

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 2023

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 as at 30 June 2023, the related consolidated statements of income and comprehensive income for the three-month and six-month periods then ended and the related consolidated statement 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*.

Nummon Kerdmongkhonchai

Certified Public Accountant (Thailand) No. 8368

EY Office Limited

Bangkok: 8 August 2023

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		1,098,289	1,178,455	41,946	45,351
Trade and other receivables	2	753,302	901,674	245,468	281,071
Inventories		92,922	69,884	-	-
Property development cost	4	3,802,538	3,657,997	111,429	111,429
Cost to obtain contracts with customers		311,462	185,667	-	-
Other current financial asset		16,706	16,685	2,374	2,374
Other current assets		260,599	158,962	16,793	10,511
Total current assets		6,335,818	6,169,324	418,010	450,736
Non-current assets					
Other non-current financial assets		951,178	865,168	-	-
Long-term trade accounts receivable	5	380,690	420,722	-	-
Investments in subsidiaries		-	-	4,242,655	4,242,655
Investments in associates	6	980,730	991,141	777,454	777,454
Long-term loans to subsidiaries	3	-	-	1,470,050	1,467,550
Investment properties	7	1,505,506	1,416,981	205,023	194,498
Property, plant and equipment	8	12,186,236	12,250,506	30,797	33,224
Right-of-use assets		36,639	44,680	3,931	4,025
Deferred tax assets		165,686	69,285	-	-
Goodwill		407,904	407,904	-	-
Other non-current assets		67,936	47,602	14,815	10,880
Total non-current assets		16,682,505	16,513,989	6,744,725	6,730,286
Total assets		23,018,323	22,683,313	7,162,735	7,181,022

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 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	9	540,000	1,080,000	150,000	650,000
Trade and other payables		1,194,424	1,321,270	70,018	120,750
Current portion of long-term loans from financial institutions	10	391,977	296,629	30,000	1,500
Current portion of lease liabilities		32,491	59,317	2,221	5,390
Income tax payable		7,641	16,471	-	-
Advance received from customers		2,528,943	1,648,297	-	-
Other current liabilities		375,660	296,419	24,096	22,976
Total current liabilities		5,071,136	4,718,403	276,335	800,616
Non-current liabilities					
Long-term loans from subsidiaries	3	-	-	1,030,000	478,500
Long-term loan from related company	3	-	6,000	-	-
Long-term loans from financial institutions, net of current portion	10	4,270,561	4,521,996	1,344,056	1,373,838
Provision for long-term employee benefits		110,800	106,714	12,862	12,436
Long-term provision - provision for legal case	15	6,504	-	-	-
Deferred tax liabilities		2,904,252	2,862,276	112,979	115,549
Lease liabilities, net of current portion		24,858	35,293	1,773	2,265
Other non-current liabilities		643,211	584,153	131,213	113,808
Total non-current liabilities		7,960,186	8,116,432	2,632,883	2,096,396
Total liabilities		13,031,322	12,834,835	2,909,218	2,897,012

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 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
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)	(7,373)	-	-
Capital reserve	568,131	568,131	-	-
Retained earnings				
Appropriated - statutory reserve	211,675	211,675	211,675	211,675
Unappropriated	(421,825)	(493,903)	171,241	201,734
Other components of shareholders' equity	5,779,044	5,715,776	141,313	141,313
Equity attributable to owners of the Company	9,858,940	9,723,594	4,253,517	4,284,010
Equity attributable to non-controlling interests of the subsidiaries	128,061	124,884	-	-
Total shareholders' equity	9,987,001	9,848,478	4,253,517	4,284,010
Total liabilities and shareholders' equity	23,018,323	22,683,313	7,162,735	7,181,022
	-	-	-	-

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

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Directors
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(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Income statement

For the three-month period ended 30 June 2023

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

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Revenue from hotel operations		765,541	420,714	6,432	3,550
Revenue from property development operations		307,779	404,513	-	-
Revenue from office rental operations		8,414	10,100	2,681	2,903
Other income		1,806	3,772	61,329	35,207
Total revenues		1,083,540	839,099	70,442	41,660
Expenses					
Cost of hotel operations		451,814	331,636	3,778	3,128
Cost of property development operations		132,913	240,075	-	-
Cost of office rental operations		9,953	7,967	1,357	1,169
Selling expenses		136,822	86,516	161	20
Administrative expenses		383,172	265,903	50,822	46,237
Total expenses		1,114,674	932,097	56,118	50,554
Operating profit (loss)		(31,134)	(92,998)	14,324	(8,894)
Share of profit (loss) from investments in associates	6	(4,724)	3,893	-	-
Finance income		10,945	10,352	13,923	10,880
Finance cost		(48,960)	(50,533)	(27,204)	(17,629)
Profit (loss) before income tax expenses		(73,873)	(129,286)	1,043	(15,643)
Income tax revenue (expenses)	11	77,924	(14,391)	975	864
Profit (loss) for the period		4,051	(143,677)	2,018	(14,779)
Profit (loss) attributable to:					
Equity holders of the Company		2,536	(140,622)	2,018	(14,779)
Non-controlling interests of the subsidiaries		1,515	(3,055)		
		4,051	(143,677)		
Earnings per share					
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		0.02	(0.84)	0.01	(0.09)

