

Laguna Resorts & Hotels Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Laguna Resorts & Hotels Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Laguna Resorts & Hotels Public Company Limited and its subsidiaries (the Group) as at 30 June 2021, the related consolidated statements of income and comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Laguna Resorts & Hotels Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of matters

I draw attention to Note 1.2 to the interim consolidated financial statements. The Coronavirus disease 2019 (COVID-19) pandemic in Thailand is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries, including the Group's business activities. For hotel business, the Group is able to reopen their hotels in September 2020. For property development business, the Group has resumed the construction of some projects and continue to sell their outstanding property projects. However, the number of foreign and local customers have not yet been restored as the situation is ongoing. The management has taken extensive measures to reduce their cost and expenses. In terms of the Group's obligations with respect to repayment of hotel related loans from banks, the Group successfully negotiated with the banks to defer loan principal repayments and interest payments by 12 months. These are significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future.

The Group's management has continuously monitored the ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgment in respect of various issues as the situation has evolved.

My conclusion is not modified in respect of this matter.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 11 August 2021

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2021

(Unit: Thousand Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|-------------------|-------------------------------|------------------|
| | | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 2 | 487,951 | 568,735 | 164,671 | 146,681 |
| Trade and other receivables | 3 | 718,349 | 782,756 | 249,079 | 208,490 |
| Inventories | | 61,349 | 72,767 | - | - |
| Property development cost | 5 | 4,127,634 | 4,164,706 | 111,429 | 111,429 |
| Cost to obtain contracts with customers | | 101,950 | 101,312 | - | - |
| Other current financial asset | | 2,269 | 2,269 | 2,269 | 2,269 |
| Other current assets | | 113,307 | 156,912 | 10,531 | 20,055 |
| Total current assets | | 5,612,809 | 5,849,457 | 537,979 | 488,924 |
| Non-current assets | | | | | |
| Long-term restricted deposit at financial institution | | 38,079 | 38,034 | - | - |
| Other non-current financial assets | 6 | 846,385 | 713,181 | - | - |
| Long-term trade accounts receivable | 7 | 569,936 | 723,503 | - | - |
| Investments in subsidiaries | 8 | - | - | 4,242,655 | 4,242,655 |
| Investments in associates | 9 | 973,792 | 960,374 | 777,454 | 777,454 |
| Long-term loans to subsidiaries | 4 | - | - | 1,171,550 | 1,255,550 |
| Investment properties | 10 | 1,382,223 | 1,410,577 | 181,602 | 181,602 |
| Property, plant and equipment | 11 | 12,485,776 | 12,653,409 | 39,288 | 41,690 |
| Right-of-use assets | 12 | 43,643 | 56,541 | 2,450 | 3,039 |
| Deferred tax assets | | 49,716 | 45,009 | - | - |
| Goodwill | | 407,904 | 407,904 | - | - |
| Other non-current assets | | 54,944 | 13,194 | 9,439 | 1,344 |
| Total non-current assets | | 16,852,398 | 17,021,726 | 6,424,438 | 6,503,334 |
| Total assets | | 22,465,207 | 22,871,183 | 6,962,417 | 6,992,258 |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2021

(Unit: Thousand Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|-------------------|-------------------------------|------------------|
| | | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Bank overdrafts and short-term loans from | | | | | |
| financial institutions | 13 | 1,305,495 | 1,308,804 | 670,000 | 670,000 |
| Trade and other payables | 14 | 1,306,196 | 1,396,738 | 232,610 | 187,234 |
| Current portion of long-term loans from financial | | | | | |
| institutions | 17 | 489,764 | 737,411 | 18,500 | 26,500 |
| Current portion of lease liabilities | 15 | 44,401 | 40,168 | 6,810 | 6,017 |
| Income tax payable | | 17,501 | 10,195 | - | - |
| Advance received from customers | | 794,953 | 835,916 | - | - |
| Other current liabilities | 16 | 244,802 | 226,785 | 15,817 | 12,878 |
| Total current liabilities | | 4,203,112 | 4,556,017 | 943,737 | 902,629 |
| Non-current liabilities | | | | | |
| Long-term loans from subsidiaries | 4 | - | - | 95,500 | 132,500 |
| Long-term loan from related company | 4 | 26,950 | 26,950 | - | - |
| Long-term loans from financial institutions | | | | | |
| - net of current portion | 17 | 4,656,698 | 4,357,659 | 1,336,079 | 1,327,695 |
| Provision for long-term employee benefits | | 126,486 | 113,276 | 27,897 | 29,213 |
| Long-term provision | 29 | - | 1,774 | - | - |
| Deferred tax liabilities | | 2,847,696 | 2,810,792 | 113,906 | 116,104 |
| Lease liabilities, net of current portion | 15 | 33,313 | 38,642 | 921 | 117 |
| Other non-current liabilities | | 196,009 | 213,960 | 30,135 | 34,706 |
| Total non-current liabilities | | 7,887,152 | 7,563,053 | 1,604,438 | 1,640,335 |
| Total liabilities | | 12,090,264 | 12,119,070 | 2,548,175 | 2,542,964 |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| Registered | | | | | |
| 211,675,358 ordinary shares of Baht 10 each | | 2,116,754 | 2,116,754 | 2,116,754 | 2,116,754 |
| Issued and fully paid-up | | | | | |
| 166,682,701 ordinary shares of Baht 10 each | | 1,666,827 | 1,666,827 | 1,666,827 | 1,666,827 |
| Share premium | | 2,062,461 | 2,062,461 | 2,062,461 | 2,062,461 |
| Capital reserve | | 568,131 | 568,131 | - | - |
| Retained earnings | | | | | |
| Appropriated - statutory reserve | | 211,675 | 211,675 | 211,675 | 211,675 |
| Unappropriated | | (25,424) | 447,534 | 331,966 | 367,018 |
| Other components of shareholders' equity | | 5,771,412 | 5,675,948 | 141,313 | 141,313 |
| Equity attributable to owners of the Company | | 10,255,082 | 10,632,576 | 4,414,242 | 4,449,294 |
| Equity attributable to non-controlling interests | | | | | |
| of the subsidiaries | | 119,861 | 119,537 | - | - |
| Total shareholders' equity | | 10,374,943 | 10,752,113 | 4,414,242 | 4,449,294 |
| Total liabilities and shareholders' equity | | 22,465,207 | 22,871,183 | 6,962,417 | 6,992,258 |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 June 2021**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|------------------|-------------------------------|----------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Revenues | 18 | | | | |
| Revenue from hotel operations | | 104,029 | 52,188 | - | - |
| Revenue from property development operations | | 100,044 | 159,588 | - | - |
| Revenue from office rental operations | | 6,897 | 7,471 | 904 | 1,516 |
| Other income | 19 | 18,402 | 4,927 | 25,905 | 37,140 |
| Total revenues | | <u>229,372</u> | <u>224,174</u> | <u>26,809</u> | <u>38,656</u> |
| Expenses | | | | | |
| Cost of hotel operations | | 187,871 | 216,713 | - | - |
| Cost of property development operations | | 56,266 | 85,606 | - | - |
| Cost of office rental operations | | 4,620 | 7,198 | 1,000 | 1,050 |
| Selling expenses | | 26,313 | 32,183 | 25 | 19 |
| Administrative expenses | | 189,182 | 287,684 | 35,055 | 28,771 |
| Total expenses | | <u>464,252</u> | <u>629,384</u> | <u>36,080</u> | <u>29,840</u> |
| Operating profit (loss) | | <u>(234,880)</u> | <u>(405,210)</u> | <u>(9,271)</u> | <u>8,816</u> |
| Share of profit (loss) from investments in associates | 9 | 6,769 | (1,327) | - | - |
| Finance income | | 11,917 | 12,412 | 13,598 | 22,210 |
| Finance cost | 20 | (62,779) | (65,851) | (19,177) | (22,151) |
| Profit (loss) before income tax expenses | | <u>(278,973)</u> | <u>(459,976)</u> | <u>(14,850)</u> | <u>8,875</u> |
| Income tax revenue (expenses) | 21 | (3,434) | (99,001) | 786 | (13,964) |
| Loss for the period | | <u>(282,407)</u> | <u>(558,977)</u> | <u>(14,064)</u> | <u>(5,089)</u> |
| Profit (loss) attributable to: | | | | | |
| Equity holders of the Company | | (287,788) | (550,230) | (14,064) | (5,089) |
| Non-controlling interests of the subsidiaries | | 5,381 | (8,747) | | |
| | | <u>(282,407)</u> | <u>(558,977)</u> | | |
| Earnings per share | | | | | |
| Basic earnings per share | 22 | | | | |
| Loss attributable to equity holders of the Company | | (1.73) | (3.30) | (0.08) | (0.03) |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2021

(Unit: Thousand Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|------------------|-------------------------------|----------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Loss for the period | | <u>(282,407)</u> | <u>(558,977)</u> | <u>(14,064)</u> | <u>(5,089)</u> |
| Other comprehensive income (loss): | | | | | |
| <i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i> | | | | | |
| Exchange differences on translation of financial statements in foreign currency | | (1,176) | (115) | - | - |
| Share of other comprehensive income (loss) from associates | 9 | 1,821 | (3,027) | - | - |
| Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods, net of income tax | | 645 | (3,142) | - | - |
| <i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i> | | | | | |
| Gains on changes in investments in equity designated at fair value through other comprehensive income | | 20,673 | - | - | - |
| Share of other comprehensive income from associates | 9 | 208 | 2,374 | - | - |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of income tax | | 20,881 | 2,374 | - | - |
| Other comprehensive income (loss) for the period | | <u>21,526</u> | <u>(768)</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income (loss) for the period | | <u>(260,881)</u> | <u>(559,745)</u> | <u>(14,064)</u> | <u>(5,089)</u> |
| Total comprehensive income (loss) attributable to: | | | | | |
| Equity holders of the Company | | (266,367) | (550,943) | (14,064) | (5,089) |
| Non-controlling interests of the subsidiaries | | 5,486 | (8,802) | - | - |
| | | <u>(260,881)</u> | <u>(559,745)</u> | | |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Income statement****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|------------------|-------------------------------|----------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Revenues | | | | | |
| | 18 | | | | |
| Revenue from hotel operations | | 210,584 | 939,152 | - | 14,011 |
| Revenue from property development operations | | 406,995 | 280,676 | - | - |
| Revenue from office rental operations | | 13,719 | 22,315 | 1,860 | 7,168 |
| Other income | 19 | 22,992 | 8,661 | 40,785 | 61,060 |
| Total revenues | | 654,290 | 1,250,804 | 42,645 | 82,239 |
| Expenses | | | | | |
| Cost of hotel operations | | 391,015 | 730,057 | - | 7,820 |
| Cost of property development operations | | 206,082 | 142,403 | - | - |
| Cost of office rental operations | | 9,790 | 15,707 | 1,995 | 2,815 |
| Selling expenses | | 53,358 | 109,720 | 59 | 1,123 |
| Administrative expenses | | 375,244 | 606,336 | 68,047 | 63,109 |
| Total expenses | | 1,035,489 | 1,604,223 | 70,101 | 74,867 |
| Operating profit (loss) | | (381,199) | (353,419) | (27,456) | 7,372 |
| Share of profit from investments in associates | 9 | 19,692 | 5,944 | - | - |
| Finance income | | 24,833 | 26,763 | 28,346 | 49,026 |
| Finance cost | 20 | (127,053) | (125,609) | (38,140) | (46,604) |
| Profit (loss) before income tax expenses | | (463,727) | (446,321) | (37,250) | 9,794 |
| Income tax revenue (expenses) | 21 | (24,127) | (107,846) | 2,198 | (14,390) |
| Loss for the period | | (487,854) | (554,167) | (35,052) | (4,596) |
| Profit (loss) attributable to: | | | | | |
| Equity holders of the Company | | (487,973) | (549,671) | (35,052) | (4,596) |
| Non-controlling interests of the subsidiaries | | 119 | (4,496) | | |
| | | (487,854) | (554,167) | | |
| Earnings per share | | | | | |
| Basic earnings per share | | | | | |
| Loss attributable to equity holders of the Company | 22 | (2.93) | (3.30) | (0.21) | (0.03) |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|------------------|-------------------------------|----------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Loss for the period | | <u>(487,854)</u> | <u>(554,167)</u> | <u>(35,052)</u> | <u>(4,596)</u> |
| Other comprehensive income (loss): | | | | | |
| <i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i> | | | | | |
| Exchange differences on translation of financial statements in foreign currency | | (1,443) | 140 | - | - |
| Share of other comprehensive income from associates | 9 | 4,099 | 1,028 | - | - |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax | | 2,656 | 1,168 | - | - |
| <i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i> | | | | | |
| Gains on changes in investments in equity designated at fair value through other comprehensive income | | 106,563 | - | - | - |
| Share of other comprehensive income (loss) from associates | 9 | 1,465 | (2,094) | - | - |
| Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods, net of income tax | | 108,028 | (2,094) | - | - |
| Other comprehensive income (loss) for the period | | <u>110,684</u> | <u>(926)</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income (loss) for the period | | <u>(377,170)</u> | <u>(555,093)</u> | <u>(35,052)</u> | <u>(4,596)</u> |
| Total comprehensive income (loss) attributable to: | | | | | |
| Equity holders of the Company | | (377,494) | (550,576) | (35,052) | (4,596) |
| Non-controlling interests of the subsidiaries | | 324 | (4,517) | - | - |
| | | <u>(377,170)</u> | <u>(555,093)</u> | | |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

