

Laguna Resorts & Hotels Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2022

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 September 2022, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-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*.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 8 November 2022

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2022

(Unit: Thousand Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|-------------------|-------------------------------|------------------|
| | | 30 September 2022 | 31 December 2021 | 30 September 2022 | 31 December 2021 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 840,132 | 731,929 | 153,487 | 148,701 |
| Trade and other receivables | 2 | 741,789 | 679,491 | 300,353 | 274,005 |
| Inventories | | 58,285 | 60,150 | - | - |
| Property development cost | 4 | 3,964,423 | 4,172,649 | 111,429 | 111,429 |
| Cost to obtain contracts with customers | | 180,376 | 151,626 | - | - |
| Other current financial asset | | 16,667 | 2,367 | 2,367 | 2,367 |
| Other current assets | | 205,880 | 109,395 | 10,158 | 5,426 |
| Total current assets | | 6,007,552 | 5,907,607 | 577,794 | 541,928 |
| Non-current assets | | | | | |
| Long-term restricted deposit at financial institution | | - | 38,101 | - | - |
| Other non-current financial assets | | 865,882 | 846,272 | - | - |
| Long-term trade accounts receivable | 5 | 391,820 | 471,147 | - | - |
| Investments in subsidiaries | | - | - | 4,242,655 | 4,242,655 |
| Investments in associates | 6 | 993,973 | 985,618 | 777,454 | 777,454 |
| Long-term loans to subsidiaries | 3 | - | - | 1,366,550 | 1,286,550 |
| Investment properties | 7 | 1,382,223 | 1,382,223 | 181,602 | 181,602 |
| Property, plant and equipment | 8 | 12,065,264 | 12,329,261 | 28,384 | 36,376 |
| Right-of-use assets | | 42,082 | 38,468 | 1,832 | 1,292 |
| Deferred tax assets | | 33,236 | 35,447 | - | - |
| Goodwill | | 407,904 | 407,904 | - | - |
| Other non-current assets | | 48,126 | 45,723 | 10,780 | 9,439 |
| Total non-current assets | | 16,230,510 | 16,580,164 | 6,609,257 | 6,535,368 |
| Total assets | | 22,238,062 | 22,487,771 | 7,187,051 | 7,077,296 |

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 September 2022

(Unit: Thousand Baht)

| Note | Consolidated financial statements | | Separate financial statements | | | |
|---|---|------------------|-------------------------------|-------------------|------------------|------------------|
| | 30 September 2022 | 31 December 2021 | 30 September 2022 | 31 December 2021 | | |
| | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) | | |
| Liabilities and shareholders' equity | | | | | | |
| Current liabilities | | | | | | |
| Bank overdrafts and short-term loans from | | | | | | |
| | financial institutions | 9 | 1,080,000 | 1,181,162 | 650,000 | 650,000 |
| | Trade and other payables | | 1,122,885 | 1,131,977 | 233,020 | 200,481 |
| Current portion of long-term loans from financial | | | | | | |
| | institutions | 10 | 376,381 | 540,075 | - | - |
| | Current portion of lease liabilities | | 56,680 | 48,033 | 6,701 | 5,996 |
| | Income tax payable | | 3,877 | 15,724 | - | - |
| | Advance received from customers | | 1,519,705 | 1,218,898 | - | - |
| | Other current liabilities | | 252,114 | 223,188 | 19,745 | 14,588 |
| | Total current liabilities | | 4,411,642 | 4,359,057 | 909,466 | 871,065 |
| Non-current liabilities | | | | | | |
| | Long-term loans from subsidiaries | 3 | - | - | 350,500 | 228,500 |
| | Long-term loan from related company | 3 | 9,000 | 22,950 | - | - |
| Long-term loans from financial institutions, | | | | | | |
| | net of current portion | 10 | 4,491,798 | 4,815,629 | 1,375,228 | 1,374,900 |
| | Provision for long-term employee benefits | | 105,695 | 106,802 | 14,369 | 14,341 |
| | Deferred tax liabilities | | 2,935,782 | 2,868,320 | 113,526 | 116,273 |
| | Lease liabilities, net of current portion | | 39,700 | 30,172 | 570 | 620 |
| | Other non-current liabilities | | 568,126 | 463,058 | 123,854 | 91,969 |
| | Total non-current liabilities | | 8,150,101 | 8,306,931 | 1,978,047 | 1,826,603 |
| | Total liabilities | | 12,561,743 | 12,665,988 | 2,887,513 | 2,697,668 |
| 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 |
| Share discount from change in proportion of | | | | | | |
| | investment in subsidiary | | (7,373) | - | - | - |
| | Capital reserve | | 568,131 | 568,131 | - | - |
| Retained earnings | | | | | | |
| | Appropriated - statutory reserve | | 211,675 | 211,675 | 211,675 | 211,675 |
| | Unappropriated | | (679,248) | (556,051) | 217,262 | 297,352 |
| | Other components of shareholders' equity | | 5,728,183 | 5,750,603 | 141,313 | 141,313 |
| | Equity attributable to owners of the Company | | 9,550,656 | 9,703,646 | 4,299,538 | 4,379,628 |
| Equity attributable to non-controlling interests | | | | | | |
| | of the subsidiaries | | 125,663 | 118,137 | - | - |
| | Total shareholders' equity | | 9,676,319 | 9,821,783 | 4,299,538 | 4,379,628 |
| | Total liabilities and shareholders' equity | | 22,238,062 | 22,487,771 | 7,187,051 | 7,077,296 |

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 September 2022**

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

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|------------------|-------------------------------|-----------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Revenues | | | | | |
| Revenue from hotel operations | | 532,975 | 138,059 | 4,375 | - |
| Revenue from property development operations | | 680,321 | 102,353 | - | - |
| Revenue from office rental operations | | 8,516 | 6,786 | 2,892 | 1,049 |
| Other income | | 4,221 | 4,707 | 16,839 | 16,239 |
| Total revenues | | 1,226,033 | 251,905 | 24,106 | 17,288 |
| Expenses | | | | | |
| Cost of hotel operations | | 382,100 | 194,066 | 3,329 | - |
| Cost of property development operations | | 366,403 | 55,403 | - | - |
| Cost of office rental operations | | 2,987 | 5,000 | 1,115 | 1,199 |
| Selling expenses | | 137,771 | 27,323 | 352 | 53 |
| Administrative expenses | | 346,102 | 184,339 | 58,746 | 30,652 |
| Total expenses | | 1,235,363 | 466,131 | 63,542 | 31,904 |
| Operating loss | | (9,330) | (214,226) | (39,436) | (14,616) |
| Share of profit from investments in associates | 6 | 4,022 | 3,042 | - | - |
| Finance income | | 10,857 | 11,683 | 11,785 | 13,812 |
| Finance cost | | (49,749) | (55,392) | (19,084) | (19,813) |
| Loss before income tax expenses | | (44,200) | (254,893) | (46,735) | (20,617) |
| Income tax revenue (expenses) | 11 | (16,692) | (26,358) | 985 | (1,347) |
| Loss for the period | | (60,892) | (281,251) | (45,750) | (21,964) |
| Profit (loss) attributable to: | | | | | |
| Equity holders of the Company | | (63,248) | (279,229) | (45,750) | (21,964) |
| Non-controlling interests of the subsidiaries | | 2,356 | (2,022) | | |
| | | (60,892) | (281,251) | | |
| Earnings per share | | | | | |
| Basic earnings per share | | | | | |
| Loss attributable to equity holders of the Company | | (0.38) | (1.68) | (0.27) | (0.13) |