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 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit (loss) for the period		<u>4,051</u>	<u>(143,677)</u>	<u>2,018</u>	<u>(14,779)</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		(2,187)	(98)	-	-
Share of other comprehensive income from associates	6	1,958	2,148	-	-
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods, net of income tax		(229)	2,050	-	-
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>					
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income		16,638	(16,745)	-	-
Share of other comprehensive income (loss) from associates	6	(3,142)	698	-	-
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods, net of income tax		13,496	(16,047)	-	-
Other comprehensive income (loss) for the period		<u>13,267</u>	<u>(13,997)</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the period		<u>17,318</u>	<u>(157,674)</u>	<u>2,018</u>	<u>(14,779)</u>
Total comprehensive income (loss) attributable to:					
Equity holders of the Company		15,597	(154,838)	2,018	(14,779)
Non-controlling interests of the subsidiaries		1,721	(2,836)	-	-
		<u>17,318</u>	<u>(157,674)</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 2023

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

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Revenue from hotel operations		1,896,234	963,939	24,814	13,082
Revenue from property development operations		533,132	906,325	-	-
Revenue from office rental operations		17,043	18,509	5,793	5,808
Other income		2,883	8,457	83,071	51,506
Total revenues		2,449,292	1,897,230	113,678	70,396
Expenses					
Cost of hotel operations		973,662	677,021	13,216	8,217
Cost of property development operations		243,675	514,563	-	-
Cost of office rental operations		16,737	14,476	2,734	2,386
Selling expenses		290,927	187,225	189	47
Administrative expenses		842,803	490,708	106,109	82,687
Total expenses		2,367,804	1,883,993	122,248	93,337
Operating profit (loss)		81,488	13,237	(8,570)	(22,941)
Share of profit from investments in associates	6	4,814	21,065	-	-
Finance income		22,329	20,819	27,241	22,044
Finance cost		(100,659)	(96,417)	(51,734)	(35,205)
Profit (loss) before income tax expenses		7,972	(41,296)	(33,063)	(36,102)
Income tax revenue (expenses)	11	61,331	(62,831)	2,570	1,762
Profit (loss) for the period		69,303	(104,127)	(30,493)	(34,340)
Profit (loss) attributable to:					
Equity holders of the Company		66,347	(100,493)	(30,493)	(34,340)
Non-controlling interests of the subsidiaries		2,956	(3,634)		
		69,303	(104,127)		
Earnings per share					
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		0.40	(0.60)	(0.18)	(0.21)

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 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit (loss) for the period		<u>69,303</u>	<u>(104,127)</u>	<u>(30,493)</u>	<u>(34,340)</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		(3,429)	4,521	-	-
Share of other comprehensive income from associates	6	5,206	866	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax		1,777	5,387	-	-
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>					
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income		68,809	(44,919)	-	-
Share of other comprehensive income (loss) from associates	6	(1,366)	349	-	-
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods, net of income tax		67,443	(44,570)	-	-
Other comprehensive income (loss) for the period		<u>69,220</u>	<u>(39,183)</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the period		<u>138,523</u>	<u>(143,310)</u>	<u>(30,493)</u>	<u>(34,340)</u>
Total comprehensive income (loss) attributable to:					
Equity holders of the Company		135,346	(140,903)	(30,493)	(34,340)
Non-controlling interests of the subsidiaries		3,177	(2,407)	-	-
		<u>138,523</u>	<u>(143,310)</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 2023