| Consolidated financial statements | | | | | | | | | | | | | |
|---|--------------------------|------------------|-----------------|-------------------|-----------------|---|-------------------------------|--|--|--|--|--|----------------------------|
| Equity attributable to the owners of the Company | | | | | | | | | | | | | |
| | Issued and fully paid-up | | | | | Other components of shareholders' equity | | | | | | | |
| | share capital | Share premium | Capital reserve | Retained earnings | | Exchange differences on translation of financial statements in foreign currency | Revaluation surplus on assets | Gains on investments in equity designated at fair value through other comprehensive income | Share of other comprehensive income (loss) from associates | Total other components of shareholders' equity | Total equity attributable to owners of the Company | Equity attributable to non-controlling interests of the subsidiaries | Total shareholders' equity |
| | | | | statutory reserve | Unappropriated | | | | | | | | |
| Balance as at 1 January 2020 | 1,666,827 | 2,062,461 | 568,131 | 211,675 | 1,857,861 | 124,328 | 5,580,940 | 274,156 | (611) | 5,978,813 | 12,345,768 | 139,879 | 12,485,647 |
| Loss for the period | - | - | - | - | (549,671) | - | - | - | - | - | (549,671) | (4,496) | (554,167) |
| Other comprehensive income (loss) for the period | - | - | - | - | - | 161 | - | - | (1,066) | (905) | (905) | (21) | (926) |
| Total comprehensive income (loss) for the period | - | - | - | - | (549,671) | 161 | - | - | (1,066) | (905) | (550,576) | (4,517) | (555,093) |
| Dividend paid (Note 23) | - | - | - | - | (500,042) | - | - | - | - | - | (500,042) | - | (500,042) |
| Reversal of revaluation surplus on disposal of assets | - | - | - | - | 6,369 | - | (6,369) | - | - | (6,369) | - | - | - |
| Additional investment in subsidiary | - | - | - | - | - | - | - | - | - | - | - | 800 | 800 |
| Balance as at 30 June 2020 | <u>1,666,827</u> | <u>2,062,461</u> | <u>568,131</u> | <u>211,675</u> | <u>814,517</u> | <u>124,489</u> | <u>5,574,571</u> | <u>274,156</u> | <u>(1,677)</u> | <u>5,971,539</u> | <u>11,295,150</u> | <u>136,162</u> | <u>11,431,312</u> |
| Balance as at 1 January 2021 | 1,666,827 | 2,062,461 | 568,131 | 211,675 | 447,534 | 124,299 | 5,478,403 | 85,453 | (12,207) | 5,675,948 | 10,632,576 | 119,537 | 10,752,113 |
| Loss for the period | - | - | - | - | (487,973) | - | - | - | - | - | (487,973) | 119 | (487,854) |
| Other comprehensive income (loss) for the period | - | - | - | - | - | (1,648) | - | 106,563 | 5,564 | 110,479 | 110,479 | 205 | 110,684 |
| Total comprehensive income (loss) for the period | - | - | - | - | (487,973) | (1,648) | - | 106,563 | 5,564 | 110,479 | (377,494) | 324 | (377,170) |
| Reversal of revaluation surplus on disposal of assets | - | - | - | - | 15,015 | - | (15,015) | - | - | (15,015) | - | - | - |
| Balance as at 30 June 2021 | <u>1,666,827</u> | <u>2,062,461</u> | <u>568,131</u> | <u>211,675</u> | <u>(25,424)</u> | <u>122,651</u> | <u>5,463,388</u> | <u>192,016</u> | <u>(6,643)</u> | <u>5,771,412</u> | <u>10,255,082</u> | <u>119,861</u> | <u>10,374,943</u> |
| | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | - | - | - | - |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

Separate financial statements

| | Issued and fully paid-up | | Retained earnings | | Other components of shareholders' equity | | | | |
|--|-----------------------------|------------------|-------------------|----------------|--|----------------|-------------------------|-------------------------|-------|
| | | | | | Appropriated - statutory reserve | Unappropriated | Other comprehensive | Total other | Total |
| | | | | | | | income | components of | |
| | share capital | Share premium | | | Revaluation surplus on assets | equity | shareholders' equity | shareholders' equity | |
| Balance as at 1 January 2020 | 1,666,827 | 2,062,461 | 211,675 | 901,083 | 141,313 | 141,313 | 4,983,359 | | |
| Loss for the period | - | - | - | (4,596) | - | - | (4,596) | | |
| Other comprehensive income for the period | - | - | - | - | - | - | - | | |
| Total comprehensive income (loss) for the period | - | - | - | (4,596) | - | - | (4,596) | | |
| Dividend paid (Note 23) | - | - | - | (500,042) | - | - | (500,042) | | |
| Balance as at 30 June 2020 | <u>1,666,827</u> | <u>2,062,461</u> | <u>211,675</u> | <u>396,445</u> | <u>141,313</u> | <u>141,313</u> | <u>4,478,721</u> | | |
| Balance as at 1 January 2021 | 1,666,827 | 2,062,461 | 211,675 | 367,018 | 141,313 | 141,313 | 4,449,294 | | |
| Loss for the period | - | - | - | (35,052) | - | - | (35,052) | | |
| Other comprehensive income for the period | - | - | - | - | - | - | - | | |
| Total comprehensive income (loss) for the period | - | - | - | (35,052) | - | - | (35,052) | | |
| Balance as at 30 June 2021 | <u>1,666,827</u> | <u>2,062,461</u> | <u>211,675</u> | <u>331,966</u> | <u>141,313</u> | <u>141,313</u> | <u>4,414,242</u> | | |
| | - | - | - | - | - | - | - | | |
| | - | - | - | - | - | - | - | | |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--|---------------|--------------------------------------|-----------------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash flows from operating activities | | | | |
| Profit (loss) before income tax expenses | (463,727) | (446,321) | (37,250) | 9,794 |
| Adjustments to reconcile profit (loss) before income tax expenses to net cash provided by (paid from) operating activities: | | | | |
| Depreciation | 232,462 | 234,152 | 4,448 | 5,744 |
| Allowance for expected credit losses (reversal) | 17,641 | (1,270) | 2,502 | (40) |
| Reduction of inventory to net realisable value | 322 | 13 | - | - |
| Reversal of reduction of property development cost to net realisable value | (961) | - | - | - |
| Share of profit from investments in associates | (19,692) | (5,944) | - | - |
| Gain on sales of property, plant and equipment | (14,942) | (118) | - | - |
| Write off property development cost | - | 137,000 | - | - |
| Write off property, plant and equipment | 2 | 9 | - | - |
| Dividend income from investment in associate | - | - | (11,838) | (11,838) |
| Impairment of right-of-use assets | 1,867 | - | 625 | - |
| Provision for long-term employee benefits | 18,574 | 77,213 | 1,900 | 252 |
| Provision for legal case | (355) | - | - | - |
| Forfeited money from property units | - | (2,405) | - | - |
| Finance income | (24,833) | (26,763) | (28,346) | (49,026) |
| Finance cost | 127,053 | 125,609 | 38,140 | 46,604 |
| Profit (loss) from operating activities before changes in operating assets and liabilities | (126,589) | 91,175 | (29,819) | 1,490 |
| Operating assets (increase) decrease | | | | |
| Trade and other receivables | 46,767 | 154,536 | (16,249) | (58,444) |
| Inventories | 11,096 | 1,912 | - | - |
| Property development cost | 34,832 | (194,880) | - | - |
| Cost to obtain contracts with customers | (638) | (13,395) | - | - |
| Other current assets | 45,333 | 81,246 | 9,659 | (1,277) |
| Long-term trade accounts receivable | 153,567 | 130,830 | - | - |
| Other non-current assets | (41,750) | (773) | (8,095) | - |
| Operating liabilities increase (decrease) | | | | |
| Trade and other payables | (186,569) | (179,379) | 12,277 | 11,097 |
| Advance received from customers | (40,963) | 256,009 | - | (175) |
| Other current liabilities | 18,853 | (44,959) | 2,979 | (11,704) |
| Cash paid for provision for long-term employee benefits | (5,364) | (85,172) | (3,216) | (1,614) |
| Cash paid for long-term provision for legal case | (1,419) | - | - | - |
| Other non-current liabilities | (3,142) | 3,660 | - | 96 |
| Cash flows from (used in) operating activities | (95,986) | 200,810 | (32,464) | (60,531) |
| Cash received for interest income | 24,832 | 26,746 | 1,504 | 10,933 |
| Cash paid for interest expenses | (40,521) | (117,402) | (9,102) | (44,040) |
| Cash paid for income tax | (12,993) | (14,556) | (135) | (27) |
| Net cash flows from (used in) operating activities | (124,668) | 95,598 | (40,197) | (93,665) |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--|------------------|--------------------------------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| Cash flows from investing activities | | | | |
| Increase in long-term restricted deposits at financial institutions | (45) | (107) | - | - |
| Cash received from long-term loans to subsidiaries | - | - | 247,000 | 862,500 |
| Cash paid for long-term loans to subsidiaries | - | - | (163,000) | (386,500) |
| Dividend received from investment in associate | 11,838 | 11,838 | 11,838 | 11,838 |
| Cash received from sales of property, plant and equipment | 22,511 | 198 | - | - |
| Cash paid for acquisition of property, plant and equipment | (29,637) | (71,934) | (333) | (702) |
| Net cash flows from (used in) investing activities | 4,667 | (60,005) | 95,505 | 487,136 |
| Cash flows from financing activities | | | | |
| Increase (decrease) in bank overdrafts and short-term loans | | | | |
| from financial institutions | (3,309) | 191,114 | - | 20,000 |
| Draw down of long-term loans from subsidiaries | - | - | 90,000 | 370,500 |
| Repayment of long-term loans from subsidiaries | - | - | (127,000) | (397,000) |
| Draw down of long-term loans from financial institutions | 149,475 | 316,000 | - | - |
| Repayment of long-term loans from financial institutions | (99,460) | (341,175) | - | (10,500) |
| Payment of lease liabilities | (4,618) | (2,758) | (318) | (900) |
| Dividend paid | - | (370,042) | - | (370,042) |
| Cash received from registered share capital of subsidiary - non-controlling interests | - | 800 | - | - |
| Net cash flows from (used in) financing activities | 42,088 | (206,061) | (37,318) | (387,942) |
| Net exchange differences on translation of financial statements in foreign currency | (2,871) | (1,255) | - | - |
| Net increase (decrease) in cash and cash equivalents | (80,784) | (171,723) | 17,990 | 5,529 |
| Cash and cash equivalents at beginning of period | 568,735 | 632,544 | 146,681 | 21,706 |
| Cash and cash equivalents at end of period (Note 2) | 487,951 | 460,821 | 164,671 | 27,235 |
| | - | - | - | - |
| Supplemental cash flows information | | | | |
| Non-cash items | | | | |
| Share of comprehensive income (loss) from associates | 5,564 | (1,066) | - | - |
| Reversal of revaluation surplus on disposal of assets | 15,015 | 6,369 | - | - |
| Interest recorded as property development cost | 3,201 | 4,758 | - | - |
| Addition of right-of-use assets and lease liabilities | 2,787 | - | 1,789 | - |
| Transfer from investment properties to property, plant and equipment | 28,354 | - | - | - |
| Dividend payable | - | 130,000 | - | 130,000 |

