by Tris Rating Co.,Ltd.

CONDITIONS OF DEBENTURES ISSUANCE

1. The Company has to maintain Interest - bearing debt to equity ratio of not more than 2 : 1 as at the ending period of each year, calculated from the consolidated financial statements.

CORPORATE MANAGEMENT (continued)

Group Director of Operations		Resort Manager	
Group Director of Operations - Bangkok & City Hotels	Mr. Robert Maurer-Loeffler	Centara Chaan Talay Resort & Villas Trat	Mr. Veerapol Pongvarin
Group Director of Operations - South Thailand, Bali, Sri Lanka & COSI	Mr. Harinder Singh Thaliwal	Centra Coconut Beach Resort Samui	Mrs. Rutjiret Ananphong
Group Director of Operations - East Thailand & Vietnam	Mr. Austin Robinson		
Group Director of Operations - Premium Resorts	Mr. Kamal Chaoui		
Hotel Management		Hotel Manager	
Centara Grand & Bangkok Convention Centre at CentralWorld	Mr. Robert Maurer-Loeffler	Centara Kata Resort Phuket	Ms. Wilawan Chiammanasombut
Centara Grand at Central Plaza Ladprao Bangkok	Mr. Wim N.M. Fagel	Centara Villas Phuket	Mr. Dechanont Wangthong
Centara Grand Beach Resort & Villas Krabi	Mr. Darren Shaw	Centara Grand Beach Resort Phuket	Mr. Michael Gaarde – Nielsen
Centara Grand Beach Resort Samui	Mr. Dominique Rongé		
Centara Grand Beach Resort & Villas Hua Hin	Mr. David Martens		
Centara Grand Mirage Beach Resort Pattaya	Mr. Andre Brulhart		
Centara Grand Beach Resort Phuket	Mr. Kamal Chaoui		
Centara Grand Island Resort & Spa Maldives	Mr.Voytek Klasicki		
Centara Villas Samui	Mr. Timothy Rawlinson		
Centara Kata Resort Phuket	Mr. Wayne Duberly		
Centara Karon Resort Phuket	Mr. Wayne Duberly		
Centara Mae Sot Hill Resort	Mr. Somsak Saisawad		
Centara Hotel Hat Yai	Mr. Manoon Wutti		
Centara Hotel & Convention Centre Udon Thani	Mr. Preecha Yarangwong		
Centara Anda Dhevi Resort & Spa Krabi	Mr. George Kenton		
Centara Watergate Pavillion Hotel & Spa Bangkok	Mr. Sven Walter		
Centara Pattaya Hotel	Mr. Jonas Sjostedt		
Centara Ras Fushi Resort & Spa Maldives	Ms. Prapaijit Thongma		
Centara Nova Hotel & Spa Pattaya	Mr. Jonas Sjostedt		
Khum Phaya Resort & Spa, Centara Boutique Collection	Ms. Jirachada Assavanich		
Centra Government Complex Hotel & Convention Centre Cheang Watthana	Mr. Asdang Sukwises		
Waterfront Suites Phuket by Centara	Mr. Wayne Duberly		
Centara Ceysands Resort & Spa, Sri Lanka	Mr. Riaan Drever		
Centara Koh Chang Tropicana Resort	Mr. Pius Luechinger		
Centara Grand Phratamnak Resort Pattaya	Mr. Carl Duggan		
Sandy Beach Non Nuoc Resort Da Nang Vietnam, Managed by Centara	Mr. Luke Benbow		
Centra Central Station Bangkok	Mr. Pattavee Pongnontakul		
Centara Grand Modus Resort & Spa Pattaya	Mr. Andre Brulhart		
Centara Seaview Resort Khao Lak	Ms. Karin Jongman		
Centara Q Resort Rayong	Ms. Wassana Pokthang		
Centra Maris Resort Jomtien	Mr. Chaiphun Thongsuthum		
Centra Phu Pano Resort Krabi	Mr. Chalermrat Khumsawad		
CENTRAL RESTAURANT GROUP			
Chief Executive Officer		Mr. Thiradej Chirathivat	
President of CRG		Mr. Nath Vongpanich	
Chief Operating Officer		Mr. Sucheep Tamacheepjareon	
Chief Financial Officer		Mrs. Nantana Techaboonpratan	
Senior Vice President Business Development		Mr. Nathapol Montolsophon	
Senior Vice President Human Resources		Ms. Jaruwan Ngampisutpaisan	
Senior Vice President Operations		Mr. Chainarong Lerlertvanich	
Senior Vice President Operations & Special Project		Mrs. Pentip Ungpakorn	
Senior Vice President Corporate Strategy and Development		Dr. Chatchai Unahabhokha	
President of Ootoya		Mrs. Ampaipan Chirathivat	
Vice President Operations		Mr. Chodok Bhicharnchitr	
Vice President of KFC		Mrs. Kittiyaporn Kulpaibul	
Vice President of Mister Donut		Ms. Sineenart Sookthavorn	
Assistant Vice President of Auntie Anne's		Mrs. Nongnapas Rumpeuy	
Assistant Vice President of Pepper Lunch		Mrs. Orawan Komolphanporn	
Assistant Vice President of Cold Stone Creamery		Mrs. Wachiraporn Wanitchai	
Assistant Vice President of Yoshinoya & Chabuton		Mr. Pol Sridaeng	
Assistant Vice President of CRG Manufacturing		Mr. Rastam Benraheem	
Assistant Vice President of The Terrace		Ms. Chatuedee Suktrakul	
Assistant Vice President of Ootoya		Mr. Parwit Amtim	
General Manager - Operation of Katsuya & Tenya		Mrs. Siriporn Thanintharatharn	
Assistant Vice President Purchasing		Mr. Phachsorn Phachlilom	
Assistant Vice President Logistics		Mr. Thirawat Loetthiraphan	





CENTARA
HOTELS & RESORTS



CENTARA
GRAND
HOTELS & RESORTS

CENTARA
HOTELS & RESORTS

CENTARA
RESIDENCE & SUITES

Centara
BOUTIQUE COLLECTION

centra
by CENTARA

COSI

SPA
Cenvarree

Cense
by SPA CENVARREE

refresh
ZONE

CENTARA The 1
card

Mister Donut
มิสเตอร์โดนัท



Auntie Anne's
Freshly Baked

Pepper Lunch
เปปเปอร์ ลันช์

CHABUTON
ชาบูตอง วามาน

COLD STONE
CREAMERY

The Terrace
by SPACELAND

YOSHINOYA
YOSHINOYA

OTOYA
OTOYA

TEMPURA TENCEN TENYA
TEMURA TENCEN TENYA

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