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to the owners of the Company															
		Other components of shareholders' equity										Equity attributable to non-controlling interests		Total shareholders' equity	
		Other comprehensive income										Total equity attributable to owners of the Company		Total equity attributable to non-controlling interests	Total shareholders' equity
		Share discount from change in proportion of investment		Retained earnings			Exchange differences on translation of financial statements in foreign currency	Revaluation surplus on assets	Gain (loss) 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	Total equity attributable to non-controlling interests	Total shareholders' equity	
Issued and fully paid-up		Share premium	in subsidiary	Capital reserve	Appropriated -		statements in foreign currency	on assets	value through other comprehensive income	income (loss) from associates	shareholders' equity	the Company	of the subsidiaries	equity	
share capital		Share premium	in subsidiary	Capital reserve	statutory reserve	Unappropriated	foreign currency	on assets	value through other comprehensive income	income (loss) from associates	shareholders' equity	the Company	of the subsidiaries	equity	
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	-	-	-	-	-	(100,493)	-	-	-	-	-	(100,493)	(3,634)	(104,127)	
Other comprehensive income (loss) for the period	-	-	-	-	-	-	3,294	-	(44,919)	1,215	(40,410)	(40,410)	1,227	(39,183)	
Total comprehensive income (loss) for the period	-	-	-	-	-	(100,493)	3,294	-	(44,919)	1,215	(40,410)	(140,903)	(2,407)	(143,310)	
Reversal of revaluation surplus on disposal of assets	-	-	-	-	-	28,988	-	(28,988)	-	-	(28,988)	-	-	-	
Balance as at 30 June 2022	<u>1,666,827</u>	<u>2,062,461</u>	<u>-</u>	<u>568,131</u>	<u>211,675</u>	<u>(627,556)</u>	<u>118,534</u>	<u>5,421,242</u>	<u>147,007</u>	<u>(5,578)</u>	<u>5,681,205</u>	<u>9,562,743</u>	<u>115,730</u>	<u>9,678,473</u>	
Balance as at 1 January 2023	1,666,827	2,062,461	(7,373)	568,131	211,675	(493,903)	124,270	5,395,189	207,043	(10,726)	5,715,776	9,723,594	124,884	9,848,478	
Profit for the period	-	-	-	-	-	66,347	-	-	-	-	-	66,347	2,956	69,303	
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(3,650)	-	68,809	3,840	68,999	68,999	221	69,220	
Total comprehensive income (loss) for the period	-	-	-	-	-	66,347	(3,650)	-	68,809	3,840	68,999	135,346	3,177	138,523	
Reversal of revaluation surplus on disposal of assets	-	-	-	-	-	5,731	-	(5,731)	-	-	(5,731)	-	-	-	
Balance as at 30 June 2023	<u>1,666,827</u>	<u>2,062,461</u>	<u>(7,373)</u>	<u>568,131</u>	<u>211,675</u>	<u>(421,825)</u>	<u>120,620</u>	<u>5,389,458</u>	<u>275,852</u>	<u>(6,886)</u>	<u>5,779,044</u>	<u>9,858,940</u>	<u>128,061</u>	<u>9,987,001</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 2023

(Unit: Thousand Baht)

	Separate financial statements						
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	Other comprehensive income Revaluation surplus on assets	Total other components of shareholders' equity	
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	-	-	-	(34,340)	-	-	(34,340)
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-
Total comprehensive income (loss) for the period	-	-	-	(34,340)	-	-	(34,340)
Balance as at 30 June 2022	<u>1,666,827</u>	<u>2,062,461</u>	<u>211,675</u>	<u>263,012</u>	<u>141,313</u>	<u>141,313</u>	<u>4,345,288</u>
Balance as at 1 January 2023	1,666,827	2,062,461	211,675	201,734	141,313	141,313	4,284,010
Loss for the period	-	-	-	(30,493)	-	-	(30,493)
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-
Total comprehensive income (loss) for the period	-	-	-	(30,493)	-	-	(30,493)
Balance as at 30 June 2023	<u>1,666,827</u>	<u>2,062,461</u>	<u>211,675</u>	<u>171,241</u>	<u>141,313</u>	<u>141,313</u>	<u>4,253,517</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 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before income tax expenses	7,972	(41,296)	(33,063)	(36,102)
Adjustments to reconcile profit (loss) before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation	197,531	203,977	2,692	2,623
Allowance for expected credit losses (reversal)	23,439	(4,975)	376	17
Write-off bad debt expenses	11,914	-	-	-
Reduction of inventory to net realisable value	311	1,668	-	-
Share of profit from investments in associates	(4,814)	(21,065)	-	-
(Gain) loss on sales of property, plant and equipment	(547)	34	(17)	-
Write off property, plant and equipment	196	607	-	-
Dividend income from investment in subsidiary	-	-	(20,659)	-
Dividend income from investment in associate	-	-	(19,065)	(19,074)
Deferred gain on right-of-use assets	1,431	13,452	-	-
Provision for long-term employee benefits	4,319	4,567	426	427
Provision for legal case	6,504	-	-	-
Finance income	(22,329)	(20,819)	(27,241)	(22,044)
Finance cost	100,659	96,417	51,734	35,205
Profit (loss) from operating activities before changes in operating assets and liabilities	326,586	232,567	(44,817)	(38,948)
Operating assets (increase) decrease				
Trade and other receivables	113,019	(85,755)	(47,774)	(28,780)
Inventories	(23,349)	(2,598)	-	-
Property development cost	(196,420)	97,601	-	-
Cost to obtain contracts with customers	(125,795)	(33,535)	-	-
Other current assets	(103,872)	(62,510)	(6,079)	(839)
Long-term trade accounts receivable	40,032	99,115	-	-
Other non-current assets	(436)	(5,582)	(76)	(1,341)
Operating liabilities increase (decrease)				
Trade and other payables	(133,208)	122,135	(25,588)	12,541
Advance received from customers	880,646	354,353	-	-
Other current liabilities	79,681	34,617	1,227	4,733
Cash paid for provision for long-term employee benefits	(233)	(1,908)	-	(612)
Other non-current liabilities	20,324	8,972	1,754	820
Cash flows from (used in) operating activities	876,975	757,472	(121,353)	(52,426)
Cash received from interest income	22,308	20,819	117,404	20,234
Cash received from income tax refund	-	3,738	-	-
Cash paid for interest expenses	(89,029)	(38,018)	(71,287)	(9,158)
Cash paid for income tax	(36,788)	(26,176)	(4,065)	(1,144)
Net cash flows from (used in) operating activities	773,466	717,835	(79,301)	(42,494)