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and six-month periods ended 30 June 2021

1. General information

1.1 Corporate information

Laguna Resorts & Hotels Public Company Limited (“the Company”, “LRH”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Banyan Tree Assets (Thailand) Company Limited, which was incorporated in Thailand. The parent company of the Group is Banyan Tree Holdings Limited, which was incorporated in Singapore.

The Group is principally engaged in the hotel business and property development. There are five hotels in Laguna Phuket, namely Angsana Laguna Phuket, Banyan Tree Phuket, Angsana Villas Resort Phuket, Cassia Phuket and Laguna Holiday Club Phuket Resort, located in Phuket province and one hotel, the Banyan Tree Bangkok, located in Bangkok. The subsidiaries are also engaged in operating golf clubs (Laguna Golf Phuket and Laguna Golf Bintan), sales of merchandise (Banyan Tree Gallery), spa, office and shop rental and sale of holiday club memberships.

The registered office of the Company is at 21/17B, 21/17C, 21/65, 21/66 and 21/68 Thai Wah Tower 1, 7th, 22nd and 24th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. Like almost all businesses in the hospitality industry in Thailand, the COVID-19 pandemic has significantly impacted the Group’s businesses, especially the hotel business.

To further improve the Group’s hotel business, the Group has launched numerous promotional campaigns through trade fairs and social media by offering attractive value-added hotel packages.

The Group has also taken extensive measures to reduce its overhead expenses through an unpaid leave scheme, delaying unnecessary expenditure, rationalising its workforce, and a corporate restructuring to improve productivity which has significantly reduced its “burn rate”. The Group has also successfully negotiated with its bank to defer loan principal repayments and interest payments at least by 12 months.

(Unaudited but reviewed)

In terms of the property development business, the Group has still performed the construction of some of its property projects during the period. Despite the pandemic, the Group is continuing to sell properties and during the six-month period ended 30 June 2021 new properties of more than Baht 715 million have been sold to date.

Nevertheless, the COVID-19 pandemic continues to impact the Group's financial position, operating results, and cash flows at present, including compliance with debt covenants, and is expected to do so in the future. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from the Thai language financial information.

1.4 Basis of consolidation

This interim financial information include the financial statements of Laguna Resorts & Hotels Public Company Limited and its subsidiaries ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020. There have been no changes in the composition of the subsidiaries during the period.

1.5 New financial reporting standards

(a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

1.6 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

2. Cash and cash equivalents

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---------------|----------------------|-------------|----------------------|-------------|
| | financial statements | | financial statements | |
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| Cash | 3,323 | 5,684 | 148 | 138 |
| Bank deposits | 484,628 | 563,051 | 164,523 | 146,543 |
| Total | 487,951 | 568,735 | 164,671 | 146,681 |

(Unaudited but reviewed)

3. Trade and other receivables

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|-------------|----------------------|-------------|
| | financial statements | | financial statements | |
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| <u>Trade accounts receivable</u> | | | | |
| Trade accounts receivable - hotel operations | 133,579 | 132,156 | 8,580 | 7,291 |
| Less: Allowance for expected credit losses | (42,570) | (33,285) | (6,921) | (4,419) |
| Trade accounts receivable - hotel operations, net | 91,009 | 98,871 | 1,659 | 2,872 |
| Trade accounts receivable - sales of property | | | | |
| - installments due | 58,718 | 126,351 | - | - |
| Current portion of long-term trade | | | | |
| accounts receivable (Note 7) | 326,575 | 335,992 | - | - |
| Less: Deferred interest income | (360) | - | - | - |
| Net | 326,215 | 335,992 | - | - |
| Trade accounts receivable - sales of property, net | 384,933 | 462,343 | - | - |
| Trade accounts receivable - sales of holiday club | | | | |
| memberships - installments due and trade | | | | |
| accounts receivable from sales and marketing | | | | |
| services for holiday club memberships | 67,853 | 48,559 | - | - |
| Current portion of long-term trade | | | | |
| accounts receivable (Note 7) | - | 76 | - | - |
| Trade accounts receivable - sales of holiday club | | | | |
| memberships and sales and marketing services | | | | |
| for holiday club memberships | 67,853 | 48,635 | - | - |
| Less: Allowance for expected credit losses | (25,612) | (17,256) | - | - |
| Trade accounts receivable - sales of holiday club | | | | |
| memberships and sales and marketing services for | | | | |
| holiday club memberships, net | 42,241 | 31,379 | - | - |
| Trade accounts receivable, net | 518,183 | 592,593 | 1,659 | 2,872 |
| <u>Other receivables</u> | | | | |
| Amounts due from related parties (Note 4) | 82,011 | 80,218 | 230,665 | 181,768 |
| Villa owner receivables | 97,751 | 79,088 | 2,389 | 2,389 |
| Accrued rental income | 13,863 | 20,959 | 13,863 | 20,959 |
| Other receivables | 6,541 | 9,898 | 503 | 502 |
| Total other receivables | 200,166 | 190,163 | 247,420 | 205,618 |
| Trade and other receivables, net | 718,349 | 782,756 | 249,079 | 208,490 |

(Unaudited but reviewed)

The balances of trade accounts receivable - hotel operations, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| <u>Age of receivables</u> | | | | |
| Not yet due | 18,921 | 15,749 | 48 | 155 |
| Past due | | | | |
| Up to 30 days | 12,881 | 18,953 | 169 | 116 |
| 31 - 60 days | 10,974 | 12,320 | 41 | 28 |
| 61 - 90 days | 7,261 | 3,442 | 1,101 | 35 |
| 91 - 120 days | 6,574 | 1,546 | 111 | 19 |
| Over 120 days | 76,968 | 80,146 | 7,110 | 6,938 |
| Total | 133,579 | 132,156 | 8,580 | 7,291 |
| Less: Allowance for expected credit losses | (42,570) | (33,285) | (6,921) | (4,419) |
| Trade accounts receivable - hotel operations, net | <u>91,009</u> | <u>98,871</u> | <u>1,659</u> | <u>2,872</u> |

The balances of trade accounts receivable - sales of property, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| <u>Age of receivables</u> | | | | |
| Not yet due | 310,972 | 364,129 | - | - |
| Past due | | | | |
| Up to 30 days | 14,938 | 39,779 | - | - |
| 31 - 60 days | 12,193 | 18,258 | - | - |
| 61 - 90 days | 11,373 | 8,545 | - | - |
| 91 - 120 days | 10,678 | 9,116 | - | - |
| Over 120 days | 25,139 | 22,516 | - | - |
| Total | 385,293 | 462,343 | - | - |
| Less: Deferred interest income | (360) | - | - | - |
| Trade accounts receivable - sales of property, net | <u>384,933</u> | <u>462,343</u> | <u>-</u> | <u>-</u> |

(Unaudited but reviewed)

The balances of installments due of trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| <u>Age of receivables</u> | | | | |
| Not yet due | 943 | 1,205 | - | - |
| Past due | | | | |
| Up to 30 days | 5 | 432 | - | - |
| 31 - 60 days | 406 | 470 | - | - |
| 61 - 90 days | 524 | 877 | - | - |
| 91 - 120 days | 737 | 1,960 | - | - |
| Over 120 days | 65,238 | 43,691 | - | - |
| Total | 67,853 | 48,635 | - | - |
| Less: Allowance for expected credit losses | (25,612) | (17,256) | - | - |
| Trade accounts receivable - sales of holiday club memberships - installment due and trade accounts receivable from sales and marketing services for holiday club memberships, net | 42,241 | 31,379 | - | - |

4. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and agreed upon basis between the Company, its subsidiaries and those related parties.

(Unaudited but reviewed)

(Unit: Million Baht)

| | For the three-month periods ended 30 June | | | | Transfer pricing policy |
|---|---|------|----------------------|------|------------------------------------|
| | Consolidated | | Separate | | |
| | financial statements | | financial statements | | |
| | 2021 | 2020 | 2021 | 2020 | |
| <u>Transactions with subsidiaries</u> | | | | | |
| (eliminated from the consolidated financial statements) | | | | | |
| Guarantee fee income | - | - | 1 | 1 | (2) agreed basis |
| Guarantee fee expenses | - | - | 5 | 1 | (2) agreed basis |
| Interest income | - | - | 13 | 22 | (4) agreement |
| Interest expenses | - | - | 1 | 4 | (4) agreement |
| Management fee income | - | - | 12 | 23 | (3) agreed basis |
| Reimbursement receipts | - | - | - | - | (9) agreed basis |
| Reimbursement payments | - | - | 4 | - | (9) agreed basis |
| Rental and service income | - | - | 1 | 1 | (10)(iii) agreement |
| Rental and service expenses | - | - | 1 | 1 | (10)(iii), (iv) agreement |
| Resort service expenses | - | - | 1 | - | (12) agreed basis |
| <u>Transactions with associates</u> | | | | | |
| Reimbursement receipts | 1 | - | - | - | (9) agreed basis |
| Rental and service income | 4 | 4 | - | - | (10)(iv) agreement |
| Dividend income | - | - | 12 | 12 | As declared |
| <u>Transactions with related companies</u> | | | | | |
| Inter resort payments | 1 | - | - | - | (1) agreed basis |
| Management fee income | - | - | - | 1 | (13), (14) agreement |
| Management fee expenses | - | (10) | - | - | (5) agreement |
| Sale of goods | 1 | - | - | - | (7) agreed basis |
| Reimbursement receipts | 14 | 12 | 5 | 4 | (9) agreed basis |
| Reimbursement payments | 7 | 7 | - | - | (9) agreed basis |
| Rental and service income | 4 | 3 | - | - | (10)(i), (ii), (iv), (v) agreement |
| Rental and service expenses | - | - | - | - | (10)(vi) agreement |
| Rental return on hotel units | - | 1 | - | - | (11) agreement |
| Resort service income | - | - | - | - | (12) agreed basis |
| Training charges | - | 1 | - | - | (8) agreed basis |
| Service fees | 10 | - | - | - | (6), (15) agreed basis |

(Unaudited but reviewed)