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 September 2022

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--|------------------|--------------------------------------|-----------------|
| Note | 2022 | 2021 | 2022 | 2021 |
| Loss for the period | (60,892) | (281,251) | (45,750) | (21,964) |
| 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 | (2,995) | (2,641) | - | - |
| Share of other comprehensive income from associates | 6 1,932 | 4,453 | - | - |
| Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods, net of income tax | (1,063) | 1,812 | - | - |
| <i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i> | | | | |
| Gain on changes in investments in equity designated at fair value through other comprehensive income | 60,606 | 11,427 | - | - |
| Share of other comprehensive income (loss) from associates | 6 (805) | (278) | - | - |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of income tax | 59,801 | 11,149 | - | - |
| Other comprehensive income for the period | 58,738 | 12,961 | - | - |
| Total comprehensive income (loss) for the period | (2,154) | (268,290) | (45,750) | (21,964) |
| Total comprehensive income (loss) attributable to: | | | | |
| Equity holders of the Company | (4,714) | (265,888) | (45,750) | (21,964) |
| Non-controlling interests of the subsidiaries | 2,560 | (2,402) | | |
| | (2,154) | (268,290) | | |

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 nine-month period ended 30 September 2022**

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

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|------------------|-------------------------------|-----------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Revenues | | | | | |
| Revenue from hotel operations | | 1,496,914 | 348,643 | 17,457 | - |
| Revenue from property development operations | | 1,586,646 | 509,348 | - | - |
| Revenue from office rental operations | | 27,025 | 20,505 | 8,700 | 2,909 |
| Other income | | 12,678 | 27,699 | 68,345 | 57,024 |
| Total revenues | | 3,123,263 | 906,195 | 94,502 | 59,933 |
| Expenses | | | | | |
| Cost of hotel operations | | 1,059,121 | 585,081 | 11,546 | - |
| Cost of property development operations | | 880,966 | 261,485 | - | - |
| Cost of office rental operations | | 17,463 | 14,790 | 3,501 | 3,194 |
| Selling expenses | | 324,996 | 80,681 | 399 | 112 |
| Administrative expenses | | 836,810 | 559,583 | 141,433 | 98,699 |
| Total expenses | | 3,119,356 | 1,501,620 | 156,879 | 102,005 |
| Operating profit (loss) | | 3,907 | (595,425) | (62,377) | (42,072) |
| Share of profit from investments in associates | 6 | 25,087 | 22,734 | - | - |
| Finance income | | 31,676 | 36,516 | 33,829 | 42,158 |
| Finance cost | | (146,166) | (182,445) | (54,289) | (57,953) |
| Loss before income tax expenses | | (85,496) | (718,620) | (82,837) | (57,867) |
| Income tax revenue (expenses) | 11 | (79,523) | (50,485) | 2,747 | 851 |
| Loss for the period | | (165,019) | (769,105) | (80,090) | (57,016) |
| Loss attributable to: | | | | | |
| Equity holders of the Company | | (163,741) | (767,202) | (80,090) | (57,016) |
| Non-controlling interests of the subsidiaries | | (1,278) | (1,903) | | |
| | | (165,019) | (769,105) | | |
| Earnings per share | | | | | |
| Basic earnings per share | | | | | |
| Loss attributable to equity holders of the Company | | (0.98) | (4.60) | (0.48) | (0.34) |

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 nine-month period ended 30 September 2022

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------|--------------------------------------|-----------------|
| Note | 2022 | 2021 | 2022 | 2021 |
| Loss for the period | (165,019) | (769,105) | (80,090) | (57,016) |
| 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 | 1,526 | (4,084) | - | - |
| Share of other comprehensive income from associates | 6 2,798 | 8,552 | - | - |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax | 4,324 | 4,468 | - | - |
| <i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i> | | | | |
| Gain on changes in investments in equity designated at fair value through other comprehensive income | 15,687 | 117,990 | - | - |
| Share of other comprehensive income (loss) from associates | 6 (456) | 1,187 | - | - |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of income tax | 15,231 | 119,177 | - | - |
| Other comprehensive income for the period | 19,555 | 123,645 | - | - |
| Total comprehensive income (loss) for the period | (145,464) | (645,460) | (80,090) | (57,016) |
| Total comprehensive income (loss) attributable to: | | | | |
| Equity holders of the Company | (145,617) | (643,382) | (80,090) | (57,016) |
| Non-controlling interests of the subsidiaries | 153 | (2,078) | - | - |
| | (145,464) | (645,460) | | |

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 nine-month period ended 30 September 2022

(Unit: Thousand Baht)