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 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Increase in long-term restricted deposit at financial institution	-	(23)	-	-
Cash received from long-term loans to subsidiaries	-	-	199,000	123,000
Cash paid for long-term loans to subsidiaries	-	-	(201,500)	(95,000)
Dividend received from investment in subsidiary	-	-	20,659	-
Dividend received from investment in associate	19,065	19,074	19,065	19,074
Cash paid for acquisition of investment properties	(3,845)	-	(3,845)	-
Cash received from sales of property, plant and equipment	683	258	17	-
Cash paid for acquisition of property, plant and equipment	(141,777)	(39,198)	(6,409)	(788)
Net cash flows from (used in) investing activities	(125,874)	(19,889)	26,987	46,286
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans				
from financial institutions	(540,000)	(24,389)	(500,000)	-
Draw down of long-term loans from subsidiaries	-	-	776,000	312,000
Repayment of long-term loans from subsidiaries	-	-	(224,500)	(316,000)
Draw down of long-term loans from financial institutions	62,455	37,324	-	-
Repayment of long-term loans from financial institutions	(219,541)	(94,479)	(1,500)	-
Repayment of long-term loans from related company	(6,000)	(13,950)	-	-
Payment of lease liabilities	(20,040)	(8,034)	(1,091)	(295)
Net cash flows from (used in) financing activities	(723,126)	(103,528)	48,909	(4,295)
Net exchange differences on translation of financial statements in foreign currency	(4,632)	4,822	-	-
Net increase (decrease) in cash and cash equivalents	(80,166)	599,240	(3,405)	(503)
Cash and cash equivalents at beginning of period	1,178,455	731,929	45,351	148,701
Cash and cash equivalents at end of period	1,098,289	1,331,169	41,946	148,198
	-	-	-	-
Supplemental cash flows information				
Non-cash items				
Share of other comprehensive income from associates	3,840	1,215	-	-
Reversal of revaluation surplus on disposal of assets	5,731	28,988	-	-
Interest recorded as property development cost	6,121	4,213	-	-
Addition of right-of-use assets and lease liabilities	5,360	30,251	1,029	-
Transfer from property, plant and equipment to property development cost	-	60,894	-	-
Transfer from property, plant and equipment to investment properties	20,000	-	-	-
Transfer from property development cost to investment properties	58,000	-	-	-
Payable from acquisition of investment properties	6,680	-	6,680	-

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 2023

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 21/9, 21/31 and 21/33, Thai Wah Tower 1, 5th and 12th floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

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.

The interim financial information in Thai language are the official statutory financial information of the Company. The interim financial information in English language have 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 2022. There have been no change in shareholding structure of subsidiaries during the current period, except for the establishment of two companies as described below:

On 12 June 2023, the Board of Directors’ Meeting of TWR Holdings Limited passed a resolution approving TWR Holdings Limited’s investment in the establishment of two new companies, namely Laguna Hospitality Limited and Laguna Global Intertrade Limited, with the purpose of supporting future business expansion. As a result of the establishment, TWR Holdings Limited holds 100 percent of the registered capital for both companies. The incorporation of both companies was registered in Thailand on 28 June 2023, with each company having a registered capital of Baht 2.0 million. The full payment for the shares has already been made.

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 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group’s financial statements.