(Unit: Million Baht)

| | For the six-month periods ended 30 June | | | | Transfer pricing policy |
|---|---|------|----------------------|------|------------------------------------|
| | Consolidated | | Separate | | |
| | financial statements | | financial statements | | |
| | 2021 | 2020 | 2021 | 2020 | |
| <u>Transactions with subsidiaries</u> | | | | | |
| (eliminated from the consolidated financial statements) | | | | | |
| Guarantee fee income | - | - | 1 | 1 | (2) agreed basis |
| Guarantee fee expenses | - | - | 10 | 3 | (2) agreed basis |
| Interest income | - | - | 28 | 49 | (4) agreement |
| Interest expenses | - | - | 2 | 8 | (4) agreement |
| Management fee income | - | - | 25 | 45 | (3) agreed basis |
| Reimbursement receipts | - | - | - | 1 | (9) agreed basis |
| Reimbursement payments | - | - | 20 | 2 | (9) agreed basis |
| Rental and service income | - | - | 1 | 2 | (10)(iii) agreement |
| Rental and service expenses | - | - | 3 | 3 | (10)(iii), (iv) agreement |
| Resort service expenses | - | - | 2 | 4 | (12) agreed basis |
| <u>Transactions with associates</u> | | | | | |
| Reimbursement receipts | 1 | 1 | - | - | (9) agreed basis |
| Rental and service income | 8 | 8 | - | - | (10)(iv) agreement |
| Dividend income | - | - | 12 | 12 | As declared |
| <u>Transactions with related companies</u> | | | | | |
| Inter resort payments | 2 | 13 | - | - | (1) agreed basis |
| Management fee income | - | 2 | - | 2 | (13), (14) agreement |
| Management fee expenses | 8 | 53 | - | - | (5) agreement |
| Sale of goods | 1 | 2 | - | - | (7) agreed basis |
| Reimbursement receipts | 25 | 20 | 8 | 5 | (9) agreed basis |
| Reimbursement payments | 20 | 20 | - | - | (9) agreed basis |
| Rental and service income | 6 | 9 | - | - | (10)(i), (ii), (iv), (v) agreement |
| Rental and service expenses | - | 1 | - | - | (10)(vi) agreement |
| Rental return on hotel units | - | 2 | - | - | (11) agreement |
| Resort service income | - | 1 | - | - | (12) agreed basis |
| Training charges | - | 2 | - | - | (8) agreed basis |
| Service fees | 27 | - | 1 | - | (6), (15) agreed basis |

The nature, pricing policy and agreements relating to the above transactions are summarised below:

- (1) These charges relate to goods and services that are consumed by customers in one part of Laguna Phuket but are billed centrally to the customer at the hotel in which the customer is staying. Such charges relate to meals at restaurants, golf fees, treatments at the spa and goods purchased at shops in the resort. On receiving the funds centrally from the customer, the hotel reimburses the company in which the goods and services are consumed. Actual receipts are paid and credit card commission is charged ranging from 2% to 5% of the revenue based on the commission rate charged by the credit card companies. Such inter resort charges are also incurred at the Banyan Tree Bangkok and Laguna Golf Bintan primarily for treatments at the spa, goods purchased at the shops and golf fees at golf course.
- (2) Guarantee fee among group companies for permitting their assets to be pledged as collateral for other related companies' bank loans by charging on 1% of proportion of value of pledged assets to total loan facilities.
- (3) The Company charges a management fee to its subsidiaries for providing centralised duties and services for each operation in the group. The monthly fixed rate is charged dependent on the department serviced, except the internal audit service is charged by work hours.
- (4) Loans between group companies are unsecured and are denominated in Thai Baht. The loans carry interest at a rate equal to the lenders' borrowing costs per annum (based upon commercial bank's interest rates) plus a margin of 1.1%. The loans are repayable on demand, however it is expected that those loans would not be called for repayment in the short-term. Therefore, such loans are recorded as non-current assets/liabilities in the statement of financial position.
- (5) The terms of the operating agreements are disclosed in Note 24 and consist of a royalty agreement, hotel management agreement and technical assistance agreement. The payment terms of the contracts are as follows:

Royalty fee paid for the use of "Banyan Tree", "Angsana" and "Cassia" trademarks and all other proprietary rights associated with it.

 - (i) Banyan Tree Phuket (Laguna Banyan Tree Limited), Cassia Phuket (Phuket Grande Resort Limited), Angsana Villas Resort Phuket (Bangtao Grande Limited) and Laguna Holiday Club Phuket Resort (Bangtao Grande Limited) pay a royalty fee of 2% of total revenue.

(Unaudited but reviewed)

- (ii) Banyan Tree Bangkok (Thai Wah Plaza Limited) and Angsana Laguna Phuket (Bangtao Grande Limited) pay a royalty fee of 3% of total revenue.
- (iii) Banyan Tree Gallery (Thailand) Limited and Banyan Tree Gallery (Singapore) Pte. Ltd. pay a royalty fee of 1% of total revenue.

Hotel management and technical assistance fees.

- (iv) The Technical Assistance Agreement of the Banyan Tree Phuket pay a technical fee of 7.5% of gross operating profit.
- (v) The Hotel Management Agreement of Banyan Tree Bangkok and Angsana Laguna Phuket pay a hotel management fee of 10% of gross operating profit. Cassia Phuket, Angsana Villas Resort Phuket and Laguna Holiday Club Phuket Resort pay a hotel management fee of 7.5% of gross operating profit.
- (vi) In addition, pursuant to the hotel management and technical assistance agreements, expenses relating to the sharing of group marketing costs such as promotional campaigns and adverts, sales staff salaries, central reservations and international sales offices incurred by the Banyan Tree and/or Angsana and/or Cassia corporate head office shall be charged as follows:
 - Group marketing services shared on a group basis are based on 2% of total actual hotel revenue.
 - Reservation service fees are 1% of room revenue plus USD 12 per booking sourced through third party channels.

All management fees are consistent with industry practice and the sharing of group marketing costs incurred by Banyan Tree Phuket, Banyan Tree Bangkok, Angsana Laguna Phuket, Angsana Villas Resort Phuket, Cassia Phuket and Laguna Holiday Club Phuket Resort are the reimbursement of costs benefiting each of the hotels. As a result, these transactions are on normal commercial terms and conditions.

- (6) The centralised service fee charges by Banyan Tree Resorts & Spas (Thailand) Company Limited in respect of providing centralised services related to accounting, purchasing, human resources, learning & development, reservation and information technology. Where the charges is based on 5% markup of actual cost, the same is applied to all hotels and business operations concerned.

- (7) These transactions relate to:
- (i) Sale of goods from Banyan Tree Gallery (Thailand) Limited to related companies is priced at a 15% to 30% discount to the retail price depending on the volume purchased.
 - (ii) Sale of guest and spa supplies of high volume purchases from companies which operate galleries to related companies is priced at cost plus up to 30% and 40% margin.
 - (iii) Sale and purchase of goods among Banyan Tree Gallery (Singapore) and Banyan Tree Gallery (Thailand) are priced at cost plus a handling fee of 5% to 20%. In this instance, they act as a purchasing agent and central purchasing for products in their countries to facilitate bulk purchasing for competitive pricing.
- (8) Training charges by Banyan Tree Hotels & Resorts (Thailand) Limited in respect of providing centralised training facilities and courses for staff. The training costs are allocated to each operation based on actual cost.
- (9) Costs are often incurred within the group which is reimbursed by the Company to which the expense relates. Actual costs are reimbursed.
- (10) Rental paid for premises and land. The rental periods are not over three years, except some transactions as stated in (10)(i).
- (i) Rental and service fee is on the basis of 5% to 10% of sales revenue which is dependent on criteria such as the location, budgeted sales, term of the lease, size of area leased and type of operation.

| <u>Payee</u> | <u>Payer</u> | <u>Rental Period</u> | <u>Expiry Date</u> |
|--------------|--------------|----------------------|--------------------|
| BGL | BTRS(T) | 30 years | November 2041 |

This agreement was terminated on 1 January 2021.

BGL : Bangtao Grande Limited

BTRS(T) : Banyan Tree Resorts & Spas (Thailand) Company Limited

- (ii) Rental and service income for space in Banyan Tree Phuket for Banyan Tree Spa office and store is at Baht 1,207 per square metre per month.
- (iii) Rental of space and service in Canal Village. The charges include rental and related service fees which are at market rate.
- (iv) Rental and service income earned by Thai Wah Plaza Limited for renting the office space at Thai Wah Tower I and Banyan Tree Bangkok. The charges include rental and related service fees which are at market rate.

(Unaudited but reviewed)

- (v) Service income from rental of Banyan Tree Management Academy is at Baht 136,591 per month.
- (vi) Rental of office space and service of Banyan Tree Gallery (Singapore) Pte. Limited is at SGD 3 per square feet per month.
- (11) This relates to a Management Agreement to manage the hotel units of Cheer Golden Limited in the Angsana Resort & Spa on Bintan Island, Indonesia under which Cheer Golden Limited receives a return of 15% per annum on the investment of the leasehold rights.
- (12) Resort service charged to the operations relates to revenue of Laguna Service Company Limited which provides centralised services to each operation in the group located at Laguna Phuket at the following rates:
- Water supply : at the determined price and actual usage
 - Laundry charge : at the price based on cost plus a certain margin
 - Common area services, : based on actual cost
transportation charges
 - Staff buses : at the price based on cost plus a certain margin
 - Marketing fee : at the rate of 0.75% of the operations' actual revenue
 - Community service : based on actual cost
 - Other services : at the determined price and actual usage
- (13) The Company charges a management fee to Banyan Tree Resorts & Spas (Thailand) Company Limited and Banyan Tree Hotels & Resorts (Thailand) Limited for providing administration services of information technology and human resources.
- (14) This relates to management fee charge to related companies for providing operational, visual and product training services. The fee are annual fee at SGD according to each agreement plus 15% of gross operating profit.
- (15) This relates to project management services which the fees are based on 10% mark up of actual working hours in providing the service and included all cost.

The Company has contingent liabilities in respect of letters of guarantee issued to banks to guarantee facilities of its subsidiaries as follows:

(Unit: Million Baht)

| | <u>30 June 2021</u> | <u>31 December 2020</u> |
|--|---------------------|-------------------------|
| Overdrafts and bank guarantee facilities | 106 | 106 |

(Unaudited but reviewed)

Subsidiaries have contingent liabilities in respect of letters of guarantee issued to banks to guarantee facilities of the Group as follows:

(Unit: Million Baht)

| | <u>30 June 2021</u> | <u>31 December 2020</u> |
|--|---------------------|-------------------------|
| Short-term loan facilities | 150 | 150 |
| Long-term loan facilities | 900 | 900 |
| Overdrafts and bank guarantee facilities | 20 | 20 |

As at 30 June 2021 and 31 December 2020, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| Amounts due from related parties | | | | |
| Subsidiaries | - | - | 227,466 | 172,060 |
| Associated companies | 950 | 259 | - | - |
| Related companies (related by common shareholders) | 81,061 | 79,959 | 3,199 | 9,708 |
| Total amounts due from related parties (Note 3) | <u>82,011</u> | <u>80,218</u> | <u>230,665</u> | <u>181,768</u> |
| Amounts due to related parties | | | | |
| Subsidiaries | - | - | 45,732 | 27,686 |
| Associated companies | 24 | 24 | - | - |
| Related companies (related by common shareholders) | 136,461 | 134,079 | 1,371 | 6,207 |
| Total amounts due to related parties (Note 14) | <u>136,485</u> | <u>134,103</u> | <u>47,103</u> | <u>33,893</u> |
| Dividend payable (Note 14) | | | | |
| Related company (related by common shareholders) | 130,048 | 130,048 | 130,048 | 130,048 |