| Consolidated financial statements | | | | | | | | | | | | | | |
|---|--------------------------|------------------|--|-----------------|----------------------------------|------------------|---|-------------------------------|---|--|--|--|--|----------------------------|
| Equity attributable to the owners of the Company | | | | | | | | | | | | | | |
| Other components of shareholders' equity | | | | | | | | | | | | | | |
| Other comprehensive income | | | | | | | | | | | | | | |
| | Issued and fully paid-up | Share premium | Share discount from change in proportion of investment in subsidiary | Capital reserve | Retained earnings | | Exchange differences on translation of financial statements in foreign currency | Revaluation surplus on assets | Gain 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 |
| | | | | | Appropriated - statutory reserve | Unappropriated | | | | | | | | |
| 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 | - | - | - | - | - | (767,202) | - | - | - | - | - | (767,202) | (1,903) | (769,105) |
| Other comprehensive income (loss) for the period | - | - | - | - | - | - | (3,909) | - | 117,990 | 9,739 | 123,820 | 123,820 | (175) | 123,645 |
| Total comprehensive income (loss) for the period | - | - | - | - | - | (767,202) | (3,909) | - | 117,990 | 9,739 | 123,820 | (643,382) | (2,078) | (645,460) |
| Subsidiary paid dividend to non-controlling interests of the subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | (2,268) | (2,268) |
| Reversal of revaluation surplus on disposal of assets | - | - | - | - | - | 18,392 | - | (18,392) | - | - | (18,392) | - | - | - |
| Balance as at 30 September 2021 | <u>1,666,827</u> | <u>2,062,461</u> | <u>-</u> | <u>568,131</u> | <u>211,675</u> | <u>(301,276)</u> | <u>120,390</u> | <u>5,460,011</u> | <u>203,443</u> | <u>(2,468)</u> | <u>5,781,376</u> | <u>9,989,194</u> | <u>115,191</u> | <u>10,104,385</u> |
| Balance as at 1 January 2022 | 1,666,827 | 2,062,461 | - | 568,131 | 211,675 | (556,051) | 115,240 | 5,450,230 | 191,926 | (6,793) | 5,750,603 | 9,703,646 | 118,137 | 9,821,783 |
| Loss for the period | - | - | - | - | - | (163,741) | - | - | - | - | - | (163,741) | (1,278) | (165,019) |
| Other comprehensive income for the period | - | - | - | - | - | - | 95 | - | 15,687 | 2,342 | 18,124 | 18,124 | 1,431 | 19,555 |
| Total comprehensive income (loss) for the period | - | - | - | - | - | (163,741) | 95 | - | 15,687 | 2,342 | 18,124 | (145,617) | 153 | (145,464) |
| Share discount from change in proportion of investment in subsidiary | - | - | (7,373) | - | - | - | - | - | - | - | - | (7,373) | 7,373 | - |
| Reversal of revaluation surplus on disposal of assets | - | - | - | - | - | 40,544 | - | (40,544) | - | - | (40,544) | - | - | - |
| Balance as at 30 September 2022 | <u>1,666,827</u> | <u>2,062,461</u> | <u>(7,373)</u> | <u>568,131</u> | <u>211,675</u> | <u>(679,248)</u> | <u>115,335</u> | <u>5,409,686</u> | <u>207,613</u> | <u>(4,451)</u> | <u>5,728,183</u> | <u>9,550,656</u> | <u>125,663</u> | <u>9,676,319</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 nine-month period ended 30 September 2022

(Unit: Thousand Baht)

| | Separate financial statements | | | | | | |
|--|--|-------------------------------------|-------------------|----------------------------------|--|---|----------------------------------|
| | Issued and fully paid-up share capital | | Retained earnings | | Other components of shareholders' equity | | |
| | | | | | Other comprehensive income | Total other components of shareholders' equity | Total shareholders' equity |
| | Share premium | Appropriated - statutory reserve | Unappropriated | Revaluation surplus on assets | | | |
| 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 | - | - | - | (57,016) | - | - | (57,016) |
| Other comprehensive income (loss) for the period | - | - | - | - | - | - | - |
| Total comprehensive income (loss) for the period | - | - | - | (57,016) | - | - | (57,016) |
| Balance as at 30 September 2021 | <u>1,666,827</u> | <u>2,062,461</u> | <u>211,675</u> | <u>310,002</u> | <u>141,313</u> | <u>141,313</u> | <u>4,392,278</u> |
| Balance as at 1 January 2022 | 1,666,827 | 2,062,461 | 211,675 | 297,352 | 141,313 | 141,313 | 4,379,628 |
| Loss for the period | - | - | - | (80,090) | - | - | (80,090) |
| Other comprehensive income (loss) for the period | - | - | - | - | - | - | - |
| Total comprehensive income (loss) for the period | - | - | - | (80,090) | - | - | (80,090) |
| Balance as at 30 September 2022 | <u>1,666,827</u> | <u>2,062,461</u> | <u>211,675</u> | <u>217,262</u> | <u>141,313</u> | <u>141,313</u> | <u>4,299,538</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 nine-month period ended 30 September 2022**

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|------------------|-------------------------------|-----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Cash flows from operating activities | | | | |
| Loss before income tax expenses | (85,496) | (718,620) | (82,837) | (57,867) |
| Adjustments to reconcile loss before income tax expenses to net cash provided by (paid from) operating activities: | | | | |
| Depreciation | 306,026 | 342,552 | 4,126 | 6,610 |
| Allowance for expected credit losses (reversal) | (9,780) | 20,838 | (368) | 2,359 |
| Reduction of inventory to net realisable value | 1,649 | 322 | - | - |
| Reversal of reduction of property development cost to net realisable value | - | (531) | - | - |
| Share of profit from investments in associates | (25,087) | (22,734) | - | - |
| Gain on sales of property, plant and equipment | (240) | (15,020) | (205) | - |
| Write off property, plant and equipment | 11,581 | 2 | 5,705 | - |
| Dividend income from investment in subsidiary | - | - | - | (2,494) |
| Dividend income from investment in associate | - | - | (19,074) | (11,838) |
| Impairment of right-of-use assets | - | 1,867 | - | 625 |
| Deferred gain on right-of-use assets | 14,342 | 4,738 | - | - |
| Provision for long-term employee benefits | 6,832 | 19,019 | 639 | 2,202 |
| Reversal of provision for legal case | - | (355) | - | - |
| Finance income | (31,676) | (36,516) | (33,829) | (42,158) |
| Finance cost | 146,166 | 182,445 | 54,289 | 57,953 |
| Profit (loss) from operating activities before changes in operating assets and liabilities | 334,317 | (221,993) | (71,554) | (44,608) |
| Operating assets (increase) decrease | | | | |
| Trade and other receivables | (52,519) | 66,554 | (12,385) | (18,503) |
| Inventories | 216 | 12,221 | - | - |
| Property development cost | 273,334 | (16,229) | - | - |
| Cost to obtain contracts with customers | (28,750) | (7,474) | - | - |
| Other current assets | (90,468) | 26,773 | (4,287) | 7,346 |
| Long-term trade accounts receivable | 79,327 | 201,649 | - | - |
| Other non-current assets | 535 | (41,546) | (80) | (8,094) |
| Operating liabilities increase (decrease) | | | | |
| Trade and other payables | (8,934) | (182,020) | 23,470 | 9,417 |
| Advance received from customers | 300,807 | 38,972 | - | - |
| Other current liabilities | 29,265 | (5,407) | 5,157 | 2,074 |
| Cash paid for provision for long-term employee benefits | (7,939) | (9,547) | (611) | (7,264) |
| Cash paid for long-term provision for legal case | - | (1,419) | - | - |
| Other non-current liabilities | 11,873 | (2,346) | 958 | (441) |
| Cash flows from (used in) operating activities | 841,064 | (141,812) | (59,332) | (60,073) |
| Cash received from interest income | 31,676 | 36,515 | 20,234 | 1,549 |
| Cash received from income tax refund | 6,978 | 14,082 | - | 5,958 |
| Cash paid for interest expenses | (55,010) | (57,858) | (13,962) | (12,538) |
| Cash paid for income tax | (41,554) | (28,367) | (1,708) | (400) |
| Net cash flows from (used in) operating activities | 783,154 | (177,440) | (54,768) | (65,504) |