(Unaudited but reviewed)

2. Trade and other receivables

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Audited)		(Audited)
<u>Trade accounts receivable</u>				
Trade accounts receivable - hotel operations	246,614	310,699	9,997	9,280
Less: Allowance for expected credit losses	(44,690)	(38,216)	(6,897)	(6,521)
Trade accounts receivable - hotel operations, net	201,924	272,483	3,100	2,759
Trade accounts receivable - sales of property				
- installments due	47,606	94,211	-	-
Current portion of long-term trade accounts receivable	259,552	295,607	-	-
Less: Deferred interest income	(12,571)	(11,061)	-	-
Net (Note 5)	246,981	284,546	-	-
Trade accounts receivable - sales of property, net	294,587	378,757	-	-
Trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships	54,863	44,651	-	-
Less: Allowance for expected credit losses	(32,376)	(26,393)	-	-
Trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships, net	22,487	18,258	-	-
Total trade accounts receivable, net	518,998	669,498	3,100	2,759
<u>Other receivables</u>				
Amounts due from related parties (Note 3)	140,865	126,788	209,643	255,722
Villa owner receivables	72,201	90,042	2,871	4,657
Accrued rental income	26,988	16,461	26,988	16,461
Other receivables	30,989	24,642	2,866	1,472
Total other receivables	271,043	257,933	242,368	278,312
Less: Allowance for expected credit losses	(36,739)	(25,757)	-	-
Total other receivables, net	234,304	232,176	242,368	278,312
Total trade and other receivables, net	753,302	901,674	245,468	281,071

(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	31 December	30 June	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
<u>Age of receivables</u>				
Not yet due	49,375	110,087	170	255
Past due				
Up to 30 days	40,897	73,108	366	540
31 - 60 days	26,163	27,241	333	413
61 - 90 days	15,147	9,945	261	279
91 - 120 days	16,810	6,286	1,240	185
Over 120 days	98,222	84,032	7,627	7,608
Total	246,614	310,699	9,997	9,280
Less: Allowance for expected credit losses	(44,690)	(38,216)	(6,897)	(6,521)
Trade accounts receivable - hotel operations, net	<u>201,924</u>	<u>272,483</u>	<u>3,100</u>	<u>2,759</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	31 December	30 June	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
<u>Age of receivables</u>				
Not yet due	250,840	308,393	-	-
Past due				
Up to 30 days	19,473	23,045	-	-
31 - 60 days	9,763	14,728	-	-
61 - 90 days	5,466	6,391	-	-
91 - 120 days	6,013	6,109	-	-
Over 120 days	15,603	31,152	-	-
Total	307,158	389,818	-	-
Less: Deferred interest income	(12,571)	(11,061)	-	-
Trade accounts receivable - sales of property, net	<u>294,587</u>	<u>378,757</u>	<u>-</u>	<u>-</u>

(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 June	31 December	30 June	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
<u>Age of receivables</u>				
Not yet due	2,307	1,775	-	-
Past due				
Up to 30 days	442	1,268	-	-
31 - 60 days	1,273	531	-	-
61 - 90 days	725	1,060	-	-
91 - 120 days	622	651	-	-
Over 120 days	49,494	39,366	-	-
Total	54,863	44,651	-	-
Less: Allowance for expected credit losses	(32,376)	(26,393)	-	-
Trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships, net	22,487	18,258	-	-

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 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Guarantee fee income	-	-	1	1
Guarantee fee expenses	-	-	5	5
Interest income	-	-	14	11
Interest expenses	-	-	10	2
Management fee income	-	-	20	16
Reimbursement receipts	-	-	3	-
Reimbursement payments	-	-	1	-
Rental and service income	-	-	1	-
Rental and service expenses	-	-	-	1
Resort service expenses	-	-	2	-
Dividend income	-	-	21	-
<u>Transactions with associates</u>				
Reimbursement receipts	2	2	-	-
Rental and service income	5	5	-	-
Dividend income	-	-	19	19
<u>Transactions with related companies</u>				
Management fee income	1	1	1	1
Management fee expenses	50	21	-	-
Purchase of spa and gallery vouchers (reversal)	(2)	1	(1)	-
Sale of goods	8	4	-	-
Reimbursement receipts	14	8	4	4
Reimbursement payments	10	27	2	7
Rental and service income	-	3	-	-
Rental return on hotel units (reversal)	(1)	1	-	-
Service fees	5	5	-	-
Training charges	-	5	-	-
Bad debt expenses	12	-	-	-

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Guarantee fee income	-	-	1	1
Guarantee fee expenses	-	-	10	10
Interest income	-	-	27	22
Interest expenses	-	-	16	4
Management fee income	-	-	41	31
Reimbursement receipts	-	-	4	-
Reimbursement payments	-	-	19	19
Rental and service income	-	-	1	1
Rental and service expenses	-	-	3	3
Resort service expenses	-	-	3	1
Dividend income	-	-	21	-
<u>Transactions with associates</u>				
Reimbursement receipts	3	3	-	-
Rental and service income	9	8	-	-
Dividend income	-	-	19	19
<u>Transactions with related companies</u>				
Inter resort payments	-	1	-	-
Management fee income	1	1	1	1
Management fee expenses	137	56	-	-
Purchase of spa and gallery vouchers	2	4	-	1
Sale of goods	9	6	-	-
Reimbursement receipts	35	23	8	9
Reimbursement payments	38	43	3	8
Rental and service income	-	6	-	-
Rental return on hotel units	-	2	-	-
Service fees	9	12	-	-
Training charges	-	5	-	-
Bad debt expenses	12	-	-	-