(Unaudited but reviewed)

Long-term loans to subsidiaries and long-term loans from subsidiaries

As at 30 June 2021 and 31 December 2020, the balance of loans between the Company and those related companies and the movement are as follows:

Long-term loans to subsidiaries

(Unit: Thousand Baht)

| | Separate financial statements | | | |
|--|-------------------------------|----------|-----------|--------------|
| | 31 December 2020 | Addition | Repayment | 30 June 2021 |
| Laguna Banyan Tree Limited | 594,000 | 115,000 | (10,000) | 699,000 |
| Laguna Holiday Club Limited | 175,500 | - | (15,000) | 160,500 |
| Laguna Lakes Limited | 293,000 | - | (9,000) | 284,000 |
| Laguna Grande Limited | 165,000 | 48,000 | (213,000) | - |
| Banyan Tree Gallery (Thailand) Limited | 28,050 | - | - | 28,050 |
| Total | 1,255,550 | 163,000 | (247,000) | 1,171,550 |

Long-term loans from subsidiaries

(Unit: Thousand Baht)

| | Separate financial statements | | | |
|------------------------|-------------------------------|----------|-----------|--------------|
| | 31 December 2020 | Addition | Repayment | 30 June 2021 |
| Laguna (3) Limited | 13,500 | - | (3,000) | 10,500 |
| TWR - Holdings Limited | 119,000 | 85,000 | (124,000) | 80,000 |
| Laguna Grande Limited | - | 5,000 | - | 5,000 |
| Total | 132,500 | 90,000 | (127,000) | 95,500 |

Long-term loan from related company

(Unit: Thousand Baht)

| | Consolidated financial statements | | | |
|--|-----------------------------------|----------|-----------|--------------|
| | 31 December 2020 | Addition | Repayment | 30 June 2021 |
| Banyan Tree Hotels & Resorts (Thailand) Limited | 26,950 | - | - | 26,950 |
| Total | 26,950 | - | - | 26,950 |

(Unaudited but reviewed)

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2021 and 2020, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

| | For the three-month periods ended 30 June | | | |
|-----------------------------------|---|---------------|----------------------|--------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Short-term employee benefits | 20,462 | 13,585 | 12,565 | 4,787 |
| Post-employment benefits | 587 | 594 | 186 | 233 |
| Other long-term employee benefits | 9 | 7 | 2 | 3 |
| Total | <u>21,058</u> | <u>14,186</u> | <u>12,753</u> | <u>5,023</u> |

(Unit: Thousand Baht)

| | For the six-month periods ended 30 June | | | |
|-----------------------------------|---|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Short-term employee benefits | 34,979 | 35,570 | 19,739 | 13,337 |
| Post-employment benefits | 1,246 | 1,351 | 443 | 579 |
| Other long-term employee benefits | 20 | 15 | 6 | 7 |
| Total | <u>36,245</u> | <u>36,936</u> | <u>20,188</u> | <u>13,923</u> |

5. Property development cost

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|------------------|----------------------|----------------|
| | financial statements | | financial statements | |
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| Property for sale under holiday club memberships | 224,249 | 230,156 | - | - |
| Land | 1,452,985 | 1,452,985 | 111,429 | 111,429 |
| Land and property under construction | 1,630,637 | 1,618,122 | - | - |
| Land and completed buildings | 843,803 | 888,444 | - | - |
| Total | <u>4,151,674</u> | <u>4,189,707</u> | <u>111,429</u> | <u>111,429</u> |
| Less: Allowance for diminution in value | <u>(24,040)</u> | <u>(25,001)</u> | <u>-</u> | <u>-</u> |
| Property development cost, net | <u>4,127,634</u> | <u>4,164,706</u> | <u>111,429</u> | <u>111,429</u> |

(Unaudited but reviewed)

Subsidiaries have mortgaged property development cost amounting to Baht 1,169 million (31 December 2020: Baht 1,486 million) as collateral against its credit facilities received from financial institutions.

6. Other non-current financial assets

(Unit: Thousand Baht)

| | Consolidated financial statements | |
|---|-----------------------------------|------------------|
| | 30 June 2021 | 31 December 2020 |
| Non-listed equity instruments | | |
| Bibace Investments Ltd. | 489,350 | 375,369 |
| Banyan Tree Indochina Hospitality Fund, L.P. | 357,035 | 337,812 |
| Total other non-current financial assets | 846,385 | 713,181 |

The Group has elected to measure these non-listed equity instruments at fair value through other comprehensive income due to the Group's intention to hold these equity instruments for long-term appreciation.

7. Long-term trade accounts receivable

Long-term trade accounts receivable consists of:

- 7.1 Installments receivable from property sales which bear interest at rates of 3.0% - 7.0% and MLR plus 0.5% per annum (31 December 2020: 5.0% - 7.0% and MLR plus 0.5% per annum) and installments are repaid over a period of 3 to 10 years.
- 7.2 Installments receivable from sales of holiday club memberships which bear interest at a rate of 9.0% per annum and installments are repaid over a period of 5 years.

Long-term trade accounts receivable are due as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | |
|---|-----------------------------------|------------------|
| | 30 June 2021 | 31 December 2020 |
| Current portion of long-term trade | | |
| accounts receivable - net | 326,215 | 336,068 |
| Long-term trade accounts receivable - net | 569,936 | 723,503 |
| Total | 896,151 | 1,059,571 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Consolidated financial statements | |
|--|-----------------------------------|------------------|
| | 30 June 2021 | 31 December 2020 |
| Sales of property | | |
| Within 1 year (Note 3) | 326,575 | 335,992 |
| Less: Deferred interest income | (360) | - |
| Net | 326,215 | 335,992 |
| Over 1 year to 5 years | 570,162 | 723,503 |
| Less: Deferred interest income | (226) | - |
| Net | 569,936 | 723,503 |
| Long-term trade accounts receivable - sales of property | 896,151 | 1,059,495 |
| Sales of holiday club memberships | | |
| Within 1 year (Note 3) | - | 76 |
| Long-term trade accounts receivable - sales of holiday club memberships | - | 76 |
| Total | 896,151 | 1,059,571 |

8. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

| Company's name | Paid-up capital | | Shareholding percentage | | Cost | |
|---|-----------------|---------------------|-------------------------|---------------------|-----------------|---------------------|
| | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| | Million Baht | Million Baht | % | % | Million Baht | Million Baht |
| Subsidiaries held by the Company | | | | | | |
| Banyan Tree Gallery (Singapore) Pte. Limited | SGD 0.43 | SGD 0.43 | 51.0 | 51.0 | 4.0 | 4.0 |
| Banyan Tree Gallery (Thailand) Limited | 7.8 | 7.8 | 51.0 | 51.0 | 4.0 | 4.0 |
| Laguna Banyan Tree Limited ⁽¹⁾ | 1,500.0 | 1,500.0 | 100.0 | 100.0 | 1,325.1 | 1,325.1 |
| Laguna Holiday Club Limited | 330.0 | 330.0 | 100.0 | 100.0 | 330.0 | 330.0 |
| Laguna Grande Limited ⁽²⁾ | 1,000.0 | 1,000.0 | 100.0 | 100.0 | 958.5 | 958.5 |
| Laguna Lakes Limited | 1.0 | 1.0 | 95.0 | 95.0 | 0.9 | 0.9 |
| Laguna Service Company Limited ⁽³⁾ | 90.5 | 90.5 | 72.9 | 72.9 | 22.4 | 22.4 |
| Laguna (3) Limited | 0.1 | 0.1 | 100.0 | 100.0 | 47.8 | 47.8 |
| TWR - Holdings Limited | 1,550.0 | 1,550.0 | 100.0 | 100.0 | 1,550.0 | 1,550.0 |

(Unaudited but reviewed)

| Company's name | Paid-up capital | | Shareholding percentage | | Cost | |
|---|-----------------|---------------------|-------------------------|---------------------|-----------------|---------------------|
| | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| | Million Baht | Million Baht | % | % | Million Baht | Million Baht |
| <u>Subsidiaries held through TWR - Holdings Limited</u> | | | | | | |
| Laguna Excursions Limited | 8.0 | 8.0 | 49.0 | 49.0 | - | - |
| Laguna Village Limited | 179.0 | 179.0 | 100.0 | 100.0 | - | - |
| Mae Chan Property Company Limited | 232.3 | 232.3 | 100.0 | 100.0 | - | - |
| Pai Samart Development Company Limited | 28.4 | 28.4 | 100.0 | 100.0 | - | - |
| Phuket Grande Resort Limited | 100.0 | 100.0 | 100.0 | 100.0 | - | - |
| PT AVC Indonesia | USD 7.0 | USD 7.0 | 100.0 | 100.0 | - | - |
| | Million | Million | | | | |
| Talang Development Company Limited | 251.0 | 251.0 | 50.0 | 50.0 | - | - |
| Thai Wah Plaza Limited | 2,250.0 | 2,250.0 | 100.0 | 100.0 | - | - |
| Thai Wah Tower Company Limited | 455.0 | 455.0 | 100.0 | 100.0 | - | - |
| Thai Wah Tower (2) Company Limited | 21.0 | 21.0 | 100.0 | 100.0 | - | - |
| Twin Waters Limited | 214.4 | 214.4 | 100.0 | 100.0 | - | - |
| <u>Subsidiaries held through Laguna Grande Limited</u> | | | | | | |
| Bangtao (1) Limited | 20.9 | 20.9 | 100.0 | 100.0 | - | - |
| Bangtao (2) Limited | 19.1 | 19.1 | 100.0 | 100.0 | - | - |
| Bangtao (3) Limited | 7.8 | 7.8 | 100.0 | 100.0 | - | - |
| Bangtao (4) Limited | 14.6 | 14.6 | 100.0 | 100.0 | - | - |
| Bangtao Laguna Limited | 80.0 | 80.0 | 100.0 | 100.0 | - | - |
| Bangtao Grande Limited | 1,546.0 | 1,546.0 | 100.0 | 100.0 | - | - |
| Vision 9 Farm Limited | 2.0 | 2.0 | 60.0 | 60.0 | - | - |
| <u>Subsidiary held through Laguna Holiday Club Limited</u> | | | | | | |
| Cheer Golden Limited | - | - | 100.0 | 100.0 | - | - |
| Total investments in subsidiaries | | | | | <u>4,242.7</u> | <u>4,242.7</u> |

(1) Laguna Banyan Tree Limited is held 49.0% by the Company and 51.0% through Bangtao Grande Limited.

(2) Laguna Grande Limited is held 85.4% by the Company and 14.6% through Laguna Holiday Club Limited and Mae Chan Property Company Limited.

(3) Laguna Service Company Limited is held 24.7% by the Company and 48.2% through Bangtao Grande Limited and Laguna Banyan Tree Limited.

During the three-month and six-month periods ended 30 June 2021 and 2020, the Company did not receive dividend income from its subsidiaries.

A subsidiary has a 49% shareholding in Laguna Excursions Limited. However, the subsidiary has recognised its share of the profits of this subsidiary at 100% after deducting the cumulative preferential annual dividend of 15% of the par value of the preference shares, in accordance with the income sharing percentage in the Articles of Association.