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 nine-month period ended 30 September 2022**

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|--|------------------|--------------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Cash flows from investing activities | | | | |
| Decrease (increase) in long-term restricted deposits at financial institutions | 38,101 | (51) | - | - |
| Increase in other current financial assets | (14,300) | - | - | - |
| Cash received from long-term loans to subsidiaries | - | - | 138,000 | 258,000 |
| Cash paid for long-term loans to subsidiaries | - | - | (218,000) | (246,000) |
| Dividend received from investment in subsidiary | - | - | - | 2,494 |
| Dividend received from investment in associate | 19,074 | 11,838 | 19,074 | 11,838 |
| Cash received from sales of property, plant and equipment | 2,027 | 22,983 | 205 | - |
| Cash paid for acquisition of property, plant and equipment | (101,165) | (46,243) | (1,006) | (1,507) |
| Net cash flows from (used in) investing activities | (56,263) | (11,473) | (61,727) | 24,825 |
| Cash flows from financing activities | | | | |
| Decrease in bank overdrafts and short-term loans | | | | |
| from financial institutions | (101,162) | (2,726) | - | - |
| Draw down of long-term loans from subsidiaries | - | - | 644,000 | 470,000 |
| Repayment of long-term loans from subsidiaries | - | - | (522,000) | (422,000) |
| Draw down of long-term loans from financial institutions | 37,324 | 295,278 | - | - |
| Repayment of long-term loans from financial institutions | (526,697) | (238,481) | - | - |
| Repayment of long-term loans from related company | (13,950) | - | - | - |
| Payment of lease liabilities | (15,856) | (10,384) | (719) | (442) |
| Dividend paid | - | (2,268) | - | - |
| Net cash flows from (used in) financing activities | (620,341) | 41,419 | 121,281 | 47,558 |
| Net exchange differences on translation of financial statements in foreign currency | 1,653 | (6,498) | - | - |
| Net increase (decrease) in cash and cash equivalents | 108,203 | (153,992) | 4,786 | 6,879 |
| Cash and cash equivalents at beginning of period | 731,929 | 568,735 | 148,701 | 146,681 |
| Cash and cash equivalents at end of period | 840,132 | 414,743 | 153,487 | 153,560 |
| | - | - | - | - |
| Supplemental cash flows information | | | | |
| Non-cash items | | | | |
| Share of other comprehensive income from associates | 2,342 | 9,739 | - | - |
| Reversal of revaluation surplus on disposal of assets | 40,544 | 18,392 | - | - |
| Interest recorded as property development cost | 4,213 | 7,678 | - | - |
| Addition of right-of-use assets and lease liabilities | 34,255 | 11,867 | 1,373 | 1,789 |
| Transfer from investment properties to property, plant and equipment | - | 28,354 | - | - |
| Transfer from property, plant and equipment to property development cost | 60,894 | - | - | - |

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 nine-month periods ended 30 September 2022

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 is incorporated in Thailand. The parent company of the Group is Banyan Tree Holdings Limited, which is 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.

On 4 October 2022, the Company registered the change in its address to No. 21/9, 21/31 and 21/33, Thai Wah Tower 1, 5th and 12th floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok, with the Ministry of Commerce.

1.2 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.

(Unaudited but reviewed)

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.

1.3 Basis of consolidation

The interim consolidated financial information includes the financial statements of Laguna Resorts & Hotels Public Company Limited (“the Company”) and its subsidiary companies (“the subsidiaries”) (collectively as “the Group”) and has been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021. However, during the period, there were changes in the shareholding structure of the Group as follows.

- 1) The shareholders who owned 40 percent of the registered shares of Vision 9 Farm Limited (an indirect subsidiary), transferred all shares to the Company free of charge on 18 July 2022. Resulted in Vision 9 Farm Limited become a wholly-owned subsidiary of the Group.
- 2) The Extraordinary General Meeting of the Shareholders of Bangtao (4) Limited (“the subsidiary”) passed a resolution to approve the dissolution of the subsidiary. The subsidiary registered its dissolution with the Ministry of Commence on 31 May 2022 and registered the liquidation on 12 October 2022.

1.4 Significant accounting policies

The interim financial information is prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group’s financial statements.

(Unaudited but reviewed)

2. Trade and other receivables

| | Consolidated financial | | (Unit: Thousand Baht) | |
|--|------------------------|----------|-----------------------|----------|
| | statements | | Separate financial | |
| | 30 | 31 | 30 | 31 |
| | September | December | September | December |
| | 2022 | 2021 | 2022 | 2021 |
| <u>Trade accounts receivable</u> | | | | |
| Trade accounts receivable - hotel operations | 203,386 | 164,893 | 10,924 | 7,554 |
| Less: Allowance for expected credit losses | (40,546) | (45,681) | (6,442) | (6,810) |
| Trade accounts receivable - hotel operations, net | 162,840 | 119,212 | 4,482 | 744 |
| Trade accounts receivable - sales of property | | | | |
| - installments due | 69,488 | 74,318 | - | - |
| Current portion of long-term trade | | | | |
| accounts receivable | 269,385 | 306,027 | - | - |
| Less: Deferred interest income | (7,894) | (3,364) | - | - |
| Net (Note 5) | 261,491 | 302,663 | - | - |
| Trade accounts receivable - sales of property, net | 330,979 | 376,981 | - | - |
| Trade accounts receivable - sales of holiday club | | | | |
| memberships and sales and marketing services | | | | |
| for holiday club memberships | 48,526 | 62,691 | - | - |
| Less: Allowance for expected credit losses | (27,942) | (48,360) | - | - |
| Trade accounts receivable - sales of holiday club | | | | |
| memberships and sales and marketing services for | | | | |
| holiday club memberships, net | 20,584 | 14,331 | - | - |
| Total trade accounts receivable, net | 514,403 | 510,524 | 4,482 | 744 |
| <u>Other receivables</u> | | | | |
| Amounts due from related parties (Note 3) | 113,028 | 88,939 | 265,526 | 265,323 |
| Villa owner receivables | 95,057 | 80,545 | 5,680 | 2,210 |
| Accrued rental income | 24,220 | 5,364 | 24,220 | 5,364 |
| Other receivables | 17,883 | 19,512 | 445 | 364 |
| Total other receivables | 250,188 | 194,360 | 295,871 | 273,261 |
| Less: Allowance for expected credit losses | (22,802) | (25,393) | - | - |
| Total other receivables, net | 227,386 | 168,967 | 295,871 | 273,261 |
| Total trade and other receivables, net | 741,789 | 679,491 | 300,353 | 274,005 |