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)

	30 June 2023	31 December 2022
		(Audited)
Long-term loan facilities	750	300
Overdrafts and bank guarantee facilities	105	105

(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 2023</u>	<u>31 December 2022</u>
		(Audited)
Short-term loan facilities	150	150

As at 30 June 2023 and 31 December 2022, 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 2023	31 December 2022	30 June 2023	31 December 2022
		(Audited)		(Audited)
Amounts due from related parties				
Subsidiaries	-	-	178,179	236,285
Associated companies	3,162	4,608	-	-
Related companies (related by common shareholders)	<u>137,703</u>	<u>122,180</u>	<u>31,464</u>	<u>19,437</u>
Total amounts due from related parties (Note 2)	<u>140,865</u>	<u>126,788</u>	<u>209,643</u>	<u>255,722</u>
Amounts due to related parties				
Subsidiaries	-	-	26,342	48,409
Related companies (related by common shareholders)	<u>70,166</u>	<u>164,014</u>	<u>5,181</u>	<u>7,761</u>
Total amounts due to related parties	<u>70,166</u>	<u>164,014</u>	<u>31,523</u>	<u>56,170</u>

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

As at 30 June 2023 and 31 December 2022, the balance of loans between the Company and those related companies and the movement are as follows:

(Unaudited but reviewed)

Long-term loans to subsidiaries

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2022	Addition	Repayment	30 June 2023
	(Audited)			
Laguna Banyan Tree Limited	989,000	82,000	(161,000)	910,000
Laguna Holiday Club Limited	170,500	111,500	(32,000)	250,000
Laguna Lakes Limited	285,000	3,000	(6,000)	282,000
Banyan Tree Gallery (Thailand) Limited	23,050	-	-	23,050
Laguna (3) Limited	-	5,000	-	5,000
Total	<u>1,467,550</u>	<u>201,500</u>	<u>(199,000)</u>	<u>1,470,050</u>

Long-term loans from subsidiaries

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2022	Addition	Repayment	30 June 2023
	(Audited)			
Laguna (3) Limited	14,500	-	(14,500)	-
TWR - Holdings Limited	255,000	255,000	(75,000)	435,000
Laguna Grande Limited	209,000	521,000	(135,000)	595,000
Total	<u>478,500</u>	<u>776,000</u>	<u>(224,500)</u>	<u>1,030,000</u>

Long-term loan from related company

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2022	Addition	Repayment	30 June 2023
	(Audited)			
Banyan Tree Hotels & Resorts (Thailand) Limited	6,000	-	(6,000)	-
Total	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>	<u>-</u>

(Unaudited but reviewed)

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2023 and 2022, 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	
	2023	2022	2023	2022
Short-term employee benefits	32,354	20,968	16,195	10,111
Post-employment benefits	1,021	808	399	339
Other long-term employee benefits	7	7	1	3
Total	<u>33,382</u>	<u>21,783</u>	<u>16,595</u>	<u>10,453</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	64,840	41,503	32,038	20,441
Post-employment benefits	1,957	1,466	808	569
Other long-term employee benefits	14	14	2	5
Total	<u>66,811</u>	<u>42,983</u>	<u>32,848</u>	<u>21,015</u>

4. Property development cost

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
Land	1,330,804	1,330,804	111,429	111,429
Land and property under construction	1,689,887	1,611,642	-	-
Land and completed buildings	807,072	740,776	-	-
Total	<u>3,827,763</u>	<u>3,683,222</u>	<u>111,429</u>	<u>111,429</u>
Less: Allowance for diminution in value	<u>(25,225)</u>	<u>(25,225)</u>	-	-
Property development cost, net	<u>3,802,538</u>	<u>3,657,997</u>	<u>111,429</u>	<u>111,429</u>

(Unaudited but reviewed)

Subsidiaries have mortgaged property development cost amounting to Baht 1,022 million (31 December 2022: Baht 1,022 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 and installments are repaid over a period of 3 to 5 years.