(Unaudited but reviewed)

9. Investments in associates

9.1 Details of associates

(Unit: Thousand Baht)

| Company's name | Nature of business | Country of incorporation | Consolidated financial statements | | | | | |
|--|--|--------------------------|-----------------------------------|------------------|--------------|------------------|---|------------------|
| | | | Shareholding percentage | | Cost | | Carrying amounts based on equity method | |
| | | | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| | | | (%) | (%) | | | | |
| Tropical Resorts Ltd. | Holding company | Hong Kong | 25.87 | 25.87 | 17,673 | 17,673 | - | - |
| Less: Allowance for impairment of investment | | | | | (17,673) | (17,673) | - | - |
| Banyan Tree China Pte. Ltd. | Holding company | Singapore | 10.69 | 10.69 | 173,495 | 173,495 | 216,896 | 216,899 |
| Thai Wah Public Company Limited | Manufacture and distribution of vermicelli, tapioca starch and other food products | Thailand | 10.03 | 10.03 | 777,454 | 777,454 | 756,896 | 743,475 |
| Total investments in associates - net | | | | | 950,949 | 950,949 | 973,792 | 960,374 |

(Unit: Thousand Baht)

| Company's name | Nature of business | Country of incorporation | Separate financial statements | | | | | |
|---------------------------------|--|--------------------------|-------------------------------|------------------|--------------|------------------|--|--|
| | | | Shareholding percentage | | Cost | | | |
| | | | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 | | |
| | | | (%) | (%) | | | | |
| Thai Wah Public Company Limited | Manufacture and distribution of vermicelli, tapioca starch and other food products | Thailand | 10.03 | 10.03 | 777,454 | 777,454 | | |
| Total | | | | | 777,454 | 777,454 | | |

As at 30 June 2021 and 31 December 2020, the Company has pledged the 10 million ordinary shares of Thai Wah Public Company Limited with a bank to secure a long-term loan of the Company.

9.2 Share of comprehensive income (loss) and dividend received

During the three-month and six-month periods ended 30 June 2021 and 2020, the Company and subsidiary have recognised their share of comprehensive income (loss) from investments in associate companies in the consolidated financial statements and dividend income in separate financial statements as follows:

(Unit: Thousand Baht)

| Company's name | For the three-month periods ended 30 June | | | | | |
|---------------------------------|---|---------|---|-------|-------------------------------|--------|
| | Consolidated financial statements | | | | Separate financial statements | |
| | Share of profit (loss) from investments in associates | | Share of other comprehensive income (loss) from investments in associates | | Dividend received | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Banyan Tree China Pte. Ltd. | (3) | 343 | - | - | - | - |
| Thai Wah Public Company Limited | 6,772 | (1,670) | 2,029 | (653) | 11,838 | 11,838 |
| Total | 6,769 | (1,327) | 2,029 | (653) | 11,838 | 11,838 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| Company's name | For the six-month periods ended 30 June | | | | | |
|---------------------------------|---|-------|---|---------|-------------------------------|--------|
| | Consolidated financial statements | | | | Separate financial statements | |
| | Share of profit (loss) from investments in associates | | Share of other comprehensive income (loss) from investments in associates | | Dividend received | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Banyan Tree China Pte. Ltd. | (3) | 860 | - | - | - | - |
| Thai Wah Public Company Limited | 19,695 | 5,084 | 5,564 | (1,066) | 11,838 | 11,838 |
| Total | 19,692 | 5,944 | 5,564 | (1,066) | 11,838 | 11,838 |

9.3 Fair value of investments in a listed associate

In respect of investment in an associated company that is a listed company on the Stock Exchange of Thailand, its fair value is as follows:

(Unit: Million Baht)

| Associate | Fair values as at | |
|---------------------------------|-------------------|------------------|
| | 30 June 2021 | 31 December 2020 |
| Thai Wah Public Company Limited | 486 | 341 |

10. Investment properties

As at 30 June 2021, the subsidiaries have pledged investment properties amounting to approximately Baht 844 million (31 December 2020: Baht 844 million) as collateral against credit facilities received from financial institutions and as security deposit for the litigation.

11. Property, plant and equipment

(Unit: Thousand Baht)

| | Consolidated financial statements | Separate financial statements |
|-------------------------------------|-----------------------------------|-------------------------------|
| At cost / revaluation value | | |
| Balance as at 31 December 2020 | 18,104,983 | 143,974 |
| Additions | 29,637 | 333 |
| Disposals and write off | (25,455) | - |
| Transfer from investment properties | 28,354 | - |
| Adjustments | (2,265) | (40) |
| Balance as at 30 June 2021 | 18,135,254 | 144,267 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Consolidated <u>financial statements</u> | Separate <u>financial statements</u> |
|--------------------------------------|---|---|
| Accumulated depreciation | | |
| Balance as at 31 December 2020 | (5,295,209) | (99,364) |
| Depreciation charged for the period | (217,919) | (2,695) |
| Disposals and write off | 17,884 | - |
| Adjustments | 3,457 | - |
| Balance as at 30 June 2021 | <u>(5,491,787)</u> | <u>(102,059)</u> |
| Allowance for impairment loss | | |
| Balance as at 31 December 2020 | (156,365) | (2,920) |
| Translation adjustment | (1,326) | - |
| Balance as at 30 June 2021 | <u>(157,691)</u> | <u>(2,920)</u> |
| Net book value | | |
| Balance as at 31 December 2020 | <u>12,653,409</u> | <u>41,690</u> |
| Balance as at 30 June 2021 | <u>12,485,776</u> | <u>39,288</u> |

The Group arranged for an independent professional valuer to re-appraise the value of certain assets in the report dated 28 December 2020 on an asset-by-asset basis. The basis of the revaluation was as follows:

- Land was revalued using the Market Approach.
- Buildings were revalued using the Replacement Cost Approach or Income Approach.

The subsidiaries have mortgaged land and buildings at fair value of Baht 8,745 million (31 December 2020: Baht 8,948 million) as collateral against credit facilities received from financial institutions.

(Unaudited but reviewed)

12. Right-of-use assets

Movements of the right-of-use assets account during the six-month period ended 30 June 2021 are summarised below:

| | (Unit: Thousand Baht) | |
|--|--------------------------------------|----------------------------------|
| | Consolidated financial statements | Separate financial statements |
| Net book value as at 31 December 2020 | 56,541 | 3,039 |
| Additions | 2,787 | 1,789 |
| Depreciation for the period | (14,543) | (1,753) |
| Impairment | (1,867) | (625) |
| Translation adjustment | 725 | - |
| Net book value as at 30 June 2021 | 43,643 | 2,450 |

13. Bank overdrafts and short-term loans from financial institutions

Bank overdrafts carry interest rate of MOR per annum.

Short-term loans from financial institutions represent promissory notes with maturity dates within 3 months. Short-term loans from financial institutions carry interest rate of 1.80% - 5.47% per annum (31 December 2020: 1.85% - 5.47% per annum).

These bank overdrafts and short-term loans from financial institutions are secured by the mortgage of plots of land and buildings of its subsidiaries, as described in Note 11 and by the guarantee provided by subsidiaries.

14. Trade and other payables

| | (Unit: Thousand Baht) | | | |
|---|-----------------------|---------------------|----------------------|---------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| Trade accounts payable | 429,051 | 603,354 | 4,958 | 4,225 |
| Accrued construction | 5,359 | 5,924 | - | - |
| Amounts due to related parties (Note 4) | 136,485 | 134,103 | 47,103 | 33,893 |
| Accrued expenses | 269,029 | 174,125 | 43,465 | 13,809 |
| Dividend payable (Note 4) | 130,048 | 130,048 | 130,048 | 130,048 |
| Other payables | 248,249 | 262,888 | 2,174 | 880 |
| Service charge payable to hotel staffs | 2,964 | 5,057 | - | - |
| Accrued rental to villa owners | 85,011 | 81,239 | 4,862 | 4,379 |
| Total | 1,306,196 | 1,396,738 | 232,610 | 187,234 |

(Unaudited but reviewed)

15. Lease liabilities

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|-------------|----------------------|-------------|
| | financial statements | | financial statements | |
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| Lease payments | 81,840 | 84,040 | 7,855 | 6,265 |
| Less: Deferred interest expenses | (4,126) | (5,230) | (124) | (131) |
| Total | 77,714 | 78,810 | 7,731 | 6,134 |
| Less: Current portion | (44,401) | (40,168) | (6,810) | (6,017) |
| Lease liabilities - net of current portion | 33,313 | 38,642 | 921 | 117 |

The Group has entered into lease agreements to lease villa/unit and various items of machinery and equipment for use in their hotel operations. The term of agreements are generally between 2 - 6 years.

Future minimum lease payments required under the lease agreements were as follows:

(Unit: Thousand Baht)

| | Consolidated financial statement | | |
|--|----------------------------------|-------------|---------|
| | 30 June 2021 | | |
| | Less than | | |
| | 1 year | 1 - 5 years | Total |
| Future minimum lease payments | 46,503 | 35,337 | 81,840 |
| Deferred interest expenses | (2,102) | (2,024) | (4,126) |
| Present value of future minimum lease payments | 44,401 | 33,313 | 77,714 |

(Unit: Thousand Baht)

| | Separate financial statement | | |
|--|------------------------------|-------------|-------|
| | 30 June 2021 | | |
| | Less than | | |
| | 1 year | 1 - 5 years | Total |
| Future minimum lease payments | 6,901 | 954 | 7,855 |
| Deferred interest expenses | (91) | (33) | (124) |
| Present value of future minimum lease payments | 6,810 | 921 | 7,731 |

(Unaudited but reviewed)

16. Other current liabilities

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|-------------------------------|----------------------|----------------|----------------------|---------------|
| | financial statements | | financial statements | |
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| Value added tax payable | 62,999 | 53,086 | 10,747 | 8,076 |
| Unearned income | 41,116 | 27,997 | - | - |
| Specific business tax payable | 131,910 | 134,297 | 4,379 | 4,379 |
| Other tax payable | 8,777 | 11,405 | 691 | 423 |
| Total | <u>244,802</u> | <u>226,785</u> | <u>15,817</u> | <u>12,878</u> |

17. Long-term loans from financial institutions

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|------------------|----------------------|------------------|
| | financial statements | | financial statements | |
| | 30 June | 31 December | 30 June | 31 December |
| | 2021 | 2020 | 2021 | 2020 |
| Long-term loans from financial institutions | 5,158,467 | 5,108,452 | 1,359,750 | 1,359,750 |
| Less: Deferred financial fees | (12,005) | (13,382) | (5,171) | (5,555) |
| Long-term loans from financial institutions, net | 5,146,462 | 5,095,070 | 1,354,579 | 1,354,195 |
| Less: Current portion | (489,764) | (737,411) | (18,500) | (26,500) |
| Long-term loans from financial institutions, net of current portion | <u>4,656,698</u> | <u>4,357,659</u> | <u>1,336,079</u> | <u>1,327,695</u> |

Movements in the long-term loans account during the six-month period ended 30 June 2021 are summarised below:

(Unit: Thousand Baht)

| | Consolidated | Separate |
|--------------------------------|----------------------|----------------------|
| | financial statements | financial statements |
| Balance as at 31 December 2020 | 5,108,452 | 1,359,750 |
| Add: Draw down | 149,475 | - |
| Less: Repayments | (99,460) | - |
| Balance as at 30 June 2021 | <u>5,158,467</u> | <u>1,359,750</u> |

The loans are secured by mortgage of plots of land and buildings of its subsidiaries, as described in Notes 5, 10 and 11. Certain loans are guaranteed by its subsidiaries and the pledge of the 10 million ordinary shares of Thai Wah Public Company Limited, as described in Note 9.1.

(Unaudited but reviewed)

The loan agreements contain several covenants which, among other things, require the Group to maintain debt to equity ratios and debt service coverage ratios at the rate prescribed in the agreements.

As at 30 June 2021, the long-term credit facilities of the subsidiaries which have not yet been drawn down amounting to Baht 1,071 million (31 December 2020: Baht 1,086 million).