(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 | 31 | 30 | 31 |
| | September | December | September | December |
| | 2022 | 2021 | 2022 | 2021 |
| <u>Age of receivables</u> | | | | |
| Not yet due | 39,151 | 45,145 | 1,869 | 317 |
| Past due | | | | |
| Up to 30 days | 43,157 | 45,542 | 452 | 141 |
| 31 - 60 days | 16,648 | 10,060 | 378 | 62 |
| 61 - 90 days | 9,059 | 2,783 | 380 | 59 |
| 91 - 120 days | 7,269 | 818 | 254 | 56 |
| Over 120 days | 88,102 | 60,545 | 7,591 | 6,919 |
| Total | 203,386 | 164,893 | 10,924 | 7,554 |
| Less: Allowance for expected credit losses | (40,546) | (45,681) | (6,442) | (6,810) |
| Trade accounts receivable - hotel operations, net | 162,840 | 119,212 | 4,482 | 744 |

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 | 31 | 30 | 31 |
| | September | December | September | December |
| | 2022 | 2021 | 2022 | 2021 |
| <u>Age of receivables</u> | | | | |
| Not yet due | 282,675 | 309,735 | - | - |
| Past due | | | | |
| Up to 30 days | 13,121 | 11,996 | - | - |
| 31 - 60 days | 9,972 | 9,813 | - | - |
| 61 - 90 days | 4,989 | 7,913 | - | - |
| 91 - 120 days | 4,473 | 6,232 | - | - |
| Over 120 days | 23,643 | 34,656 | - | - |
| Total | 338,873 | 380,345 | - | - |
| Less: Deferred interest income | (7,894) | (3,364) | - | - |
| Trade accounts receivable - sales of property, net | 330,979 | 376,981 | - | - |

(Unaudited but reviewed)

The balances 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 | 31 | 30 | 31 |
| | September | December | September | December |
| | 2022 | 2021 | 2022 | 2021 |
| <u>Age of receivables</u> | | | | |
| Not yet due | 1,894 | 508 | - | - |
| Past due | | | | |
| Up to 30 days | 659 | 1,613 | - | - |
| 31 - 60 days | 1,059 | 697 | - | - |
| 61 - 90 days | 1,116 | 622 | - | - |
| 91 - 120 days | 452 | 85 | - | - |
| Over 120 days | 43,346 | 59,166 | - | - |
| Total | 48,526 | 62,691 | - | - |
| Less: Allowance for expected credit losses | (27,942) | (48,360) | - | - |
| Trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships, net | 20,584 | 14,331 | - | - |

3. 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. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

(Unaudited but reviewed)

Summaries significant business transactions with related parties as follows.

(Unit: Million Baht)

| | For the three-month periods ended | | | |
|---|-----------------------------------|------|----------------------|------|
| | 30 September | | | |
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| <u>Transactions with subsidiaries</u> | | | | |
| (eliminated from the consolidated financial statements) | | | | |
| Guarantee fee expenses | - | - | 5 | 5 |
| Interest income | - | - | 12 | 14 |
| Interest expenses | - | - | 3 | 2 |
| Management fee income | - | - | 15 | 13 |
| Reimbursement receipts | - | - | 1 | 1 |
| Reimbursement payments | - | - | 4 | 1 |
| Rental and service income | - | - | 1 | - |
| Rental and service expenses | - | - | 2 | 2 |
| Resort service expenses | - | - | 3 | 1 |
| Dividend income | - | - | - | 2 |
| <u>Transactions with associates</u> | | | | |
| Reimbursement receipts | 2 | - | - | - |
| Rental and service income | 5 | 3 | - | - |
| <u>Transactions with related companies</u> | | | | |
| Inter resort payments | 1 | 1 | - | - |
| Management fee expenses | 28 | 4 | - | - |
| Purchase of spa and gallery vouchers (reversal) | (2) | - | (1) | - |
| Sale of goods | 3 | 3 | - | - |
| Reimbursement receipts (reversal) | 16 | 2 | 3 | (2) |
| Reimbursement payments | 3 | 13 | - | - |
| Rental and service income | 3 | 5 | - | - |
| Service fees | 7 | 15 | - | - |
| Resort service income | - | 1 | - | - |
| Purchase of operating assets | - | 2 | - | - |

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended

30 September

| | Consolidated | | Separate | |
|---|----------------------|----------------------|----------------------|----------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 2022 | 2021 | 2022 | 2021 |
| <u>Transactions with subsidiaries</u> | | | | |
| (eliminated from the consolidated financial statements) | | | | |
| Guarantee fee income | - | - | 1 | 1 |
| Guarantee fee expenses | - | - | 15 | 15 |
| Interest income | - | - | 34 | 42 |
| Interest expenses | - | - | 7 | 4 |
| Management fee income | - | - | 46 | 38 |
| Reimbursement receipts | - | - | 1 | 1 |
| Reimbursement payments | - | - | 23 | 21 |
| Rental and service income | - | - | 2 | 1 |
| Rental and service expenses | - | - | 5 | 5 |
| Resort service expenses | - | - | 4 | 3 |
| Dividend income | - | - | - | 2 |
| <u>Transactions with associates</u> | | | | |
| Reimbursement receipts | 5 | 1 | - | - |
| Rental and service income | 13 | 11 | - | - |
| Dividend income | - | - | 19 | 12 |
| <u>Transactions with related companies</u> | | | | |
| Inter resort payments | 2 | 3 | - | - |
| Management fee income | 1 | - | 1 | - |
| Management fee expenses | 84 | 12 | - | - |
| Purchase of spa and gallery vouchers | 2 | - | - | - |
| Sale of goods | 9 | 4 | - | - |
| Reimbursement receipts | 39 | 27 | 12 | 6 |
| Reimbursement payments | 46 | 33 | 8 | - |
| Rental and service income | 9 | 11 | - | - |
| Service fees | 19 | 42 | - | - |
| Training charges | 5 | - | - | - |
| Resort service income | - | 1 | - | - |
| Purchase of operating assets | - | 2 | - | - |

(Unaudited but reviewed)

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 September 2022</u> | <u>31 December 2021</u> |
|--|--------------------------|-------------------------|
| Overdrafts and bank guarantee facilities | 105 | 106 |