Long-term trade accounts receivable are due as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2023	31 December 2022
		(Audited)
Sales of property		
Within 1 year	259,552	295,607
Less: Deferred interest income	(12,571)	(11,061)
Current portion of long-term trade accounts receivable, net (Note 2)	246,981	284,546
Over 1 year to 5 years	396,541	435,941
Less: Deferred interest income	(15,851)	(15,219)
Long-term trade accounts receivable, net	380,690	420,722
Total	627,671	705,268

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 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	
			(%)	(%)					
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	763,399	773,807	
Banyan Tree China Pte. Ltd.	Holding company	Singapore	10.69	10.69	173,495	173,495	217,331	217,334	
Total investments in associates, net					950,949	950,949	980,730	991,141	

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			30 June 2023	31 December 2022	30 June 2023	31 December 2022
			(%)	(%)		
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 2023 and 31 December 2022, 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 (loss) and dividend received

During the three-month and six-month periods ended 30 June 2023 and 2022, the Group has recognised their share of comprehensive income (loss) from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

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	
	2023	2022	2023	2022	2023	2022
Banyan Tree China Pte. Ltd.	(8)	(22)	-	-	-	-
Thai Wah Public Company Limited	(4,716)	3,915	(1,184)	2,846	19,065	19,074
Total	(4,724)	3,893	(1,184)	2,846	19,065	19,074

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 from investments in associates		Dividend received	
	2023	2022	2023	2022	2023	2022
Banyan Tree China Pte. Ltd.	(3)	(217)	-	-	-	-
Thai Wah Public Company Limited	4,817	21,282	3,840	1,215	19,065	19,074
Total	4,814	21,065	3,840	1,215	19,065	19,074

(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:

Associate	Fair values as at	
	30 June 2023	31 December 2022 (Audited)
Thai Wah Public Company Limited	373	459

7. Investment properties

As at 30 June 2023 and 31 December 2022, the subsidiaries have pledged investment properties amounting to approximately Baht 821 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 2022	18,355,777	124,807
Additions	141,777	6,409
Disposals and write off	(14,144)	(228)
Transfer to investment properties	(20,000)	-
Adjustments	844	(7,268)
Balance as at 30 June 2023	18,464,254	123,720
Accumulated depreciation		
Balance as at 31 December 2022	(5,946,193)	(88,663)
Depreciation charged for the period	(185,429)	(1,569)
Disposals and write off	13,812	228
Adjustments	(303)	1
Balance as at 30 June 2023	(6,118,113)	(90,003)
Allowance for impairment loss		
Balance as at 31 December 2022	(159,078)	(2,920)
Translation adjustments	(827)	-
Balance as at 30 June 2023	(159,905)	(2,920)
Net book value		
Balance as at 31 December 2022	12,250,506	33,224
Balance as at 30 June 2023	12,186,236	30,797

(Unaudited but reviewed)

The subsidiaries have mortgaged land and buildings at fair value of Baht 8,553 million (31 December 2022: Baht 8,634 million) as collateral against credit facilities received from financial institutions.

9. Short-term loans from financial institutions

Short-term loans from financial institutions represent promissory notes with maturity dates within 1 to 3 months. Short-term loans from financial institutions carry interest rate of MMR.

These 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 six-month period ended 30 June 2023 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Principal as at 31 December 2022	4,829,356	1,379,750
Add: Draw down	62,455	-
Less: Repayments	(219,541)	(1,500)
Principal as at 30 June 2023	4,672,270	1,378,250
Less: Deferred financial fees	(9,732)	(4,194)
Balance as at 30 June 2023	<u>4,662,538</u>	<u>1,374,056</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 the Company 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 June 2023, the long-term credit facilities of the subsidiaries which have not yet been drawn down amounting to Baht 674 million (31 December 2022: Baht 323 million).

(Unaudited but reviewed)

11. 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 expenses for the three-month and six-month periods ended 30 June 2023 and 2022 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	6,354	(1,340)	-	-
Adjustment in respect of income tax of previous year	1,174	(687)	-	-
Write off prepaid withholding tax	-	214	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(85,452)	16,204	(975)	(864)
Income tax (revenue) expenses reported in the income statement	(77,924)	14,391	(975)	(864)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	9,452	7,108	-	-
Adjustment in respect of income tax of previous year	845	(115)	-	-
Write off prepaid withholding tax	-	275	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(71,628)	55,563	(2,570)	(1,762)
Income tax (revenue) expenses reported in the income statement	(61,331)	62,831	(2,570)	(1,762)

12. CommitmentsCapital commitment

As at 30 June 2023, 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 80 million.
- b) The subsidiaries have commitments that relate to projects to develop properties for sale amounting to Baht 2,215 million.
- c) A subsidiary entered into a sale and purchase agreement for land with unrelated persons, area of 1 rai 2 ngan 3.9 square wah. The remaining Baht 9 million shall be paid in within 12 November 2023.

Operating agreements

As at 30 June 2023, 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 June 2023, the Group has future minimum payments under service agreement, short-term leases and lease of low-value assets amounting to Baht 38 million (the Company only: Baht 2 million).