During the period, the Group received relief from a financial institution to extend grace period on principal repayment and to suspend interest period of 13 loan agreements until December 2021 and July 2021, respectively. The principal repayment which is postponed during the grace period amounting to Baht 333 million. The suspended principal payments are to be paid on a quarterly basis after such grace period. The suspended interest payments are to be paid on a monthly basis starting from January to December 2022. Up to present, the amendment of 13 loan agreements are already approved.

18. Revenue from contracts with customers

(Unit: Thousand Baht)

| | For the three-month periods ended 30 June | | | |
|--|---|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | financial statements | financial statements | financial statements |
| | 2021 | 2020 | 2021 | 2020 |
| Revenue from contracts with customers: | | | | |
| Revenue from hotel operations | 104,029 | 52,188 | - | - |
| Revenue from property development operations | 100,044 | 159,588 | - | - |
| Revenue from office rental operations - service income | 1,400 | 1,849 | 171 | 461 |
| Management fee income | - | 1,098 | 12,714 | 23,711 |
| Total revenue from contracts with customers | 205,473 | 214,723 | 12,885 | 24,172 |
| Revenue from office rental operations - rental income | 5,497 | 5,622 | 733 | 1,055 |
| Dividend income | - | - | 11,838 | 11,838 |
| Others | 18,402 | 3,829 | 1,353 | 1,591 |
| Total revenues | 229,372 | 224,174 | 26,809 | 38,656 |
| Timing of revenue recognition: | | | | |
| Revenue recognised at a point in time | 187,636 | 186,902 | - | - |
| Revenue recognised over time | 17,837 | 27,821 | 12,885 | 24,172 |
| Total revenue from contracts with customers | 205,473 | 214,723 | 12,885 | 24,172 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | For the six-month periods ended 30 June | | | |
|--|---|-----------|----------------------|--------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Revenue from contracts with customers: | | | | |
| Revenue from hotel operations | 210,584 | 939,152 | - | 14,011 |
| Revenue from property development operations | 406,995 | 280,676 | - | - |
| Revenue from office rental operations - service income | 2,687 | 4,432 | 375 | 1,141 |
| Management fee income | - | 2,196 | 25,428 | 47,422 |
| Total revenue from contracts with customers | 620,266 | 1,226,456 | 25,803 | 62,574 |
| Revenue from office rental operations - rental income | 11,032 | 17,883 | 1,485 | 6,027 |
| Dividend income | - | - | 11,838 | 11,838 |
| Others | 22,992 | 6,465 | 3,519 | 1,800 |
| Total revenues | 654,290 | 1,250,804 | 42,645 | 82,239 |
| Timing of revenue recognition: | | | | |
| Revenue recognised at a point in time | 579,789 | 1,166,173 | - | 14,011 |
| Revenue recognised over time | 40,477 | 60,283 | 25,803 | 48,563 |
| Total revenue from contracts with customers | 620,266 | 1,226,456 | 25,803 | 62,574 |

Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 26 relating to the segment information:

(Unit: Thousand Baht)

| | For the three-month periods ended 30 June | | | |
|---|---|----------|----------------------|--------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Revenue from external customers | 205,195 | 212,057 | 148 | 1,505 |
| Intersegment revenues | 27,058 | 31,688 | 12,737 | 22,667 |
| | 232,253 | 243,745 | 12,885 | 24,172 |
| Adjustments and eliminations | (26,780) | (29,022) | - | - |
| Total revenue from contracts with customers | 205,473 | 214,723 | 12,885 | 24,172 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 June

| | Consolidated | | Separate | |
|---|----------------------|----------------------|----------------------|----------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 2021 | 2020 | 2021 | 2020 |
| Revenue from external customers | 619,851 | 1,223,406 | 321 | 17,076 |
| Intersegment revenues | 58,652 | 105,664 | 25,482 | 45,498 |
| | 678,503 | 1,329,070 | 25,803 | 62,574 |
| Adjustments and eliminations | (58,237) | (102,614) | - | - |
| Total revenue from contracts with customers | <u>620,266</u> | <u>1,226,456</u> | <u>25,803</u> | <u>62,574</u> |

19. Other income

(Unit: Thousand Baht)

For the three-month periods ended 30 June

| | Consolidated | | Separate | |
|--|----------------------|----------------------|----------------------|----------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 2021 | 2020 | 2021 | 2020 |
| Dividend income | - | - | 11,838 | 11,838 |
| Management fee income | - | 1,098 | 12,714 | 23,711 |
| Gain on sales of property, plant and equipment | 14,942 | 118 | - | - |
| Others | 3,460 | 3,711 | 1,353 | 1,591 |
| Total | <u>18,402</u> | <u>4,927</u> | <u>25,905</u> | <u>37,140</u> |

(Unit: Thousand Baht)

For the six-month periods ended 30 June

| | Consolidated | | Separate | |
|--|----------------------|----------------------|----------------------|----------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 2021 | 2020 | 2021 | 2020 |
| Dividend income | - | - | 11,838 | 11,838 |
| Management fee income | - | 2,196 | 25,428 | 47,422 |
| Gain on sales of property, plant and equipment | 14,942 | 118 | - | - |
| Others | 8,050 | 6,347 | 3,519 | 1,800 |
| Total | <u>22,992</u> | <u>8,661</u> | <u>40,785</u> | <u>61,060</u> |

(Unaudited but reviewed)

20. Finance cost

(Unit: Thousand Baht)

| | For the three-month periods ended 30 June | | | |
|--|---|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | financial statements | financial statements | financial statements |
| | 2021 | 2020 | 2021 | 2020 |
| Interest expense under effective interest method | 62,054 | 65,105 | 19,103 | 22,062 |
| Interest expense on lease liabilities | 725 | 746 | 74 | 89 |
| Total | <u>62,779</u> | <u>65,851</u> | <u>19,177</u> | <u>22,151</u> |

(Unit: Thousand Baht)

| | For the six-month periods ended 30 June | | | |
|--|---|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | financial statements | financial statements | financial statements |
| | 2021 | 2020 | 2021 | 2020 |
| Interest expense under effective interest method | 125,572 | 124,050 | 38,014 | 46,414 |
| Interest expense on lease liabilities | 1,481 | 1,559 | 126 | 190 |
| Total | <u>127,053</u> | <u>125,609</u> | <u>38,140</u> | <u>46,604</u> |

21. Income tax

Interim corporate income tax was calculated on profit (loss) before income tax for the period, using the estimated effective tax rate for the year.

Income tax (revenue) expenses for the three-month and six-month periods ended 30 June 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

| | For the three-month periods ended 30 June | | | |
|---|---|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | financial statements | financial statements | financial statements |
| | 2021 | 2020 | 2021 | 2020 |
| Current income tax: | | | | |
| Interim corporate income tax charge | 8,402 | 3,950 | - | - |
| Adjustment in respect of income tax of previous year | 1,009 | 121 | - | - |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | (5,977) | 94,930 | (786) | 13,964 |
| Income tax (revenue) expenses reported in the income statement | <u>3,434</u> | <u>99,001</u> | <u>(786)</u> | <u>13,964</u> |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | For the six-month periods ended 30 June | | | |
|---|---|----------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Current income tax: | | | | |
| Interim corporate income tax charge | 17,522 | 14,856 | - | - |
| Adjustment in respect of income tax of previous year | 1,019 | 91 | - | - |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | 5,586 | 92,899 | (2,198) | 14,390 |
| Income tax (revenue) expenses reported in the income statement | 24,127 | 107,846 | (2,198) | 14,390 |

22. Basic earnings per share

Basic earnings per share is calculated by dividing loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

| | For the three-month periods ended 30 June | | | |
|--|---|-----------|----------------------|---------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Loss attributable to equity holders of the Company (Thousand Baht) | (287,788) | (550,230) | (14,064) | (5,089) |
| Weighted average number of ordinary shares (Thousand shares) | 166,683 | 166,683 | 166,683 | 166,683 |
| Loss per share (Baht/share) | (1.73) | (3.30) | (0.08) | (0.03) |
| | For the six-month periods ended 30 June | | | |
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Loss attributable to equity holders of the Company (Thousand Baht) | (487,973) | (549,671) | (35,052) | (4,596) |
| Weighted average number of ordinary shares (Thousand shares) | 166,683 | 166,683 | 166,683 | 166,683 |
| Loss per share (Baht/share) | (2.93) | (3.30) | (0.21) | (0.03) |

23. Dividend

Dividend declared in six-month period ended 30 June 2020 consist of:

| | Approved by | Total dividends | Dividend per share |
|-------------------------------------|---|-----------------|--------------------|
| | | (Million Baht) | (Baht) |
| Dividends on 2019 retained earnings | Annual General Meeting of the shareholders on 27 April 2020 | 500.04 | 3.00 |

24. CommitmentsCapital commitment

As at 30 June 2021, the Group has capital commitments as follows:

- a) The subsidiaries have commitments in respect of constructing new and renovating existing hotel properties amounting to Baht 91 million (31 December 2020: Baht 101 million).
- b) The subsidiaries have commitments that relate to projects to develop properties for sale amounting to Baht 1,670 million (31 December 2020: Baht 1,632 million).

Operating agreements

As at 30 June 2021, the Group has operating agreements as follows:

- a) The subsidiaries have entered into operating agreements with certain companies whereby these companies are to operate the subsidiaries' hotel business. In consideration of such services, the subsidiaries are committed to pay remuneration at the rates, terms and basis specified in the agreements. These agreements are summarised below:

| Company | Business unit | Operator | Contract period | Fees |
|------------------------|------------------------------|---|-----------------------|--|
| Bangtao Grande Limited | Angsana Laguna Phuket | Banyan Tree Hotels & Resorts Pte. Limited | 1.7.2012 - 30.11.2031 | - Royalty fee: 3% of total revenue |
| | | Banyan Tree Hotels & Resorts (Thailand) Limited | 1.7.2012 - 30.11.2031 | - Management fee: 10% of gross operating profit |
| | | Banyan Tree Marketing Group Pte. Ltd. | 1.7.2012 - 30.11.2031 | - Group Marketing service fee: 2% of total actual hotel revenue* |
| | Angsana Villas Resort Phuket | Banyan Tree Hotels & Resorts Pte. Limited | 1.8.2016 - 31.7.2041 | - Royalty fee: 2% of total revenue |
| | | Banyan Tree Hotels & Resorts (Thailand) Limited | 1.8.2016 - 31.7.2041 | - Management fee: 7.5% of gross operating profit |
| | | Banyan Tree Marketing Group Pte. Ltd. | 1.8.2016 - 31.7.2041 | - Group Marketing service fee: 2% of total actual hotel revenue |

(Unaudited but reviewed)

| Company | Business unit | Operator | Contract period | Fees |
|--|---------------------|---|-------------------------|--|
| | Laguna Holiday Club | Banyan Tree Hotels & Resorts Pte. Limited | 19.10.2015 - 18.10.2035 | - Royalty fee: 2% of total revenue |
| | Phuket Resort | Banyan Tree Hotels & Resorts (Thailand) Limited | 19.10.2015 - 18.10.2035 | - Management fee: 7.5% of gross operating profit |
| Laguna Banyan Tree Limited | Banyan Tree Phuket | Banyan Tree Hotels & Resorts Pte. Limited | 1.1.2016 - 31.12.2025 | - Royalty fee: 2% of total revenue |
| | | Banyan Tree Hotels & Resorts (Thailand) Limited | 1.1.2016 - 31.12.2025 | - Technical fee: 7.5% of gross operating profit |
| | | Banyan Tree Marketing Group Pte. Ltd. | 1.1.2016 - 31.12.2025 | - Group Marketing service fee: 2% of total actual hotel revenue* |
| Thai Wah Plaza Limited | Banyan Tree Bangkok | Banyan Tree Hotels & Resorts Pte. Limited | 1.7.2012 - 31.12.2021 | - Royalty fee: 3% of total revenue |
| | | Banyan Tree Hotels & Resorts (Thailand) Limited | 1.7.2012 - 31.12.2021 | - Management fee: 10% of gross operating profit |
| | | Banyan Tree Marketing Group Pte. Ltd. | 1.7.2012 - 31.12.2021 | - Group Marketing service fee: 2% of total actual hotel revenue* |
| Phuket Grande Resort Limited | Cassia Phuket | Banyan Tree Hotels & Resorts Pte. Limited | 20.10.2015 - 19.10.2040 | - Royalty fee: 2% of total revenue |
| | | Banyan Tree Hotels & Resorts (Thailand) Limited | 20.10.2015 - 19.10.2040 | - Management fee: 7.5% of gross operating profit |
| | | Banyan Tree Marketing Group Pte. Ltd. | 20.10.2015 - 19.10.2040 | - Group Marketing service fee: 2% of total actual hotel revenue* |
| Banyan Tree Gallery (Singapore) Pte. Limited | Gallery | Banyan Tree Hotels & Resorts Pte. Limited | 1.1.2009 onwards | - Royalty fee: 1% of total revenue |
| Banyan Tree Gallery (Thailand) Limited | Gallery | Banyan Tree Hotels & Resorts Pte. Limited | 1.1.2009 onwards | - Royalty fee: 1% of total revenue |

(a) Operator has option to extend for 1 additional period of 10 years.