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 September 2022</u> | <u>31 December 2021</u> |
|--|--------------------------|-------------------------|
| Short-term loan facilities | 150 | 150 |
| Long-term loan facilities | - | 900 |
| Overdrafts and bank guarantee facilities | - | 20 |

The balances of the accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

| | <u>Consolidated</u> | | <u>Separate</u> | |
|--|-----------------------------|--------------------|-----------------------------|--------------------|
| | <u>financial statements</u> | | <u>financial statements</u> | |
| | <u>30 September</u> | <u>31 December</u> | <u>30 September</u> | <u>31 December</u> |
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Amounts due from related parties | | | | |
| Subsidiaries | - | - | 264,481 | 261,156 |
| Associated companies | 2,467 | 1,920 | - | - |
| Related companies (related by common shareholders) | 110,561 | 87,019 | 1,045 | 4,167 |
| Total amounts due from related parties (Note 2) | <u>113,028</u> | <u>88,939</u> | <u>265,526</u> | <u>265,323</u> |
| Amounts due to related parties | | | | |
| Subsidiaries | - | - | 58,865 | 40,704 |
| Related companies (related by common shareholders) | 111,896 | 169,773 | 5,633 | 2,700 |
| Total amounts due to related parties | <u>111,896</u> | <u>169,773</u> | <u>64,498</u> | <u>43,404</u> |
| Dividend payable | | | | |
| Related company (related by common shareholders) | <u>130,048</u> | <u>130,048</u> | <u>130,048</u> | <u>130,048</u> |

(Unaudited but reviewed)

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

As at 30 September 2022 and 31 December 2021, 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 | | | 30 September |
| | 2021 | Addition | Repayment | 2022 |
| Laguna Banyan Tree Limited | 816,000 | 187,000 | (102,000) | 901,000 |
| Laguna Holiday Club Limited | 167,500 | 15,000 | (25,000) | 157,500 |
| Laguna Lakes Limited | 275,000 | 16,000 | (6,000) | 285,000 |
| Banyan Tree Gallery (Thailand) Limited | 28,050 | - | (5,000) | 23,050 |
| Total | 1,286,550 | 218,000 | (138,000) | 1,366,550 |

Long-term loans from subsidiaries

(Unit: Thousand Baht)

| | Separate financial statements | | | |
|------------------------|-------------------------------|----------|-----------|--------------|
| | 31 December | | | 30 September |
| | 2021 | Addition | Repayment | 2022 |
| Laguna (3) Limited | 14,500 | - | - | 14,500 |
| TWR - Holdings Limited | 131,000 | 311,000 | (327,000) | 115,000 |
| Laguna Grande Limited | 83,000 | 333,000 | (195,000) | 221,000 |
| Total | 228,500 | 644,000 | (522,000) | 350,500 |

Long-term loan from related company

(Unit: Thousand Baht)

| | Consolidated financial statements | | | |
|--|-----------------------------------|----------|-----------|--------------|
| | 31 December | | | 30 September |
| | 2021 | Addition | Repayment | 2022 |
| Banyan Tree Hotels & Resorts (Thailand) Limited | 22,950 | - | (13,950) | 9,000 |
| Total | 22,950 | - | (13,950) | 9,000 |

(Unaudited but reviewed)

Directors and management's benefits

(Unit: Thousand Baht)

| | For the three-month periods ended 30 September | | | |
|-----------------------------------|--|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Short-term employee benefits | 24,796 | 18,207 | 13,443 | 10,686 |
| Post-employment benefits | 822 | 563 | 363 | 154 |
| Other long-term employee benefits | 7 | 9 | 2 | 3 |
| Total | <u>25,625</u> | <u>18,779</u> | <u>13,808</u> | <u>10,843</u> |

(Unit: Thousand Baht)

| | For the nine-month periods ended 30 September | | | |
|-----------------------------------|---|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Short-term employee benefits | 66,299 | 53,186 | 33,884 | 30,425 |
| Post-employment benefits | 2,288 | 1,809 | 932 | 597 |
| Other long-term employee benefits | 21 | 29 | 7 | 9 |
| Total | <u>68,608</u> | <u>55,024</u> | <u>34,823</u> | <u>31,031</u> |

4. Property development cost

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|----------------------|------------------|----------------------|----------------|
| | financial statements | | financial statements | |
| | 30 September | 31 December | 30 September | 31 December |
| | 2022 | 2021 | 2022 | 2021 |
| Land | 1,305,104 | 1,305,104 | 111,429 | 111,429 |
| Land and property under construction | 1,580,494 | 1,994,103 | - | - |
| Land and completed buildings | 1,103,453 | 898,070 | - | - |
| Total | 3,989,051 | 4,197,277 | 111,429 | 111,429 |
| Less: Allowance for diminution in value | (24,628) | (24,628) | - | - |
| Property development cost, net | <u>3,964,423</u> | <u>4,172,649</u> | <u>111,429</u> | <u>111,429</u> |

(Unaudited but reviewed)

Subsidiaries have mortgaged property development cost amounting to Baht 764 million (31 December 2021: Baht 1,071 million) as collateral against its credit facilities received from financial institutions.

5. Long-term trade accounts receivable

Long-term trade accounts receivable consists of installments receivable from property sales, which bear interest at rates of 0.0% - 7.0% per annum (31 December 2021: 0.0% - 7.0% and MLR plus 0.5% per annum) and installments are repaid over a period of 3 to 5 years (31 December 2021: 3 to 10 years).

Long-term trade accounts receivable are due as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | |
|--|-----------------------------------|------------------|
| | 30 September 2022 | 31 December 2021 |
| Sales of property | | |
| Within 1 year | 269,385 | 306,027 |
| Less: Deferred interest income | (7,894) | (3,364) |
| Current portion of long-term trade accounts receivable, net (Note 2) | 261,491 | 302,663 |
| Over 1 year to 5 years | 402,873 | 476,341 |
| Less: Deferred interest income | (11,053) | (5,194) |
| Long-term trade accounts receivable, net | 391,820 | 471,147 |
| Total | 653,311 | 773,810 |

6. Investments in associates

6.1 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 September 2022 | 31 December 2021 | 30 September 2022 | 31 December 2021 | 30 September 2022 | 31 December 2021 |
| | | | (%) | (%) | | | | |
| 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) | - | - |
| | | | | | - | - | - | - |
| 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 | 777,686 | 768,365 |
| Banyan Tree China Pte. Ltd. | Holding company | Singapore | 10.69 | 10.69 | 173,495 | 173,495 | 216,287 | 217,253 |
| Total investments in associates, net | | | | | 950,949 | 950,949 | 993,973 | 985,618 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| Company's name | Nature of business | Country of incorporation | Separate financial statements | | | |
|---------------------------------|--|--------------------------|-------------------------------|------------------|-------------------|------------------|
| | | | Shareholding percentage | | Cost | |
| | | | 30 September 2022 | 31 December 2021 | 30 September 2022 | 31 December 2021 |
| | | | (%) | (%) | | |
| 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 September 2022 and 31 December 2021, 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.