- c) As at 30 June 2023, 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 over 1 and up to 5 years	3	-

Servitude over land

As at 30 June 2023, some subsidiaries have land servitude of approximately 11 rai in Phuket province, which are presented under property development cost and property, plant and equipment.

13. Guarantees

As at 30 June 2023, there were bank guarantees amounting to Baht 49 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 information regarding the Group segments for the three-month and six-month periods ended 30 June 2023 and 2022 as follows:

(Unit: Million Baht)

	For the three-month period ended 30 June 2023				
	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenue:					
Segment revenue					
Total revenues	821	310	9	-	1,140
Intersegment revenues	(56)	(2)	(1)	-	(59)
Revenue from external customers	<u>765</u>	<u>308</u>	<u>8</u>	<u>-</u>	<u>1,081</u>
Results:					
Segment results	<u>(24)</u>	<u>44</u>	<u>(4)</u>	<u>(49)</u>	<u>(33)</u>
Unallocated income					2
Loss from operations and other income					(31)
Finance income	1	10	-	-	11
Finance cost	(29)	(2)	-	(18)	(49)
Share of loss from investments in associates					(5)
Loss before income tax expenses					(74)
Income tax revenue	70	-	1	7	78
Profit for the period					<u>4</u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 30 June 2022

	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenue:					
Segment revenues					
Total revenues	454	405	12	-	871
Intersegment revenues	(33)	(1)	(2)	-	(36)
Revenue from external customers	<u>421</u>	<u>404</u>	<u>10</u>	<u>-</u>	<u>835</u>
Results:					
Segment results	<u>(138)</u>	<u>84</u>	<u>(1)</u>	<u>(42)</u>	<u>(97)</u>
Unallocated income					<u>4</u>
Loss from operations and other income					(93)
Finance income	-	10	-	-	10
Finance cost	(26)	(8)	-	(17)	(51)
Share of profit from investments in associates					<u>4</u>
Loss before income tax expenses					(130)
Income tax revenue (expenses)	(7)	(14)	-	7	<u>(14)</u>
Loss for the period					<u>(144)</u>

(Unit: Million Baht)

For the six-month period ended 30 June 2023

	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenue:					
Segment revenue					
Total revenues	2,014	537	20	-	2,571
Intersegment revenues	(118)	(4)	(3)	-	(125)
Revenue from external customers	<u>1,896</u>	<u>533</u>	<u>17</u>	<u>-</u>	<u>2,446</u>
Results:					
Segment results	<u>148</u>	<u>34</u>	<u>(4)</u>	<u>(99)</u>	<u>79</u>
Unallocated income					<u>3</u>
Profit from operations and other income					82
Finance income	1	21	-	-	22
Finance cost	(60)	(5)	-	(36)	(101)
Share of profit from investments in associates					<u>5</u>
Profit before income tax expenses					8
Income tax revenue	26	14	1	20	<u>61</u>
Profit for the period					<u>69</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month period ended 30 June 2022				
	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenue:					
Segment revenues					
Total revenues	1,041	909	23	-	1,973
Intersegment revenues	(77)	(3)	(4)	-	(84)
Revenue from external customers	<u>964</u>	<u>906</u>	<u>19</u>	<u>-</u>	<u>1,889</u>
Results:					
Segment results	<u>(157)</u>	<u>237</u>	<u>-</u>	<u>(75)</u>	<u>5</u>
Unallocated income					<u>8</u>
Profit from operations and other income					13
Finance income	-	21	-	-	21
Finance cost	(52)	(13)	-	(31)	(96)
Share of profit from investments in associates					<u>21</u>
Loss before income tax expenses					(41)
Income tax revenue (expenses)	(16)	(62)	-	15	<u>(63)</u>
Loss for the period					<u>(104)</u>

15. Litigation

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.

On 17 March 2023, the Appeal Court reversed the Phuket Provincial Court's judgement and ordered the subsidiary to return of Baht 17.2 million plus interest at 7.5% from the date of the plaint to 10 April 2021 and interest at 5% from 11 April 2021 until the payment has been paid in full.

On 20 April 2023, the subsidiary has submitted the appeal statement to the Supreme Court.

As at 30 June 2023, the subsidiary set up provision of Baht 6.5 million for such interest. The principal amount of Baht 17.2 million was previously recorded in advance received from customers account, however; it was reclassified to other payable during the period.

16. Event after reporting period

On 12 July 2023, a subsidiary entered into nine sale and purchase agreements for land with unrelated persons, having total area of 51 rai 2 ngan 9.7 square wah. The subsidiary paid the deposits of Baht 77 million on the commencement date. The remaining Baht 210 million shall be paid in within 12 April 2024.

17. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 8 August 2023.