(b) Operator has option to extend for 1 additional period of 20 years.

(c) Either party may extend the contract period for another 20 years with indefinite number of extension.

* The rate has been applied since 1 July 2016.

b) The Group has entered into several service and lease agreements in respect of machinery, motor vehicles and equipment. The terms of the agreements are generally between 1 to 5 years.

As at 30 June 2021, the Group has future minimum payments under service agreement, short-term leases and lease of low-value assets amounting to Baht 26 million (31 December 2020: Baht 18 million) (the Company only: Baht 1 million, 31 December 2020: Baht 1 million).

(Unaudited but reviewed)

- c) As at 30 June 2021 and 31 December 2020, the subsidiaries have future lease payments required under these non-cancellable lease contracts related to villa/unit rental scheme agreements which have not yet commenced as follows:

(Unit: Million Baht)

| | Consolidated financial statements | |
|-----------------------------|-----------------------------------|------------------|
| | 30 June 2021 | 31 December 2020 |
| Payable within: | | |
| In up to 1 year | 2 | 1 |
| In over 1 and up to 5 years | 9 | 4 |

Servitude over land

As at 30 June 2021, some subsidiaries have land servitude of approximately 11 rai (31 December 2020: 11 rai) in Phuket province, which are presented under property development cost and property, plant and equipment.

25. Guarantees

As at 30 June 2021, there were bank guarantees amounting to Baht 51 million (31 December 2020: Baht 50 million) issued to various parties on behalf of the Group, mainly provided for the usage of electricity, other utilities and telecommunication channels (the Company only: Baht 0.4 million, 31 December 2020: Baht 0.4 million).

26. Segment information

The Group is organised into business units based on its products and services. During the period, the Group has not changed the organisation of their reportable segments.

The following tables present revenues and profit (loss) information regarding the Group segments for the three-month and six-month periods ended 30 June 2021 and 2020 as follows:

(Unaudited but reviewed)

(Unit: Million Baht)

| | For the three-month period ended 30 June 2021 | | | | |
|--|---|-------------------------|------------------|-------------|--------------|
| | Hotel Business | Property Development | Office Rental | Head Office | Total |
| Revenues: | | | | | |
| Segment revenues | | | | | |
| Total revenues | 120 | 100 | 9 | - | 229 |
| Intersegment revenues | (15) | (1) | (2) | - | (18) |
| Revenue from external customers | <u>105</u> | <u>99</u> | <u>7</u> | <u>-</u> | <u>211</u> |
| Results: | | | | | |
| Segment results | <u>(211)</u> | <u>(14)</u> | <u>(2)</u> | <u>(26)</u> | <u>(253)</u> |
| Unallocated income | | | | | 18 |
| Loss from operations and other income | | | | | (235) |
| Finance income | - | 12 | - | - | 12 |
| Finance cost | (36) | (10) | - | (17) | (63) |
| Share of profit from investments in associates | | | | | 7 |
| Loss before income tax expenses | | | | | (279) |
| Income tax revenue (expenses) | (9) | 8 | - | (2) | (3) |
| Loss for the period | | | | | <u>(282)</u> |

(Unit: Million Baht)

| | For the three-month period ended 30 June 2020 | | | | |
|--|---|-------------------------|------------------|-------------|--------------|
| | Hotel Business | Property Development | Office Rental | Head Office | Total |
| Revenues: | | | | | |
| Segment revenues | | | | | |
| Total revenues | 62 | 161 | 10 | - | 233 |
| Intersegment revenues | (10) | (1) | (3) | - | (14) |
| Revenue from external customers | <u>52</u> | <u>160</u> | <u>7</u> | <u>-</u> | <u>219</u> |
| Results: | | | | | |
| Segment results | <u>(274)</u> | <u>(103)</u> | <u>(3)</u> | <u>(31)</u> | <u>(411)</u> |
| Unallocated income | | | | | 5 |
| Loss from operations and other income | | | | | (406) |
| Finance income | - | 13 | - | - | 13 |
| Finance cost | (22) | (26) | - | (18) | (66) |
| Share of loss from investments in associates | | | | | (1) |
| Loss before income tax expenses | | | | | (460) |
| Income tax revenue (expenses) | (82) | 10 | 1 | (28) | (99) |
| Loss for the period | | | | | <u>(559)</u> |

(Unaudited but reviewed)

(Unit: Million Baht)

| | For the six-month period ended 30 June 2021 | | | | |
|--|---|-------------------------|------------------|-------------|--------------|
| | Hotel Business | Property Development | Office Rental | Head Office | Total |
| Revenues: | | | | | |
| Segment revenues | | | | | |
| Total revenues | 246 | 408 | 18 | - | 672 |
| Intersegment revenues | (35) | (2) | (4) | - | (41) |
| Revenue from external customers | <u>211</u> | <u>406</u> | <u>14</u> | <u>-</u> | <u>631</u> |
| Results: | | | | | |
| Segment results | <u>(434)</u> | <u>75</u> | <u>(1)</u> | <u>(44)</u> | <u>(404)</u> |
| Unallocated income | | | | | 23 |
| Loss from operations and other income | | | | | (381) |
| Finance income | - | 24 | - | - | 24 |
| Finance cost | (66) | (25) | - | (36) | (127) |
| Share of profit from investments in associates | | | | | 20 |
| Loss before income tax expenses | | | | | (464) |
| Income tax revenue (expenses) | 1 | (23) | - | (2) | (24) |
| Loss for the period | | | | | <u>(488)</u> |

(Unit: Million Baht)

| | For the six-month period ended 30 June 2020 | | | | |
|--|---|-------------------------|------------------|-------------|--------------|
| | Hotel Business | Property Development | Office Rental | Head Office | Total |
| Revenues: | | | | | |
| Segment revenues | | | | | |
| Total revenues | 998 | 286 | 28 | - | 1,312 |
| Intersegment revenues | (59) | (5) | (6) | - | (70) |
| Revenue from external customers | <u>939</u> | <u>281</u> | <u>22</u> | <u>-</u> | <u>1,242</u> |
| Results: | | | | | |
| Segment results | <u>(199)</u> | <u>(110)</u> | <u>(1)</u> | <u>(52)</u> | <u>(362)</u> |
| Unallocated income | | | | | 9 |
| Loss from operations and other income | | | | | (353) |
| Finance income | - | 27 | - | - | 27 |
| Finance cost | (50) | (37) | - | (39) | (126) |
| Share of profit from investments in associates | | | | | 6 |
| Loss before income tax expenses | | | | | (446) |
| Income tax revenue (expenses) | (100) | 11 | - | (19) | (108) |
| Loss for the period | | | | | <u>(554)</u> |

(Unaudited but reviewed)

27. Financial instruments

27.1 Fair value of financial instruments

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash at banks, accounts receivable and accounts payable, their carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- c) The carrying amounts of short-term and long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

27.2 Fair value hierarchy

As at 30 June 2021, the Group had the financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

| | Consolidated financial statements | | | |
|--|-----------------------------------|---------|---------|-------|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | |
| Non-listed equity investments | - | - | 846 | 846 |

During the period, there were no changes in methods and assumptions used by the Group in estimating the fair value of financial instruments and no transfers within the fair value hierarchy.

27.3 Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy

(Unit: Thousand Baht)

| | Consolidated Financial Statements | |
|---|-----------------------------------|---------|
| | Non-listed equity investments | |
| Balance as at 31 December 2020 | | 713,181 |
| Gain recognised into other comprehensive income | | 133,204 |
| Balance as at 30 June 2021 | | 846,385 |

28. Foreign currency risk assets/liabilities

The outstanding balances of the Group financial assets and liabilities denominated in foreign currency are as follows:

| Foreign currency | Consolidated financial statements | | | | Separate financial statements | | | | Average exchange rate as at | |
|------------------|-----------------------------------|------------------|-----------------------------|------------------|-------------------------------|------------------|-----------------------------|------------------|------------------------------------|------------------|
| | Financial assets as at | | Financial liabilities as at | | Financial assets as at | | Financial liabilities as at | | 30 | 31 |
| | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 | 30 June 2021 | 31 December 2020 |
| | (Million) | (Million) | (Million) | (Million) | (Million) | (Million) | (Million) | (Million) | (Baht per 1 foreign currency unit) | |
| US Dollar | 2 | 1 | 1 | 1 | - | - | - | - | 32.0047 | 29.9909 |
| SGD | - | - | 1 | 1 | - | - | - | - | 23.8076 | 22.6232 |

29. Litigations

29.1 Two subsidiaries were sued by a former buyer of property sales project and claimed for refund of her payment in the amount of Baht 4.1 million plus interest 15% calculated from Baht 2.9 million from the plaint date.

On 15 August 2018, the Phuket Provincial Court ordered both subsidiaries to return Baht 1.4 million to the plaintiff plus interest 7.5% from the plaint date until both subsidiaries have made full payment.

On 26 February 2019, the Appeal Court confirmed the judgement of the Phuket Provincial Court.

On 21 June 2019, the subsidiaries submitted the appeal statement to the Supreme Court.

As at 31 December 2020, the subsidiaries set aside a provision of Baht 1.8 million for liabilities arising as a result of this case.

On 28 April 2021, the Supreme Court passed its judgement ordering both subsidiaries to make a repayment of Baht 1.4 million plus interest of 7.5 percent per annum to the plaintiff from the date the ruling was delivered (28 April 2021) until full payment was completed.

As at 30 June 2021, the subsidiaries made a full payment and the case is deemed final.

29.2 The Company was sued by a former shop lessee that the Company has breached the lease agreement and claimed for compensation of Baht 3.9 million plus interest 7.5% from the plaint date. However, the Phuket Provincial court and the Appeal court dismissed the case.

As at 30 June 2021, the Supreme Court did not accept this case to their consideration. Therefore, the case is deemed final.

29.3 A subsidiary was sued by a buyer of property sales project and claimed for refund of his payment in the amount of Baht 20.8 million plus interest 7.5% calculated from Baht 17.1 million from the plaint date. Currently, the Phuket Provincial Court schedules for the witness hearing in September 2021. The subsidiary does not set up provision for this case.

(Unaudited but reviewed)

30. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 11 August 2021.