6.2 Share of comprehensive income and dividend received

During the periods, the Group recognised its share of profit (loss) from investments in associates and dividend received in the consolidated financial statements as follows:

| Company's name | (Unit: Thousand Baht) | | | | | |
|---------------------------------|---|-------|---|-------|-------------------------------|------|
| | For the three-month periods ended 30 September | | | | | |
| | 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 | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Banyan Tree China Pte. Ltd. | (14) | (7) | (735) | - | - | - |
| Thai Wah Public Company Limited | 4,036 | 3,049 | 1,862 | 4,175 | - | - |
| Total | 4,022 | 3,042 | 1,127 | 4,175 | - | - |

| Company's name | (Unit: Thousand Baht) | | | | | |
|---------------------------------|---|--------|---|-------|-------------------------------|--------|
| | For the nine-month periods ended 30 September | | | | | |
| | 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 | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Banyan Tree China Pte. Ltd. | (231) | (10) | (735) | - | - | - |
| Thai Wah Public Company Limited | 25,318 | 22,744 | 3,077 | 9,739 | 19,074 | 11,838 |
| Total | 25,087 | 22,734 | 2,342 | 9,739 | 19,074 | 11,838 |

(Unaudited but reviewed)

6.3 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 September 2022 | 31 December 2021 |
| Thai Wah Public Company Limited | 477 | 490 |

7. Investment properties

As at 30 September 2022, the subsidiaries have pledged investment properties amounting to approximately Baht 799 million (31 December 2021: Baht 799 million) as collateral against credit facilities received from financial institutions.

8. Property, plant and equipment

(Unit: Thousand Baht)

| | Consolidated financial statements | Separate financial statements |
|---------------------------------------|--------------------------------------|----------------------------------|
| At cost / revaluation value | | |
| Balance as at 31 December 2021 | 18,160,792 | 143,004 |
| Additions | 101,165 | 1,006 |
| Disposals and write off | (90,290) | (24,510) |
| Transfer to property development cost | (60,894) | - |
| Translation adjustment | (1,141) | - |
| Balance as at 30 September 2022 | 18,109,632 | 119,500 |
| Accumulated depreciation | | |
| Balance as at 31 December 2021 | (5,669,839) | (103,708) |
| Depreciation charged for the period | (290,169) | (3,293) |
| Disposals and write off | 76,922 | 18,805 |
| Translation adjustment | (1,380) | - |
| Balance as at 30 September 2022 | (5,884,466) | (88,196) |
| Allowance for impairment loss | | |
| Balance as at 31 December 2021 | (161,692) | (2,920) |
| Translation adjustment | 1,790 | - |
| Balance as at 30 September 2022 | (159,902) | (2,920) |
| Net book value | | |
| Balance as at 31 December 2021 | 12,329,261 | 36,376 |
| Balance as at 30 September 2022 | 12,065,264 | 28,384 |

(Unaudited but reviewed)

The subsidiaries have mortgaged land and buildings at fair value of Baht 8,639 million (31 December 2021: Baht 8,758 million) as collateral against credit facilities received from financial institutions.

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

As at 31 December 2021, bank overdrafts carry interest rate of MOR per annum (30 September 2022: Nil).

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 MMR (31 December 2021: MMR, MLR and fixed deposit rate plus 1.5%).

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 8 and by the guarantee provided by subsidiaries.

10. Long-term loans from financial institutions

Movements in the long-term loans account during the nine-month period ended 30 September 2022 are summarised below:

| | (Unit: Thousand Baht) | |
|-----------------------------------|-----------------------------|-----------------------------|
| | Consolidated | Separate |
| | <u>financial statements</u> | <u>financial statements</u> |
| Principal as at 31 December 2021 | 5,367,518 | 1,379,750 |
| Add: Draw down | 37,324 | - |
| Less: Repayments | <u>(526,697)</u> | <u>-</u> |
| Principal as at 30 September 2022 | 4,878,145 | 1,379,750 |
| Less: Deferred financial fees | <u>(9,966)</u> | <u>(4,522)</u> |
| Balance as at 30 September 2022 | <u><u>4,868,179</u></u> | <u><u>1,375,228</u></u> |

The loans are secured by mortgage of plots of land and buildings of its subsidiaries, as described in Notes 4, 7 and 8. 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 6.1.

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 September 2022, the long-term credit facilities of the subsidiaries which have not yet been drawn down amounting to Baht 136 million (31 December 2021: Baht 758 million).

(Unaudited but reviewed)

11. Income tax

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

Income tax expenses for the three-month and nine-month periods ended 30 September 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)

| | For the three-month periods ended 30 September | | | |
|---|--|---------------|----------------------|--------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Current income tax: | | | | |
| Interim corporate income tax charge | 6,504 | 8,440 | - | - |
| Adjustment in respect of income tax of previous year | - | 99 | - | - |
| Write off prepaid withholding tax | - | 615 | - | - |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | 10,188 | 17,204 | (985) | 1,347 |
| Income tax (revenue) expenses reported in the income statement | 16,692 | 26,358 | (985) | 1,347 |

(Unit: Thousand Baht)

| | For the nine-month periods ended 30 September | | | |
|---|---|---------------|----------------------|--------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Current income tax: | | | | |
| Interim corporate income tax charge | 13,612 | 25,962 | - | - |
| Adjustment in respect of income tax of previous year | (115) | 1,118 | - | - |
| Write off prepaid withholding tax | 275 | 615 | - | - |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | 65,751 | 22,790 | (2,747) | (851) |
| Income tax (revenue) expenses reported in the income statement | 79,523 | 50,485 | (2,747) | (851) |

12. CommitmentsCapital commitment

As at 30 September 2022, 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 90 million.
- b) The subsidiaries have commitments that relate to projects to develop properties for sale amounting to Baht 1,257 million.
- c) A subsidiary entered into a sale and purchase agreement for land with unrelated persons, area of 4 rai 64.20 square wah. The remaining Baht 6 million shall be paid in within November 2022.

Operating agreements

As at 30 September 2022, 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. There were no significant changes in terms and basis specified in the agreements during the current period.
- 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 September 2022, the Group has future minimum payments under service agreement, short-term leases and lease of low-value assets amounting to Baht 24 million (the Company only: Baht 3 million).

- c) As at 30 September 2022, the Group has future lease payments required under these non-cancellable leases contracts related to villa/unit rental scheme agreements which have not yet commenced as follows:

| | Consolidated financial statements | Separate financial statements |
|-----------------------------|--------------------------------------|----------------------------------|
| (Unit: Million Baht) | | |
| Payable within: | | |
| In up to 1 year | - | - |
| In over 1 and up to 5 years | 1 | - |

Servitude over land

As at 30 September 2022, some subsidiaries have land servitude of approximately 13 rai in Phuket province, which are presented under property development cost and property, plant and equipment.

13. Guarantees

As at 30 September 2022, there were bank guarantees amounting to 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).

14. 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 revenue and profit (loss) information regarding the Group segments for the three-month and nine-month periods ended 30 September 2022 and 2021 as follows:

(Unit: Million Baht)

| | For the three-month period ended 30 September 2022 | | | | Total |
|--|--|-------------------------|------------------|-------------|--------------|
| | Hotel Business | Property Development | Office Rental | Head Office | |
| Revenue: | | | | | |
| Segment revenues | | | | | |
| Total revenues | 575 | 683 | 10 | - | 1,268 |
| Intersegment revenues | (42) | (2) | (2) | - | (46) |
| Revenue from external customers | <u>533</u> | <u>681</u> | <u>8</u> | <u>-</u> | <u>1,222</u> |
| Results: | | | | | |
| Segment results | <u>(140)</u> | <u>169</u> | <u>3</u> | <u>(46)</u> | <u>(14)</u> |
| Unallocated income | | | | | 5 |
| Loss from operations and other income | | | | | (9) |
| Finance income | - | 11 | - | - | 11 |
| Finance cost | (26) | (8) | - | (16) | (50) |
| Share of profit from investments in associates | | | | | 4 |
| Loss before income tax expenses | | | | | (44) |
| Income tax revenue (expenses) | 10 | (38) | (1) | 12 | (17) |
| Loss for the period | | | | | <u>(61)</u> |

(Unaudited but reviewed)

(Unit: Million Baht)

| | For the three-month period ended 30 September 2021 | | | | |
|--|--|-------------|----------|-------------|--------------|
| | Hotel | Property | Office | | |
| | Business | Development | Rental | Head Office | Total |
| Revenues: | | | | | |
| Segment revenues | | | | | |
| Total revenues | 157 | 102 | 8 | - | 267 |
| Intersegment revenues | (18) | - | (2) | - | (20) |
| Revenue from external customers | <u>139</u> | <u>102</u> | <u>6</u> | <u>-</u> | <u>247</u> |
| Results: | | | | | |
| Segment results | <u>(187)</u> | <u>(6)</u> | <u>2</u> | <u>(28)</u> | <u>(219)</u> |
| Unallocated income | | | | | 5 |
| Loss from operations and other income | | | | | (214) |
| Finance income | - | 12 | - | - | 12 |
| Finance cost | (33) | (5) | - | (18) | (56) |
| Share of profit from investments in associates | | | | | 3 |
| Loss before income tax expenses | | | | | (255) |
| Income tax revenue (expenses) | (25) | (17) | - | 16 | (26) |
| Loss for the period | | | | | <u>(281)</u> |

(Unit: Million Baht)

| | For the nine-month period ended 30 September 2022 | | | | |
|--|---|--------------|-----------|--------------|--------------|
| | Hotel | Property | Office | | |
| | Business | Development | Rental | Head Office | Total |
| Revenue: | | | | | |
| Segment revenues | | | | | |
| Total revenues | 1,616 | 1,592 | 33 | - | 3,241 |
| Intersegment revenues | (119) | (5) | (6) | - | (130) |
| Revenue from external customers | <u>1,497</u> | <u>1,587</u> | <u>27</u> | <u>-</u> | <u>3,111</u> |
| Results: | | | | | |
| Segment results | <u>(297)</u> | <u>406</u> | <u>3</u> | <u>(121)</u> | <u>(9)</u> |
| Unallocated income | | | | | 13 |
| Profit from operations and other income | | | | | 4 |
| Finance income | - | 32 | - | - | 32 |
| Finance cost | (78) | (21) | - | (47) | (146) |
| Share of profit from investments in associates | | | | | 25 |
| Loss before income tax expenses | | | | | (85) |
| Income tax revenue (expenses) | (6) | (100) | (1) | 27 | (80) |
| Loss for the period | | | | | <u>(165)</u> |

(Unaudited but reviewed)

(Unit: Million Baht)

| | For the nine-month period ended 30 September 2021 | | | | |
|--|---|-------------------------|------------------|-------------|-------|
| | Hotel Business | Property Development | Office Rental | Head Office | Total |
| Revenues: | | | | | |
| Segment revenues | | | | | |
| Total revenues | 402 | 511 | 26 | - | 939 |
| Intersegment revenues | (53) | (2) | (6) | - | (61) |
| Revenue from external customers | 349 | 509 | 20 | - | 878 |
| Results: | | | | | |
| Segment results | (621) | 69 | 1 | (72) | (623) |
| Unallocated income | | | | | 28 |
| Loss from operations and other income | | | | | (595) |
| Finance income | - | 36 | - | - | 36 |
| Finance cost | (99) | (30) | - | (54) | (183) |
| Share of profit from investments in associates | | | | | 23 |
| Loss before income tax expenses | | | | | (719) |
| Income tax revenue (expenses) | (24) | (40) | - | 14 | (50) |
| Loss for the period | | | | | (769) |

15. Litigations

15.1 A subsidiary was sued by a buyer of property sales project and claimed for refund of his payment in the amount of Baht 20.9 million plus interest 7.5% calculated from Baht 17.2 million from the plaint date because of the delay of the completion of the construction.

On 16 March 2022, the Phuket Provincial Court dismissed the case.

In July 2022, the plaintiff appealed the Phuket Provincial Court's judgement to the Appeal Court.

On 17 October 2022, the subsidiary submitted the counter appeal statement to the Appeal Court.

The management of the subsidiary does not expect any losses as a result of the case; therefore, no provision has been set up for this case.

15.2 This case was brought to the Southern Bangkok Court on 25 June 2022 in which a buyer of property sales project sued a subsidiary and claimed for returning of their payments in the amount of Baht 0.8 million plus interest 5% calculated from Baht 0.7 million from the plaint date because of the Covid-19 situation as force majeure event. The Southern Bangkok Court set the next mediation on 23 November 2022.

However, the management believes that the subsidiary did not breach the sale and purchase agreements; therefore, it will not incur any losses from the litigation.

(Unaudited but reviewed)

16. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 8 November 2022.